

LEGISLATIVE ASSEMBLY

Thursday, 5th March, 1992

Mr Speaker (The Hon. Kevin Richard Rozzoli) took the chair at 9.30 a.m.

Mr Speaker offered the Prayer.

CASINO CONTROL BILL

Bill introduced and read a first time.

Second Reading

Mrs COHEN (Badgerys Creek - Chief Secretary and Minister for Administrative Services) [9.31]: I move:

That this bill be now read a second time.

This bill is introduced into the Parliament after an extended period of public review and examination unprecedented for any casino legislation known in the world. This bill has been subjected to analysis by Australian and international casino regulators and authorities. It has been scrutinised by such expert bodies as the Australian Institute of Criminology. It has been rigorously probed by law enforcement organisations such as the New South Wales Crime Commission and the New South Wales Police Service. The Independent Commission Against Corruption has been consulted on corruption prevention aspects of the bill. It represents the outcome of close co-operation between the governments of Victoria and New South Wales to develop, on a bipartisan basis, the strongest harmonious legislation in the world today. It has been widely distributed as an exposure bill for public comment. Finally, the bill has been examined and reported upon by the Hon. Sir Laurence Street, the former Chief Justice of New South Wales, as a specific term of reference for the inquiry into the establishment and operation of legal casinos in New South Wales.

The Government's detailed, cautious and open process in developing these laws to control legal casinos establishes its credentials to introduce this legislation into the Parliament. I will not dwell at length on the history of the attempts by the Labor Government to establish legal casinos in this State in the mid 1980s, but I will say that the unhappy episode provided several lessons to government. One of the most important lessons is that any legislation creating legal casinos must be comprehensive, effective and immune from controversy. When contrasted with the bill presented today by this Government, the now repealed Darling Harbour Casino Act of 1986 stands exposed with all its flaws. On the kindest view the Labor Government's Darling Harbour Casino Act was less than adequate. It created structures and processes which doomed that Government to fail in several attempts to establish a legal casino. When this coalition was in opposition, it sought to bring to the attention of the Labor Government the deficiencies of the Darling Harbour casino legislation. In the debate on the Darling Harbour Casino Bill in this place on 29th April, 1986, the then Leader of the Opposition

and now Premier, Treasurer and Minister for Ethnic Affairs spoke some prophetic words:

The second area of major concern is the failure to appoint a gaming commission or similar body to oversee the licensing and operation of the casino.

Page 514

He went on to say:

Instead of a single agency charged with the supervision of the licensing process and the oversight of casino policy, we were to have a fragmented piecemeal approach that is almost guaranteed to fail.

These were prophetic words, but the Labor Government did not heed the sincere alert and went on its own unfortunate way. This bill is not a rewrite of the Darling Harbour Casino Act. It does not carry the inherent failings of that earlier law. It is new law. It is modern casino law. It has been described as the third generation of Australian casino law. It has also been described as draconian. If that implies that it is tough, if that implies that it imposes high standards of suitability on persons to be associated with casinos and if that implies that there will be no legal casinos unless those standards are met, then draconian law it is. The Government proposes through this legislation that no more than two casino licences be issued in the State. Two casinos in Sydney will bring substantial benefits to the New South Wales economy and, in turn, to the citizens of this State. Sir Laurence Street indicated in his report that there were significant benefits in terms of attracting tourists, providing infrastructure services, serving as a catalyst for development, yielding significant government revenues and, finally but most importantly in the present economic climate, providing thousands of jobs.

The Government has not sought to identify specific locations for the two casinos provided for in this legislation. Indeed the Government is prohibited from specifying a particular site unless it is Crown land. Consistent with this Government's philosophy of all decisions concerning casinos being made objectively and dispassionately and being based on proper consideration of all the facts, the Government will take advice from the proposed Casino Control Authority before determining the exact location of the two casinos. It is sufficient for me to say at this time that it is the Government's view that the maximum economic benefit would be derived from the establishment of a large open casino in the Darling Harbour-city west precinct of Sydney and a small boutique casino in Sydney's central business district. But I reiterate that the final decisions on location will be taken on the advice of the proposed Casino Control Authority, as the bill requires.

It is appropriate at this point that I turn to specific matters raised by the inquiry into the establishment and operation of legal casinos in New South Wales. The inquiry, commissioned by the Government in August last year, was headed by Sir Laurence Street. Sir Laurence, one of the most distinguished chief justices of the Supreme Court of New South Wales, considered the proposal for casinos in New South Wales under terms of reference broadly covering the following areas: the social impact upon individuals and families; the impact upon tourism, employment and economic development; the process for the establishment of casinos; and, significantly, the adequacy of the draft legislation to ensure the integrity of New South Wales casinos and that they remain free from criminal infiltration. Sir Laurence completed his report at the end of November last year. Honourable members will recall that I tabled the report of the inquiry in this place on 3rd December, 1991. I consider Sir Laurence's report to be a thorough and balanced appraisal of the impact of casinos. The report presented 54 conclusions and

recommendations. The positive aspects of establishing legal casinos were highlighted in Sir Laurence's report. These include, amongst other things, the potential for improvements to Sydney's cultural, community and recreational facilities. I quote Sir Laurence:

. . . Informed circles, including the tourism task force, the Sydney Convention and Visitors Bureau and the New South Wales Tourism Commission . . . all agreed that a casino licence should be viewed as a powerful tool in facilitating the provision of a major multi-purpose facility. This could

Page 515

include much needed theatre accommodation and other resort and recreational developments. The calibre of the facility would need to be sufficient to surpass other casino-related developments in Australia.

Highlighting the value of tourism to New South Wales Sir Laurence said:

Sydney is the most popular destination in Australia for both international and domestic visitors. Of the 2.2 million international visitors to Australia in 1990, approximately 66 per cent visited Sydney, 30 per cent visited Melbourne, and 21 per cent visited Brisbane. In the domestic field, Sydney received 4.1 million visitors in 1989-90, the largest share - 7 per cent - of the total visits made by Australian residents to tourist destinations within Australia, followed by Melbourne, 5.5 per cent and Brisbane, 4.5 per cent.

The Government fully expects the casino developments to boost tourism in this State. I refer to Sir Laurence's finding that:

. . . the casinos and associated facilities will add to the attractiveness of Sydney as a destination and will encourage visitors, both international and domestic, to increase their length of stay in Sydney. This will in turn result in attendant revenue and employment benefits to the State.

The Government is aware of the revenue which New South Wales forgoes to other casino States, when residents of this State visit interstate casinos. Sir Laurence referred to this also. He said:

It is important to note that tourism benefits are not only measured by the level of international and interstate visitors, but also by the extent to which New South Wales residents can be influenced not to travel outside the State.

In summarising he said:

The menu of Sydney's tourist attractions will be enhanced by the introduction of casinos and the distinctively high-quality developments that can be required to be provided with them . . .

I am satisfied that the introduction of casinos will provide a unique opportunity to obtain for Sydney a substantial enhancement of the city's tourist attractions such as an associated major entertainment development. Equally I am satisfied that, together with the casinos themselves, this will have a positive effect on tourism in Sydney in particular and in the State in general.

There will also be infrastructure and related gains in whatever localities are chosen for the casinos. Again I refer to Sir Laurence's report where he states:

It is the opinion of both the Department of State Development and the Building Owners and Managers Association of Australia that a casino will be a catalyst in promoting the strategic redevelopment of city west. I agree with these views.

Sir Laurence also holds the view that it is reasonable to anticipate that there will be increased economic activity for hotels and businesses in the proximity of the proposed casino in Sydney's central business district. In addition, of course, are the revenue implications which will arise from the establishment of casinos in Sydney. Sir Laurence concluded that the gross revenue to the two proposed casinos could be of the order of \$500 million annually. He said:

The Government can expect revenue from casino taxation of up to \$100 million per annum, depending on the nature and extent of the facilities that the casinos provide. Additional revenue to Government will accrue from payroll tax, land tax, stamp duties and possible sale or lease of one or both sites.

Perhaps one of the most important positive impacts will be the result that the casinos will have upon the employment situation in New South Wales. No one can fail to be aware of the dismal state of the Australian economy. Australia is in the grip of a national and
Page 516

international recession. In January this year national unemployment was 10.3 per cent, in Victoria 10.9 per cent, in Queensland 10.1 per cent. New South Wales had the lowest rate of unemployment at 9.8 per cent - better than these other States but still a problem we have to face. The casino developments in New South Wales will make a significant contribution to the provision of jobs for the people of New South Wales. Again I quote Sir Laurence:

Employment opportunities will be created through both the construction and operation of the casinos. Additional direct employment will be created from the construction of the casinos and the associated facilities to be provided with the casino development. Indirect employment will result from the supply of goods and services.

One can see why the casinos will be of such value to New South Wales. This Government has been concerned about the social impact of legal casino gaming. The very fact that we established the public inquiry is testimony to this. Gambling related problems exist in our community - that is an unfortunate reality. Sir Laurence recommended that the draft legislation be amended to widen the objects of the proposed authority to ensure that all reasonable steps can be taken to contain and control the potential of casinos to cause harm to the public interest and to individuals and families. This amendment has been duly made and is now incorporated in the legislation before the House. The report of the inquiry emphasised the widespread nature of gambling in Australia and that there are already people with gambling related problems from racing and from gaming machines.

While it is impossible to estimate the exact numbers that will be affected, the introduction of legal casinos will increase the number of problem gamblers and increase the demand for social and related services. This is a logical conclusion for Sir Laurence to draw. This Government does not shy away from that reality. We are prepared to tackle these problems. The bill provides for the creation of a community benefit fund by the imposition of a levy on each casino operator. The significant funds derived from the

community benefit levy as well as the casinos' significant revenue raising capacity will make it possible to better address the social concerns and need for research into gambling issues. Sir Laurence recommended a range of consumer protection measures which the Government has adopted. These include: the prohibition on credit betting; the prohibition of automatic teller machines within the casino boundaries; training courses for casino staff to assist them to identify problem gamblers; the placement of signs informing people with gambling problems of sources of help; the availability of self-banning orders for those individuals with gambling problems; the regulation of gambling advertising; and guidelines to cover inducements provided by casinos to gamblers.

Sir Laurence also looked at the procedures necessary to establish legal casinos. His report said that the most prominent risk in the selection of a casino operator is the politicisation of the process which, he noted, is avoided under the draft New South Wales bill. It is avoided in the bill as now presented to the Parliament. Sir Laurence noted that the introduction of casinos was feared by some on criminological grounds. In the preface of his report, Sir Laurence identified three requirements which if met would enable any fears of a criminological nature to be placed aside. The three requirements are: the selection of an operator whose integrity and commitment to preserving a crime-free environment in, and in relation to, the casino are assured; the formulation of a comprehensive regulatory structure for the operation of the casino; and the diligent enforcement of that regulatory structure. Sir Laurence went on to say:

I am satisfied, and in this I have the endorsement of the Australian Institute of Criminology, that the proposed bill is fully adequate both in its recognition of these three imperatives

Page 517

and in creating a comprehensive statutory framework within which they can be achieved.

Sir Laurence's strong endorsement confirms that this bill has created perhaps the most stringent legislative apparatus for casino control in the world. Drawing upon, and in places strengthening, the principles of the tough New Jersey legislation this bill sets in place a regulatory framework which will ensure the integrity of casino gaming in New South Wales. Again I quote Sir Laurence:

I am entirely satisfied that the principles of the bill, the provisions contained in it and the mechanisms and controls that can be implemented under it, combine to create a fabric in which the casinos can be protected from influence and exploitation, kept free from money laundering and maintained as places for honest gaming.

I am proud that Sir Laurence's objective and comprehensive findings endorse this legislation. And I am proud that where critical, this Government has not shirked its community responsibilities to take up Sir Laurence's recommendations. The bill as presented to the Parliament embodies the structures and mechanisms which Sir Laurence found to be fully adequate. The recommendations which Sir Laurence made to further strengthen the bill have been taken up by this Government. I now turn to a closer examination of the important principles of the legislation. The bill contains measures to ensure that casino operations in New South Wales will be conducted in the public interest, and to the highest order of integrity. The object of the bill is to provide for the establishment of two legal casinos in New South Wales and to control their operations. The bill provides that gaming in the casinos is lawful where it is conducted by or on behalf of the holder of a casino licence. Incorporated in the bill are principles for the allocation of the functions of government. The public policy function of determining the

size of the casino market in New South Wales is reserved for Parliament itself through this legislation. The function of allocating licences to casino operators is the process of deciding who shall be permitted to operate in the market. This is seen as the domain of the proposed Casino Control Authority, a statutory body. The authority will also licence key employees. Day-to-day surveillance of casinos will be vested in a separate entity, the Director of Casino Surveillance.

This structure will ensure a separation of powers and responsibilities that is fundamental to the integrity and the success of the process. The boundaries of responsibility for each function are clearly defined to establish accountability. Appropriate checks and balances are provided for. The bill defines the powers of the Minister. The Minister's functions and powers under the proposed Act are generally limited to the establishment of the authority, and the determination of significant matters of public policy. The Minister will determine matters such as the permissible locations of the two casinos, the style and size of the casinos, and associated developments such as a hotel or other complex, or other matters concerning the establishment of the casinos; direct the authority to publicly invite expressions of interest or applications for the casino licences; where necessary, direct the authority to conduct investigations into casino operations; and after consultation with the authority, issue directions and furnish guidelines to the authority concerning matters of public interest.

The authority must exercise its functions in a manner that is consistent with any ministerial directions. Any directions or guidelines issued by the Minister to the authority will be required to be published in the *Government Gazette* and tabled in the Parliament. The Minister cannot issue directions and guidelines to the authority in relation to the determination of applications for a casino licence or casino employee licences or the taking of disciplinary action against licensees. The bill constitutes a Casino Control Authority, which will comprise five members appointed by the Governor.

Appointments

Page 518

will occur on the recommendation of the Minister. It is the Government's intention that appointment to the authority will follow advertisement of the positions and an exhaustive selection process. The bill requires that persons appointed to the authority be of the highest standard of integrity. For this purpose the Minister will be required to obtain reports from the Commissioner of Police. Members of the authority must have qualifications in one or more of the fields of business management, gaming, law, finance and information technology.

The objects of the authority will be to maintain and administer systems for the licensing, supervision and control of casinos, for the purpose of ensuring that the management and operation of casinos remains free from criminal influence or exploitation; ensuring that gaming in casinos is conducted honestly; promoting tourism, employment and economic development generally in the State; and containing and controlling the potential of the two casinos to cause harm to the public interest and to individuals and families. The authority will be the body responsible for calling for expressions of interest for the establishment and operation of the casinos, calling for applications for the casino licences, considering those applications, granting casino licences with or without conditions, approving rules of games and gaming equipment, and for disciplining licensees.

The authority is not to invite expressions of interest or applications except at the direction of the Minister. The invitations must be consistent with any ministerial directions and must be made publicly. The authority will be able to conduct negotiations and enter into agreements on behalf of the Crown. The authority will also be able to

hold public or private inquiries for the purpose of exercising any of its functions. The bill requires the authority to report to Parliament annually and to include in its reports details of any licences granted, disciplinary action taken, directions by the Minister, and a summary of any investigations undertaken. The authority will also report to the Minister on the efficiency and effectiveness of the functions undertaken by the Director of Casino Surveillance.

The Governor, on the recommendation of the Minister, will be able to appoint a person to be the Director of Casino Surveillance. The director's functions, independent of those of the proposed authority, will include the following: to supervise and inspect the operations of the casinos and the conduct of gaming in the casinos; to appoint, supervise, direct and control inspectors; to detect offences in the casinos and to prosecute offences; to consider applications for licences and report on those and on the need for disciplinary action against licensees; to report to the authority and the Minister on specific matters related to the casinos as the authority or the Minister requests; to report generally to the authority and the Minister on the administration of the Act; and to assist the authority generally, as the authority sees fit.

The director will be able to appoint inspectors, who will be subject to the direction and control of the director. Inspectors will supervise the operations in the casinos, inspect gaming equipment, supervise casino counts, assist in the detection of offences, and receive and investigate complaints from patrons. Inspectors will have considerable powers to enable them to undertake their functions. The inspectors' powers will also be conferred on the director. A person will not be eligible to be appointed either as a member of the authority or as director if they have been employed during the previous four years by a casino operator, or if they have had any business or financial relationship with a casino operator during that time. Similarly, staff of the authority and inspectors will not be able to have been employed by or had a financial arrangement with a casino operator during the past four years, but in the case of these staff members, the

Page 519

authority will have the discretion to approve their appointment in particular cases.

A member of the authority, the director, the staff of the authority and inspectors will be prohibited from being employed in any capacity by a casino operator during the term of their appointment. There will also be a prohibition on subsequent employment by a casino operator of a member of the authority or the director for a period of four years. A similar prohibition will apply to staff, subject to the discretion of the authority. The bill contains secrecy provisions and bribery prohibitions which are also aimed at ensuring the integrity of the authority, the director, and their respective staff. The bill establishes the process under which expressions of interest and or applications for the two casino licences may be called for and granted. I have already outlined broadly the powers of the Minister and the authority. The process which flows from this provides that the Minister, following advice from the authority, will determine matters such as the permissible location of the casinos, the required style and size of the casinos, and any development which is required to be undertaken in conjunction with the establishment of the casinos.

A determination as to the location of the casinos will be able to specify a particular site only if that site is owned by the Crown. In other cases the Minister is empowered to specify a general locality only. The Minister will then be able to direct the authority to call publicly for expressions of interest in line with the determination. The Minister will also be able to direct the authority to invite applications publicly for a casino licence in line with the Minister's determination. The authority will be required to provide the same information to all parties expressing interest. In determining

applications for a licence the authority will be required to take certain matters into account. Generally, these matters include: the suitability and integrity of the applicant and close associates of the applicant; the standard and nature of the proposed casino, and the facilities to be provided in and with it; the likely impact of the casino on tourism, employment and economic development generally in the region; and the expertise of the applicant having regard to the obligations of a casino licensee.

The bill will impose strict probity requirements on who may be granted a casino licence. The authority must consider whether an applicant and associates of the applicant are of good repute, having regard to character, honesty and integrity. The authority must also consider the financial background and viability of an applicant and their experience and business ability in the management of the operation of casinos. The authority will be prohibited from granting a licence unless it is satisfied that the applicant is a suitable person to be associated with the conduct of a casino. The test of suitability is one which must be applied by the authority in light of the obligation imposed upon the authority by this bill to ensure that the management and operation of casinos is free from criminal influence and exploitation. This is an obligation which requires that the authority rigorously assess the suitability of those persons who seek to involve themselves in the management and operation of casinos. The authority is empowered by this legislation to be invasive and exhaustive in its search for information and in its probing of the background of individuals. The authority is obliged to carry out these duties diligently and to act to exclude from involvement with the casinos any person about whose integrity, honesty and overall suitability the authority has significant doubt. In carrying out its investigations into applicants for casino licences the authority is obliged to obtain reports from the Commissioner of Police and the Director of Casino Surveillance and is at liberty to obtain information from law enforcement agencies and other sources before issuing a licence. Before issuing a licence it is also incumbent on the authority to similarly investigate any person who is or will be an associate of the applicant.

The authority will be able to grant a licence subject to conditions. These conditions will be able to be amended at any later time by the authority. Many of the

Page 520

requirements which the bill will impose on each casino licensee will be deemed to be conditions of the licence. A casino licence remains in force for the period for which it is granted unless it is sooner cancelled or surrendered. Surrender is possible only with the authority's consent. Casino licences, when issued, will define the boundaries of the casinos. These boundaries can subsequently be changed only with the approval of the authority. The authority will be able to cancel or suspend a licence; impose a penalty of up to \$1 million; amend the terms or conditions of a licence; or issue a letter of censure to the operator. A pecuniary penalty imposed by the authority as a disciplinary measure can be recovered as a debt up to six years after the occurrence of the matter constituting grounds for the measure.

The grounds for taking disciplinary action will include: the licence has been improperly obtained; the Act or a condition of the licence is being or has been contravened; the authority believes that the casino premises are no longer suitable; the authority believes that the licensee is no longer suitable; the authority no longer considers it to be in the public interest that the licence should remain in force. Disciplinary action can be decided only at a meeting of the authority attended by a member of the authority with special legal qualifications. Appeals are allowed only against cancellation, suspension or amendment of a licence and the appeals must be to the Supreme Court on points of law only. As an alternative to taking disciplinary action the authority will be able to issue an order to rectify the matter causing concern. If the order is not complied

with then the authority would take the disciplinary action.

The authority will be empowered to appoint a manager to operate a casino in the event of the licence being suspended, cancelled or surrendered. The authority will be able to issue directions to a licensee in relation to the conduct, supervision or control of operations in a casino. The authority is able to investigate a casino at any time, but in any case will be required to investigate at least once every three years to determine the suitability of each operator and whether it is in the public interest that the particular casino licence remain in force. The Minister may direct the authority to investigate at any time within the statutory three years. Also, the authority will be able to require an operator or any related person to provide information, and failure to provide that information will be able to be punished by the Supreme Court as contempt.

The Supreme Court may grant injunctions to prevent contraventions of the Act or of a condition of the licence. Each operator will be required as a condition of the casino licence to inform the authority of, and in some cases obtain its approval for, any change in its state of affairs. In the case of a major change in the state of an operator's affairs, such as one which results in a person becoming a close associate of a casino operator, the authority is constrained from granting approval unless satisfied that the person is a suitable person to be associated with the management of a casino. An operator must prevent, where it is within its power to do so, a major change in the state of affairs from occurring except with the prior approval of the authority.

The authority will be empowered to control contracts relating to the supply of goods and services to the casinos. The operators will have to notify the authority of major contracts prior to entering into them, and the authority will be able to order that an operator does not enter into any one of these controlled contracts. All other contracts will have to be notified to the authority after having been entered into. The authority will be able to order that any contract be terminated on the basis that it is not in the public interest that the contract remain in force. It will be an offence to give effect to a controlled contract that has been terminated. A party to a controlled or notifiable contract may be required by the authority to furnish information and answer questions.

Certain

Page 521

special employees of the casinos will be required to be licensed by the authority. The categories of special employee encompass almost every person who will be actively engaged in casino operations. The bill defines a special employee as a person who is employed in the casino in a managerial capacity or who is authorised to make decisions, involving the exercise of discretion, that regulate operations in the casino; or a person who is employed or working in the casino in any capacity relating to the conduct of gaming, the movement of money or chips about the casino, the exchange of money or chips to patrons in the casino, the counting of money or chips in the casino, and the operation, maintenance, construction or repair of gaming equipment; and includes persons carrying out the casino security functions.

The authority will be able to deem certain persons to have a special relationship with an operator, and these people will also be required to be licensed. The authority will be able to seek a range of information and material from persons applying for a special employee licence, including fingerprints and photographs. There are provisions for the up-dating of an application, where necessary. The Director of Casino Surveillance will undertake the detailed investigation of each applicant, report back to the authority and recommend either that the application be granted or refused. The authority will then determine the application. The authority is not to grant a special employee licence unless satisfied that the applicant is a suitable person to exercise the intended

functions. For that purpose, the authority is to make an assessment of the integrity, responsibility, personal background and financial stability of the applicant; the general reputation of the applicant having regard to character, honesty and integrity; and the suitability of the applicant to perform the type of work proposed to be performed by the applicant as a licensee. The authority will be able to suspend or cancel an employee's licence as a disciplinary measure. Alternatively, the authority may censure the licensee or vary the licence.

The licences will be valid for up to twelve months and may be renewed. A holder of an employee's licence must display the licence while on duty in a casino. The authority will not be required to give reasons for any decision on its determination of applications for either a casino licence or an employee's licence. However, reasons may be given if the authority thinks it fit to do so. There will be extensive controls over the operations of the casinos, including control by the authority over the casino layout, games and rules for games, and gaming equipment, a prohibition on minors being on the premises, strict controls over cashing of cheques and deposit accounts established by patrons, bans on an operator providing credit to patrons and bans on automatic teller machines on casino premises, controls over any promotions of gaming in a casino which involve provision of services on a complimentary basis, provision for orders to be issued excluding persons from a casino, provisions for right of entry to a casino by inspectors and police, and rights of detention of persons suspected of committing an offence against the Act, a prohibition on regulatory officials and casino employees gambling in the casinos and severe penalties for bribery, cheating and forgery.

A game is not to be played in a casino unless the game has been approved by the authority and it is played in accordance with the approved rules for the game. The authority can give directions to a casino operator as to the games that must be available in the casino. A regulation-making power is provided for the control of junkets which are arrangements for the promotion of gaming in a casino by groups of people, usually involving the provision of accommodation, meals and entertainment on a complimentary basis. Regulations can also be made to keep under control the offering of individual inducements to gamble. I have already mentioned that the bill provides for the payment of government duty and the imposition of a community benefit levy. The bill establishes

Page 522

a trust to make recommendations for the expenditure of the community benefit funds.

Each operator will be required to obtain the authority's approval for detailed internal controls and procedures covering all aspects of casino operations. There will be specific requirements relating to banking, accounts and books and audit. The authority will be able to require each casino operator to provide information that may be of assistance to law enforcement agencies, and it will be a condition of each operator's licence that such a request is complied with. The authority will then be able to make that information available to any law enforcement agency, including the Police Service or the police force of another State or Territory, the New South Wales Crime Commission, the Australian Federal Police or the National Crime Authority. This will assist authorities to detect any attempts to dispose of or launder proceeds of criminal activity. These provisions will firmly complement the Commonwealth's cash transaction reporting legislation.

Schedules to the bill deal with matters relating to the authority and its procedures, those matters which may be dealt with by way of regulation, and minor amendments to other Acts. There are very few differences between the bill before the House and the draft bill released for public comment by the Government in August 1991. However, for the benefit of members I will outline the changes which have been made.

First, there is a new provision stipulating that not more than two casino licences may be in force at any particular time. A casino licence is to apply to one casino only. The other significant changes involve a widening of the authority's objects to capture the potential harm to individuals, families and the public interest, an extension of the authority's functions to include research, inclusion of immunity of sensitive information from freedom of information legislation and exemption from the jurisdiction of the Ombudsman Act. I would emphasise that these latter changes have been made on the recommendation of Sir Laurence Street.

Sir Laurence recommended that the statutory objects of the authority should embrace what he described as the humanitarian aspects of operating casinos. Thus he proposed that the objects ensure the valid introduction of a range of consumer protection initiatives which I described earlier that he advocated. The bill embodies the suggestion using Sir Laurence's exact words. Also on Sir Laurence's recommendations, the bill restricts public access to information held by the authority and the division of casino surveillance. Certain types of documents are placed outside the scope of the Freedom of Information Act, namely, documents which could prejudice investigation of any breach or possible breach of the law; documents which would divulge the existence or identity of any confidential source of information on law enforcement; documents which could prejudice the effectiveness of lawful methods or procedures for preventing, detecting, investigating or dealing with any breach or possible breach of the law; documents which would disclose information on the business, commercial, professional or financial affairs of an applicant for a casino licence or a casino employee's licence; documents which would disclose information obtained in the course of investigating an application for a casino licence or a casino employee's licence; documents containing information on the system of internal controls and administrative and accounting procedures for a casino.

Sir Laurence concluded that the public interest in open government is dominated by the public interest in the integrity of the casino industry and that the authority's objects of ensuring the casino industry remains free from criminal activity and dishonest gaming set it apart from the usual public authority. It is on the basis of Sir Laurence's findings that the authority and the division of casino surveillance are not subjected to the requirements for public access to their records. The Government believes that Sir

Page 523

Laurence put a compelling case for information held by these agencies to be exempt from freedom of information access. Instead, the bill grants the casino regulatory agencies a discretion to divulge information in the public interest. This approach is consistent with discretions given to the authority throughout the bill, and the limited rights of appeal from individual decisions of the authority. It is also consistent with clauses 149(3) and 149 (4) which confer, at the authority's discretion, a privilege from production of information in court. Rights of appeal against decisions of the authority are circumscribed in the bill. Appeals to the Supreme Court may be taken only by persons aggrieved by a decision of the authority to cancel or suspend a casino licence or to amend the conditions of a casino licence - and only on questions of law. A proposal to allow judicial review where there was a failure by the authority to observe the rules of natural justice has been abandoned in line with another of Sir Laurence Street's recommendations.

Sir Laurence was firmly of the view that for the authority to have the confidence to exercise its powers in pursuit of its objectives it should be expressly released from any obligation to observe the rules of natural justice. Sir Laurence made the following comments: the authority needs to be free to take account of criminal intelligence and to act swiftly and decisively; the authority can only function effectively in the public interest if appeals on natural justice grounds are banned; the nature of the authority's membership should be accepted as a significant assurance of fairness; his own experience was relevant

in assessing the restrictive and obstructive potential of a natural justice requirement. It is also interesting to note that the Victorian legislation did not adopt a natural justice provision.

The Government is convinced that the circumstances justify the unusual step of a statutory release from any obligation to observe natural justice rules. It is appropriate to comment also on the immunity that the bill provides from the jurisdiction of the Ombudsman Act. Again, the Government has followed the recommendation of Sir Laurence Street in this respect. Sir Laurence was of the opinion that the public interest is better served by excluding the authority from the Ombudsman's jurisdiction as has been done in the Victorian legislation. He noted that many of the authority's and division's activities will already fall outside the Ombudsman's jurisdiction by virtue of the exclusions described earlier and there seemed little practical utility in enabling the Ombudsman to investigate such residual matters as presently fall within his jurisdiction.

The Government believes that the public interest in the integrity of the casino industry far outweighs whatever benefits may accrue from preserving the Ombudsman's limited jurisdiction and powers of review. Another matter on which I comment is the financial arrangements to be made with a casino operator. The Government does not intend to repeat the mistakes of the Australian Labor Party Government in allowing casino proponents to bid up the rates to absurd heights in an attempt to seduce acceptance of their proposal. Under the bill, casino duty paid to the Government by the operator is to be decided by the Treasurer. The same applies to the community benefit levy and to the calculation of interest on any amounts of duty or levy not paid by the due date. It is envisaged that the Government will determine a percentage of a casino's gross gaming revenue to be paid as duty. It is proposed that this amount will be a set percentage for the purpose of issuing documents seeking expressions of interest. In addition to the duty as a percentage of gross gaming revenue, interested operators would be asked to submit proposals for a once only specific amount to be paid as duty upon grant of the licence by the authority. This will allow for flexibility and for bids to be compared on a uniform basis.

The bill before the Parliament requires that government duty from casinos will

Page 524

go to the Consolidated Fund. That is the normal process for dealing with and accounting for public moneys. The Government has determined that revenue from the casinos for the first five years of the casinos' operations will be applied to the improvement of health services in this State. The Labor Opposition has similarly vowed that the revenue from casinos will go to help fund the hospital system. The Government revenue from the casinos, which could be up to \$100 million a year, shall supplement the firm commitment of this Government to the improvement of health services. I have spent a considerable period of time detailing the provisions of the bill. I have done this deliberately so that the Parliament is fully apprised of the Government's decision to get the casino regulatory scheme right. This is hallmark legislation which is designed to ensure the structure and processes to establish the two casinos in New South Wales are the best available. Although the Opposition and Independents have had the opportunity over many months to consider the legislation it is appropriate for all members to have a little more time in order that the bill in its amended form may be examined further. Accordingly, and before the debate comes on, I would be happy to further discuss with the Opposition and the Independents any amendments which they have in mind and which they believe would serve to strengthen the bill. Finally, and firmly, I will not entertain any amendments which would weaken this legislation. I commend the bill.

Debate adjourned on motion by Mr Face.

HER MAJESTY'S SPEECH: ADDRESS IN REPLY

First Day's Debate

Mr GREINER (Ku-ring-gai - Premier, Treasurer and Minister for Ethnic Affairs)
[10.30]: I move:

That the following Address In Reply to the Speech which Her Majesty the Queen has addressed to both Houses of Parliament on opening this session of the Parliament of New South Wales be now adopted by this House:

To Her Majesty Queen Elizabeth The Second.

Most Gracious Sovereign -

We, Your Majesty's loyal and dutiful subjects, the Members of the Legislative Assembly of New South Wales, in Parliament assembled, desire to express our thanks for Your Majesty's speech, and to affirm our sincere allegiance to you as our Queen.

We beg to assure Your Majesty that our earnest consideration will be given to the measures to be submitted to us, that we will faithfully carry out the important duties entrusted to us by the people of New South Wales, and that the necessary provision for the public services will be made in due course.

We join Your Majesty in the hope that, under the guidance of divine providence, our labours may be so directed as to advance the best interests of all sections of the community.

We have been privileged by the presence of Her Majesty last month and by her Speech to open the second session of the Fiftieth Parliament. It was a momentous occasion for this Parliament and for the people of New South Wales to have the Sovereign take part personally in the proceedings of government in this State for only the second time in its history and as Her Majesty begins her forty-first year as our Queen. I am sure all honourable members would join with me in extending to Her Majesty our earnest wishes for her continuing good health and well-being. In her Speech, Her Majesty indicated that the Government would later submit its legislative proposals. Honourable members would

Page 525

know that it is customary for the Governor, when opening a session of Parliament, to outline the Government's legislative program for the year ahead. Her Majesty had indicated, however, that she preferred to give a short opening speech without any reference to the Government's policies or legislative program.

I believe it is appropriate that some statement of the Government's legislative intent be made. I propose to use this opportunity of moving the Address in Reply to the Queen's Speech to identify for the benefit of honourable members the major legislative proposals that will be placed before them for their consideration. Her Majesty also referred to this Parliament, as she did in 1954, as the mother Parliament of Australia. The New South Wales Parliament is almost 170 years old. Not only is it the foundation of responsible government in Australia but it is setting the lead in terms of reform to its processes. The historic shift in the balance of responsibility between Executive Government and the Parliament, begun last session, will continue. This shift will lead to great accountability for government and real opportunities for Parliament to debate proposals for change.

The Government is committed to introducing legislation in this session to bring about major parliamentary and constitutional reform. In line with the charter of reform signed in the last session, legislation has been introduced to provide for permanently fixed four-year terms for the future. It is intended that this legislation will be submitted to referendum at the next general election in 1995. Other constitutional reforms to be brought forward during the current session include: the entrenchment of the independence of the judiciary; reform of the method of election of the Speaker; and - I am sure honourable members will be pleased to hear this - provision for the establishment of a management board or a parliamentary commission to run the Parliament. The establishment of a board or a commission will provide the opportunity for greater participation by members of Parliament in the administration and management of Parliament and will ensure proper accountability. But, more important than this, it will give to the Parliament some measure of the independence which was intended for the Parliament under the doctrine of the separation of powers.

Many of the historic initiatives in parliamentary reform instituted during the last session will continue in this session and be improved upon. It is proposed, for example, to further refine the conduct of estimates committees which were established last session. By the end of the year all these reforms will be reflected in new plain English parliamentary standing orders. This Government is thoroughly committed to ensuring that these proposed reforms come to fruition - reforms which will enhance the workings of the Parliament and promote an even better system of democratic government for the people of New South Wales; reforms which will not be able to be reversed as the culture of our Parliament also changes. Her Majesty also said that we assemble at a time of continuing economic uncertainty throughout the world. Sadly, this is an experience from which Australians and the people of New South Wales are not immune. The Government is gravely concerned that so many people in Australia are suffering as a result of Labor's induced recession. We remain totally unconvinced as to the financial and economic wisdom of the extensive borrowing program outlined by the Prime Minister in his economic statement last week, but we welcome the Federal Government's commitment to accelerating structural reform of the economy, which can only assist in the creation of real jobs - productive jobs - in the private sector.

The Federal Labor Government has at last grasped what is not understood by the
Page 526

Labor Opposition in New South Wales - that Australia's economic future lies in the creation of real wealth-generating jobs and not in the protection of make-work or pretend jobs which simply fritter away the nation's savings. This Government remains committed to positioning the New South Wales economy so as to alleviate, as far as possible, the effects of the recession on the people of this State and to maximise economic growth for their future. The Government welcomes the Commonwealth's offer to fund growth in vocational education and training on a triennial calendar-year basis. The Prime Minister's proposal that the Commonwealth assume responsibility for all government funding for vocational education and training, including TAFE, is also a constructive suggestion and one which ought to be considered in broad debate about policy interests of both levels of government and the best ways of achieving national goals in this area.

My Government's priorities are to develop a training system that is responsive to industry needs and emphasises competence in the workplace in line with national developments in curriculum and accreditation reform. Additional Commonwealth funding will help the State achieve such reforms. It will also help to provide skills training for those unemployed young people who currently enter the labour market

without adequate preparation, whilst continuing the State's commitment to mature age students seeking a second chance through the TAFE system. If proper consideration is given to the State's capital needs, new arrangements with the Commonwealth could also help fund state of the art technology required for training the high-tech work force New South Wales will need to maintain its competitive edge. The Government will give highest priority to training for manufacturing, tourism, hospitality and business services. Notwithstanding the potential for a positive partnership between the Commonwealth and the State in this area, a number of questions about the offer are yet to be clarified. Our TAFE system is the largest in Australia because the State Government has made considerable and sustained investments in it over time, to a greater extent than any other State has done. We will be concerned to ensure that New South Wales receives a fair share of Commonwealth funds and that new allocations are not used to finance the deficits in other State systems.

New South Wales will also be seeking an agreement that does not bind the State with detailed conditions. We must retain - I am sure this would be the view of all States - the capacity to make important policy and management decisions so that the training system remains responsive to the needs of the people who use it. Our message to Mr Keating and Mr Beazley on this subject is simply this: we want to co-operate; we want to make TAFE work; we see merit in the general principle that they are enunciating; but it requires a clear willingness on the part of the Commonwealth in negotiations with all States and not a silly exercise to pick them off one at a time. It requires a willingness on the part of the Commonwealth to negotiate with all the States so that the transfer of funding is done in a fair and effective way and so that future management is able to remain flexible and responsive to the needs of particular States.

New South Wales intends to take maximum advantage of those aspects of the economic statement by the Prime Minister to create real long-term job opportunities in this State. Unlike the governments of Victoria and Western Australia, we do not intend to employ taxpayers' dollars in seeking to pick winners in the private sector. Honourable members would remember that, prior to the election of this Government for the first time in 1988, I made it clear that a coalition government would not be pursuing the kind of Massachusetts experiments which were then being attempted in Victoria and Western Australia. Recent history shows clearly that those kinds of experiments are extremely risky. I state again that the Government will not be using the taxpayers of this State to underwrite risky private sector investments. For the past four years the entire thrust of

Page 527

our policy agenda has been to stick to the knitting - to put our best efforts into making the New South Wales public sector more efficient than any of our competitors, thereby reducing input costs and attracting productive investments, and with them, long-term wealth-creating jobs for the people of this State and their children.

The New South Wales unemployment record throughout the heart of this recession is testament to the soundness of this strategy. Whilst our unemployment rate of 9.8 per cent is still totally unacceptable, New South Wales has at all times been making a positive contribution to business and consumer confidence in the nation as a whole. A prime example of the Government's efforts to underpin our local economy, and so save jobs, can be seen in the housing sector. The Government's unwavering commitment to home ownership and to carrying out a range of public and private sector housing initiatives has seen the important home building sector survive in the best possible shape during a very major recession. The effect of this has been to preserve tens of thousands of jobs that would otherwise have disappeared. The Government intends to proceed with the program of structural reform which it initiated four years ago. In the present economic circumstances, we believe that this is the greatest contribution the State

Government can make to creating productive jobs and delivering essential social services to the people of this State.

The 1991-92 Budget was based on a three-year financial strategy aimed at capping the debt of the budget sector in real terms. The strategy behind this Budget involved: containment of budget expenditure by better efficiency; restraint on the taxation side to avoid the imposition of additional costs on the community during a difficult financial time; continuing structural reform, especially of our government trading enterprises; privatisation of appropriate enterprises such as the GIO and the State Bank and the application of the proceeds of sale to reducing debt and lowering interest costs. While the budget outlook for 1991-92 is completely on target on the expenditure side, as the House knows, revenues have collapsed even further than projected because of the severity of the recession. Revenue this year is expected to be more than \$300 million less than projected. A significant part of this deterioration is one-off, but there will still be some reduction in the forward years relative to our initial projections. This, as the House knows, is the most severe recession Australia has faced in more than 60 years. It has occurred against a background of historically low commodity prices and several unfavourable growing seasons in the farm sector. Indeed, Her Majesty specifically referred to the tough times being experienced on the land, both through economic conditions and natural disasters such as recent floods and drought. My Government has responded to these challenges with immediate assistance measures to ensure, as far as possible, the survival of this vital sector of our economy.

As we enter this new session of Parliament, all honourable members should be conscious of the difficult economic circumstances in which we find ourselves and the brute fact that the State's Budget is more than \$1 billion dollars in deficit. That is a level of debt which this Government finds unacceptable. Since it was first elected the Government has held firm to the view that it should be governing so as to add to the State's accumulated wealth, rather than borrowing and living at the expense of our children. But the narrow tax base which the States have inherited, combined with the depth of the recession, have had a severe impact on the revenues of all the Australian States, New South Wales included. In these challenging circumstances, I simply want to remind honourable members of the need for restraint in the demands which they place upon the people of this State through legislative initiatives involving additional expenditure, direct or indirect, or which divert resources away from the delivery of basic services. As the House knows, two international credit ratings agencies, Moody's and

Page 528

Standard and Poors, have recently confirmed the State's triple-A rating - one of the few such ratings achieved anywhere in the world by governments or commercial bodies. They did so in spite of the deterioration in our budgetary position because the State had a viable medium-term strategy to contain debt and debt-servicing costs.

New South Wales cannot afford the luxury of squandering its high reputation in the international finance community through improvident spending. If New South Wales were to lose its present credit rating and fall, for example, to Victoria's level - or, indeed, the level of Tasmania, South Australia or Western Australia - the immediate cost to the people of this State in higher interest charges would be \$60 million to \$80 million a year. That is clearly \$60 million to \$80 million in social services that would simply be unavailable for the people of New South Wales. More significantly, a serious fall in our credit rating would puncture the confidence of consumers and investors in this State's long-term economic prospects - a confidence that is regularly shown by every survey to be well ahead of the rest of the Australian States. Because of the finely balanced nature of this Parliament, it is incumbent upon all members - Government, those not supporting the Government and those who sit on the crossbenches - to be conscious of the impact

which the recession is having on the State's revenues.

The Government will continue with a responsible program of privatisation and contracting out, with a view to cutting infrastructure costs to industry, reducing the State debt and delivering high-quality, cost-effective basic services to the consumers of New South Wales. As I have stated and restated on numerous occasions over the past decade, the coalition does not have an ideological commitment to privatisation. But, unlike the Opposition, the coalition parties are obsessive about continuing government ownership when the reasons for State equity have long since disappeared. Four Labor governments in Australia - Tasmania, Victoria and Western Australia and the Federal Government - have acted to divest themselves of their banks or insurance businesses, yet the New South Wales Labor Party continues to express doubts about the privatisation of the State Bank and the GIO. It should be clear to all honourable members that their opposition does not arise from a philosophical difficulty with privatisation. Their concern is purely and simply to try to score a few political points along the way. At a time when the Labor Government in Victoria is selling its prime real estate, privatising its newest power station and contracting out the operation of its public hospitals, the Labor Party in New South Wales, which publicly prides itself on being more economically rational than its counterpart south of the border, is opposed to similar reforms here in New South Wales, and it is entirely Robinson Crusoe in that opposition.

The Government will be pressing on with a systematic program of privatisation and contracting out. It is by concentrating on its core functions as a government and delivering those services at the lowest practicable cost that New South Wales can continue to lead the Australian economy both through the downturn and through what will be a slow but, I hope, steady recovery. Her Majesty made reference in her Speech to New South Wales being a willing partner in the recent efforts among all governments in Australia directed towards developing a more efficient and competitive economy. Premiers and Chief Ministers, when they last met in November, signed an intergovernmental agreement to implement from 1st January next year mutual recognition of standards for goods and occupations. Draft State and Commonwealth legislation was endorsed, subject to any fine tuning required following a period of public exposure. Commonwealth signature of the agreement and enactment of the legislation has been sought and, I expect, will be forthcoming very shortly. This is an historic measure, which will eliminate regulatory impediments to a national market in goods and services. It will dramatically expand the concept of free trade between the States, which the
Page 529

Australian Constitution was intended to guarantee. Goods that can be sold lawfully in one State or Territory will, with very limited exceptions, be able to be sold anywhere in Australia. Similarly, with occupations: a person registered to carry out an occupation in one State or Territory will be automatically registered and be able to carry on the equivalent occupation in any other State or Territory.

Once the Commonwealth has signalled its willingness to participate in a formal sense, State and Territory Legislatures will enact legislation enabling the Commonwealth to introduce global legislation. Use of Commonwealth legislation will overcome any problems caused by subsequent State or Territory laws which may not be fully consistent with the principles of mutual recognition and ensure a national approach to implementation. The State and Territory Acts, under the agreement, are expected to be in place by 1st July this year. A new scheme for State-based prudential supervision of permanent building societies and credit unions is to be introduced in all States and Territories. This scheme involves national co-ordination of high uniform standards and will enhance the prudential standing of the industry. It will also provide a framework for a stronger and more competitive industry to develop in the future. The Australian

Financial Institutions Commission Bill will establish the national co-ordination body to oversee the operation of the scheme. The financial institutions bill will rationalise the current fragmented administration and regulation of building societies and credit unions by replacing the diverse arrangements across the States and Territories with uniform legislation applying to all building societies and credit unions in Australia. The Government is immensely proud of the New South Wales public service as it is now structured and, in terms of efficiency, we believe it compares favourably with the private sector.

The Government makes no apologies for the initiatives it has taken since coming to office to streamline the public service and to rid the service of corrupt practices. The undoubted success of the Independent Commission Against Corruption since it was established in 1988 to tackle official corruption will be followed by a series of proposals designed to further the objectives embodied in the Independent Commission Against Corruption. These include legislation to protect public sector whistleblowers and to disentitle corrupt officials from government funded superannuation benefits. Another significant proposal which will reinforce the accountability of the public sector is a bill to amend the Freedom of Information Act. The Government has recently introduced into Parliament legislation that will substantially reform the law of defamation. The existing law is unduly complicated and uncertain. It can be too restrictive and the remedies of it are limited and are sometimes inappropriate to the harm caused. This proposal is consistent with the Government's commitment to open government and accountability. The media have often complained that the existing law inhibits fair reporting and proper media scrutiny of public affairs. The legislation will address these issues.

In keeping with the importance of these reforms and the Government's commitment to the parliamentary process, the new Defamation Bill has been referred for the consideration of a legislation committee representing all parties as well as Independent members. It was not only the New South Wales public sector that was in need of substantial reform. The Government's determined action to introduce an industrial relations framework suited to the competitive realities of the 1990s has set the pace for reform across the nation. We now lead the way in releasing employers and employees from the rigidities of the industrial award system, through enterprise bargaining. The Prime Minister, in his economic statement last week, recognised the advantage achieved by New South Wales by his new found enthusiasm for workplace bargaining. But beyond our concerns for productivity improvements and for a robust job market in this State, the

Page 530

Government's reforms radically depart from the closed shop of the old New South Wales industrial relations "club".

Individual rights have been enshrined and employees are now protected from victimisation on the job. The number of unions operating in any one workplace will reduce and wasteful demarcation disputes will gradually be eliminated. The Government's new industrial relations legislation will come into effect later this month and an extensive education is already under way to inform workers and employers of their rights under the law. There will, in addition, be a strengthening of the industrial inspectorate to ensure that the law is enforced and to guarantee that the rights of workers and of small business employers are enforced. At a time when our primary concern is to give Australia - and especially our State - a competitive edge in the international market-place, these industrial relations reforms will, in time, have a major impact in improving our efficiency and attracting investment to the State.

Before leaving this question of the workplace initiatives being taken by my

Government, I am pleased to inform the House of a joint initiative to be undertaken by the Department of Technical and Further Education and the Building Services Corporation - indeed referred to by the Minister yesterday - which will see the creation of more than 1,000 home building pre-apprenticeship positions within technical and further education. This program will be funded by the Building Services Corporation at a cost of \$4 million. This boost to apprenticeship training will complement a further initiative being undertaken as a joint venture between the two organisations which will expand the role of skills training to provide increased skills and management expertise in the building industry.

In accordance with a commitment made during the last election, the Government will shortly be introducing legislation to establish an independent pricing tribunal which will ensure that prices for government monopoly services are set independently and fairly. The tribunal will have a standing reference to investigate and make determinations as to the maximum price increases which may be charged for key government services such as water, electricity and transport. In determining these price caps, the tribunal will look at a range of factors, including the capital and recurrent costs involved in providing these services, the protection of consumers from the abuse of monopoly power, the effect on inflation, the need for greater efficiency in government enterprises and the protection of the environment. This is a complex issue which will require detailed assessment by the House. At a time when we are trying to contain the burden of government on families, create jobs by reducing input costs to business, and introduce measures which will assist us in protecting the natural environment, this is certainly not a time for legislation which merely seeks to impose crude consumer price index price caps on government enterprises.

I turn to the area of law and justice where the Government will continue to provide a high standard of protection for the citizens of this State. Last year the community voiced considerable anger at a series of violent crimes involving firearms. The Government is committed to the implementation of tough, fair and practical laws - as agreed by this Parliament in a quite historic consensus committee process - to protect the community from the misuse of firearms. Indeed New South Wales has been instrumental in efforts to bring about such laws Australia-wide. Accordingly, as the House knows, legislation has been introduced to amend the Firearms Act, the Prohibited Weapons Act and the Crimes Act consistent with the recommendations made by the joint parliamentary committee and the appropriate resolutions of the Australian Police Ministers' Council. I should also add, because it is not included in the package, that within my portfolio we are advancing work on a proposal to assist in identification of individuals who may be

Page 531

unsuitable for licensing. However, the House should understand that that is an extraordinarily complex matter in both a civil rights and administrative sense.

The Government's commitment to assisting victims of crime has been well illustrated by the establishment of a Victims Advisory Council to assist in co-ordinating the Government's response to the needs of victims. Amendments to the Victims Compensation Act will be introduced to make procedures under the Act more efficient and to ensure the continuation of the very successful delay reduction programs in the tribunal. The level of attacks on crime will be reviewed to maintain the principle of a fair contribution by criminals to the compensation of their victims. I might say to the House that this has been an outstanding and in some ways a surprising success. In the seven months to date in this financial year \$1.84 million has been contributed by criminals to victims compensation, and the figure for the full year we expect to be in excess of \$2.5 million. I make the point that more importantly than money is the

principle established in the community that where practical and possible criminals ought to contribute to the compensation of victims.

In accordance with the Government's concern to ensure that the legal profession is more accountable and more competitive, the restrictions on solicitors' advertising have been relaxed to allow solicitors to advertise their fees and services thus promoting competition for the benefit of the public. From early evidence this would appear to be proceeding in a very satisfactory manner for both the public and the solicitors. The Government will also deregulate fees subject to appropriate safeguards designed to ensure the protection of the public. As the House is aware, the monopoly enjoyed by the legal profession in relation to conveyancing services is coming to an end. The Government is currently finalising proposals with a view to introducing legislation to implement reform in these areas. We will be introducing a reform package which protects the interests of consumers while ensuring that they obtain the full benefits of competition in the market-place.

As part of the Government's commitment to update legislation relating to registered health professional groups, we will be introducing an entirely new medical practice bill covering the operation of the New South Wales Medical Board and the registration and discipline of medical practitioners and medical students. The Government intends to introduce further reforms to ensure appropriate high standards of medical practice and adequate safeguards for consumers. Legislative proposals in the roads and transport areas will include measures introduced last week to reform the driving instruction industry flowing from the recommendations by the ICAC and - depending on the enactment of Commonwealth legislation - it is proposed to introduce complementary State legislation to implement uniform national registration, charging, licensing and road rules for heavy vehicles. This legislation will give effect to the agreement reached by the Heads of Government in July 1991.

The reform of the local government sector will be a major government priority for the coming year. The Government urges the legislation committee to report promptly on the draft local government bill which was developed following wide public consultation. The reforms which we propose in this area are, to say the least, long overdue. Ratepayers will benefit from the legislation because of the increased autonomy which it will give to councils while at the same time making them more accountable to their local communities. Governments throughout Australia acknowledge the urgent need to improve mechanisms for determining issues relating to the management of our natural resources. No longer can we, as a society, tolerate the existing situation which results in piecemeal decisions, unresolved conflict between interest groups and uncertainty for

Page 532

those whose livelihoods are at stake. In accordance with the undertaking I gave before the last election campaign, the Government will bring forward legislation this year to establish a natural resources management council which will allow decisions to be made with full knowledge of environmental, social and economic considerations. The functions of the council will include the making of systematic plans on a regional basis about the best use of natural resources owned or controlled by the Government and the resolution of specific land use and or natural resource management conflicts. This will be of particular significance to the forestry industry. The council will assist greatly in dispelling uncertainty over the status of the State's forest resources in terms of timber and conservation values which is essential if investment in forest industries is to be facilitated and permanent job opportunities created.

This legislation will be accompanied by measures to provide long-term mechanisms for the protection of endangered species of flora and fauna and legislation to

amend the planning system to end the existing arrangements which permit government agencies to approve their own development proposals. The Government has consistently given a strong commitment to the protection of our environment and we will not waiver in that commitment. The Environment Protection Authority was established on 1st March, and during the year we will bring forward legislation to consolidate the existing pollution control statutes. Public consultation will be allowed for these proposals before the terms of the legislation are finalised. Following a lengthy period of consultation we have introduced the bill to vest title to dedicated national parks to Aborigines in instances where the areas are of cultural significance to the Aboriginal people. Legislation will be put to the Parliament to integrate the Mining Act and the Coal Mining Act. The new Mining Act will simplify and rationalise the regulation of mining and exploration for minerals. For example, it will replace the existing 10 forms of title with five. Such streamlining will remove unnecessary bureaucratic impediments imposed upon the mining industry. More than 24,000 people are directly employed in mining in New South Wales and there are expanding prospects for growth, particularly in the coal industry where exports are now valued at \$2.7 billion annually. Within this decade those exports are forecast to grow by at least a third.

The Government has this morning introduced legislation to provide for legal casino gaming in New South Wales. Honourable members will be aware that the Government commissioned Sir Laurence Street to examine and report on the social impact of casinos, the economic impact of casinos and last, but by no means least, the adequacy of the Government's exposure draft bill to ensure that legal casino gaming is conducted honestly and in the absence of influence from corrupt elements. Sir Laurence concluded that legal casinos would create thousands of jobs and be a much-needed boost to the State economy. He said that the bill would create a fabric in which the casinos can be protected from criminal influence and exploitation. The Government will also be moving to ensure that any adverse social impact of casinos will be addressed and, importantly, revenue from casino gaming will be devoted solely to improving the health system in this State. In addition to these measures and others that have been introduced by the Government during the past fortnight we will be putting forward for Parliament's consideration a range of proposals, including: amendments to the Anti-Discrimination Act to outlaw discrimination on the ground of age; amendments to the Retirement Villages Act to protect the investments of residents; amendments to various court Acts to permit certain proceedings to be conducted when the accused or a witness is before the court by means of an electronic audio-visual link; the re-introduction of the bill for the regulation of co-operatives, other than financial institutions, following a review of this legislation; the modernisation of legislation relating to the use of surface and ground water and the control of structures on flood plains; and amendments to superannuation legislation in order to comply with Commonwealth laws.

Page 533

The legislative program which I have outlined this morning shows the breadth of the Government's ongoing agenda for reform. Whilst the finely balanced nature of the Parliament has quite properly demanded that the Government adopt a different strategy for achieving its reforms, the scope and the nature of the program that I have just described reveals the extent to which this Government is still setting the lead with its agenda for change and for positive reform. In conclusion I would like to thank Her Majesty for her gracious Speech and for her participation in our opening proceedings for this session. I take this opportunity to assure Her Majesty that we on this side of the House "stand ready to bear the burden" of our responsibilities for the benefit of New South Wales and its people.

Mr W. T. J. MURRAY (Barwon - Deputy Premier, Minister for Public Works and Minister for Roads) [11.3]: It is an honour to second the motion for the adoption of the Address in Reply in response to the speech by Her Majesty the Queen on the occasion of the opening of the second session of the Fiftieth Parliament. It was the second occasion on which Her Majesty had addressed the mother Parliament of Australia, the first being in 1954 when Her Majesty became the first sovereign to open a session of any Australian Parliament. I believe Her Majesty's visit to New South Wales as the Queen of Australia was warmly and affectionately received, not only by the majority of the members of this Parliament, but also by the overwhelming majority of the people of New South Wales. The occasion of Her Majesty's visit was chosen by some to elevate the debate about Australia's future allegiance to the monarchy. While the timing of those remarks may be questioned, I believe any such debate can only be healthy and fruitful. I have no doubt that I speak for the great majority of people in country New South Wales when I say that allegiance to Her Majesty and the monarchy in that part of our community is as strong and as unfaltering as it ever was. Like me, they see no compelling reason to disavow our allegiance or to deny our heritage. That is not to say that we do not realise that the world order is changing and Australia's position in that world also is undergoing change. Indeed, there can be little argument that our future prosperity can be only enhanced by taking greater opportunities in Asia and in the Pacific region. But why should that be at the cost of alienating one of our staunchest allies and biggest investors?

The debate will continue. Our deep-rooted links with England will endure. Our heritage cannot be denied and our magnificent friendly rivalry will remain. Why is it necessary to repudiate those treasured things in order to re-align ourselves in Asia? There should be no cringe to England or Asia and we should demonstrate this to both of those countries with a spirit of independence and trust. Her Majesty in her speech to Parliament stated that events around the world in recent years had shown the strength of the people's desire for the freedom to shape their own futures. We have all been witnesses, she said, to remarkable change as the people of many nations, with immense courage and determination, have rejected authoritarian rule and embraced democracy. Because of our heritage we have that democracy. In fact, it would be fair to say that it is one of the most freewheeling democracies in the world. We have freedom of religion, we have freedom of speech and we have freedom of choice. We are an egalitarian and tolerant society. Because we are so blessed, we are an attractive destination for the many thousands of Asians now fleeing tyranny and dictatorships in their own countries. Why change? Where is the logic for change? Where are the demonstrated benefits of Australia's becoming a republic?

I find it intriguing that the proponents of republicanism are mainly the ones who have prospered most under the Westminster system. Those who have come to Australia seeking safety and succour, those who have fled tyrannies and dictatorships, have done

Page 534

so for what Australia is, not for what some group of self-seeking anti-royalists think we should be. Many countries around this strife-ridden globe look longingly at what Australia has and what this nation has achieved. We are a nation of tremendous potential and unlimited horizons. Will we be better off if we change our flag and repudiate our heritage? The Prime Minister has chosen to play politics by deflecting attention from his fictional economic statement with a divisive pronouncement alienating Britain and holding us up to ridicule in Asia. In the process he has attempted to rewrite history and offend our allies, at the same time tugging his forelock to the eastern potentates. As much as the Prime Minister would like to think he might be the next president of the republic of Australia, this country is not about to discard the fabric of its foundation or its orderly and time-proven democratic system in favour of illusory

benefits. The process of change will outlast Mr Keating's political life. In other words, that is not going to happen in mere months. The Prime Minister's calculated denigration of the British role in defending Australia during the Malayan campaign and the fall of Singapore was a transparent and deceitful exercise in back alley politics, to which he is well suited.

It is a matter of shame and embarrassment to the majority of Australians that the Prime Minister chose deliberately to offend protocol by lecturing Her Majesty publicly with his version of this nation's relationship with Britain and the royalty, particularly because the very protocol he breached prevented Her Majesty from responding. The Prime Minister's subsequent manipulation of history surrounding World War II in the Pacific did nothing to enhance his reputation as a statesman, or Australia's image among our friends and allies throughout the world. I believe it is important to remind those who may query our present system that New South Wales has been extremely well-served by a succession of State Governors, particularly in the past two decades. I specifically make mention of those outstanding representatives of Her Majesty, Sir Roden Cutler VC, Sir James Roland, Sir David Martin and the present Governor, His Excellency Rear Admiral Peter Sinclair. The position of Governor of New South Wales is extremely important, not only because the Queen has a direct representative in our midst, but because the Westminster system and the proper constitutional balance between Government and Opposition is preserved. It is highly doubtful whether such an apolitical and vital constitutional position would be retained if Australia were to become a republic.

It is outrageous that Australia's present Governor-General, the Queen's principal representative in Australia, is today quoted as saying that Australia could no longer remain jammed in the jaws of old imperialist vice and ignore Asia. The Governor-General has deliberately trammelled the protocol and convention of his high office and has shown his true colours as a stooge of the republican push. He has denigrated his high position by issuing a calculated insult to Her Majesty in the form of a political comment reflecting on Australia's existing constitutional system. Her Majesty recognised, in her speech to Parliament, that New South Wales is presently plagued with drought and flood. However, she said that the qualities of Australians and the resources of our continent could cope with economic and climatic adversities. Significantly, Her Majesty also recognised that the New South Wales Government had done much towards developing a more efficient and competitive economy. The truth of that statement lies in the fact that New South Wales, while more exposed to the effects of a recession than any other Australian State, has weathered the storm better than the rest.

New South Wales stands ready to lead Australia out of recession. It is only through this Government's unwavering pursuits of all its economic strategies that this will be possible. This Government's economic reforms have case-hardened the State's economy. Other States, which failed to recognise the need to take the hard decisions, or lacked the resolve to take action, are now sinking into the economic quicksand. The

Page 535

effects of this recession will be felt for years to come. But New South Wales has the best chance to struggle out of the doldrums and get the economy pumping again. It is appropriate to remind those who find themselves in a temporary position of power in this Parliament and who now choose to flex their political muscle to threaten the Government that the policies and reforms promoted by this Government are the reason that this State is in a better economic position than any other State. The short-term power brokers would do well to reflect on the policies practised by Labor for 12 years, which reduced this State to the brink of bankruptcy and which discriminated hugely against people living outside the big cities, the people of country and rural New South Wales. The mistake should not be made of believing that the present Opposition's policies are any different.

The coalition is determined to rigidly adhere to its proven policies and to continue with its program of economic reforms. To deviate would be to yield to economic weakness and opportunism, a combination which could drag this State back to the style of Labor government, which tolerated corruption, featherbedding, discrimination and economic irresponsibility. The Premier has broadly outlined the Government's future path to reform. These reforms, as they are accomplished, will help secure the future of New South Wales as one of the leading and most dynamic economies of the Asia Pacific basin. Frustration of these reforms can only impede our emergence from recession and delay the fulfilment of our full potential. I am proud to say that major goals have been achieved within the Roads and Traffic Authority and the Public Works Department relating to improved performance and productivity. The successful administration of the Roads and Traffic Authority and the Public Works Department are vital to the progress of this State. The taxpayers of New South Wales now receive much greater value for their dollar and the foundation has been laid for a subsequent period of progress as the Government endeavours to clear the recession.

In the area of roadworks, a record \$5.5 billion roads program was introduced over the three years to June 1991 and, despite the downturn in revenue because of the recession, the Government has allocated almost \$1.7 billion to roads in New South Wales for this financial year. The 3 x 3 levy was introduced for roadworks last year and because of its outstanding success has been extended for another three-year term. All of the 3 x 3 fuel levy and the 3.53 cents per litre petrol tax is allocated to roads in New South Wales. At last country New South Wales is receiving a balanced share of those funds. In the first three years of the program \$1.8 billion extra was pumped into the State's roads, accelerating some important roadworks by as much as five years. This Government also legislated to ensure that all State fuel levies are returned to the roads programs and not used for other Government funding responsibilities, as occurred under the pea and thimble practices of the previous Government. The Government's road safety initiatives have had a dramatic effect on the annual road toll, which has been reduced to its lowest point in forty years through a combination of better roads and traffic control, and guidance and education of our motorists. Heavy vehicle road safety has been improved through a number of initiatives including the introduction of tachographs and speed limits, the imposition of the 0.02 blood alcohol level for heavy vehicle drivers, reduced limits for vehicles not speed limited, and the banning of radar detectors and jammers.

In a major policy initiative the Government has encouraged private sector participation in road construction as a means of funding projects which would not otherwise be funded for many years. The Government's freeway and tollway system is an example of this initiative working, and the Government is confident that the private sector, in the future, will play a vital role in bringing to fruition the construction of a dual carriageway from Newcastle to the Queensland border. Through the Roads and Traffic

Page 536

Authority the Government will continue to improve the State's road system and make our roads safer. The \$3.8 million computer based driver licensing and registration system, which is in the process of implementation, will slash dollars, paperwork and administrative tasks for the customers and the staff in motor registry offices. Major road safety programs will continue in the fight against carnage on the State's roads. In 1991 the road toll was 671, far too high, but still the lowest since 1950. The Roads and Traffic Authority will promote its environmental vision, which addresses a range of issues including vehicle emissions, road building, noisy vehicles, public transport, road pricing and driving practices. The Roads and Traffic Authority will also consider future directional studies, which outlines the range of options of transport reform for New South

Wales for the next 30 years. This year the Government will officially open the F4 and F5 tollways, the Gore Hill freeway and the Sydney Harbour tunnel. Among major New South Wales roads projects will be the opening of the Mittagong bypass, the Goulburn bypass and the Swansea Bends improvement project.

Mr Langton: About time.

Mr W. T. J. MURRAY: And you did nothing about it in your 12 years. It is rather a pity you did not. Also nearing completion and due for commissioning next year will be the \$32 million Cox's River deviation on the Great Western Highway west of Lithgow; the final link of the Sydney-Newcastle freeway between Freemans Waterhole and Minmi and the Cullarin Range deviation. If proof were needed that our reforms are working, the story of public works stands out as a role model for departmental restructure. A new charter for the Public Works Department was determined by the Government at the end of last year. The Government's decision has now established a new framework for the Public Works Department and the capital works process. For the first time in its history the department now has a charter and, by September, its own home. In every respect the performance of the department has improved dramatically in the period since March 1988. The department has reduced staff from 5,774 in 1986 to a current figure of 3,406. Of those positions, 2,000 were reduced through natural attrition and other adjustments and only about 240 through redundancy. By the end of 1995 total staffing will be further reduced to around 2,500.

The improved efficiency of the Public Works Department is demonstrated through its recurrent funding and total resources returns. The recurrent deficit for 1990-91 was \$7 million, relative to \$34 million the year before and \$105 million in 1985-86. The department is on target to break even in the 1992-93 financial year. Significantly, in terms of giving better value for the dollar, the Department of Public Works has returned total operating savings of around \$300 million in the past five years. In terms of total resources, the dollar of output compared with the dollar of input was 7 per cent higher for 1990-91, against a 3 per cent target, and almost 40 per cent higher than 1985-86. Targets for further improvements have been set for 1991-92 and future years.

The Public Works Department has achieved marked improvements in bringing its projects in on time and on budget. In relation to building projects of \$100,000 and more in 1989-90, 80 per cent of the projects were on time and 94 per cent were on budget. In 1990-91, 92 per cent were on time and 96.8 per cent were on budget. In the financial year to date 94.5 per cent are on time and 100 per cent of the projects are on budget. This surely is a most satisfactory situation, one any private sector enterprise would be proud to boast. In terms of engineering projects worth \$100,000 or more, in 1990-91, 82 per cent were brought in on time and 96 per cent were on budget. In the year to date, 89 per cent are on time and 100 per cent on budget. The Government can be justly proud of the performance of the department. Our program of reform will

Page 537

continue to improve the role of the department and give the taxpayers of New South Wales better value for their money. I have the honour to formally second the adoption of the Address in Reply and in so doing commend the policies of the Government to the people of New South Wales.

Debate adjourned on motion by Mr Whelan.

BUSINESS OF THE HOUSE

Address-in-Reply Debate: Suspension of Standing and Sessional Orders

Mr MOORE (Gordon - Minister for the Environment) [11.26]: I seek the leave of the House to suspend so much of the standing and sessional orders for the consideration of notices of motion and orders of the day, as set down on the notice paper, during the currency of the Address-in-Reply debate.

Mr WHELAN (Ashfield) [11.26]: The Opposition does not grant leave. That is a different resolution to that which the Premier indicated. The Government wants comprehensive control of the House for the next six days, and the Opposition will not accede to that.

Mr SPEAKER: Order! Leave is not granted.

Mr MOORE (Gordon - Minister for the Environment) [11.27]: I seek leave to suspend so much of the standing and sessional orders that would preclude consideration of certain business during the Address-in-Reply debate.

Leave granted.

Mr MOORE (Gordon - Minister for the Environment) [11.27]: I move:

That so much of the standing and sessional orders be suspended as would preclude such interruptions of the Order of the Day for the resumption of the debate on the Address in Reply this day to Her Majesty's opening speech to permit consideration of:

- (i) Government Business Notices of Motions No. 1;
- (ii) Government Business Orders of the Day Nos 1 and 2;
- (iii) Business of the House Order of the Day No. 1;
- (iv) Order of the Day (under Standing Order 113A).

As I have said on several occasions in the past, it is the Government's intention during the remainder of this session to designate a number of days upon which business for the remainder of the session will be introduced to enable members to have sufficient time to consider bills before they are brought on for the resumption of their second reading debate. That will necessitate, toward the end of the fortnight period set aside for the Address-in-Reply debate, the Government having the ability to bring in, give notice of and introduce bills up to and including the Minister's second reading speech. It is the only rational and responsible way to manage the Parliament so that honourable members opposite will have what they seek from the Government, which is time to consider legislation before it is dealt with by the Parliament. I indicate that at a later hour of the day I will move the motion with which just now the honourable member for Ashfield did not agree, and I hope he will reconsider his position in the meantime.

Page 538

Mr WHELAN (Ashfield) [11.30]: I reiterate that I will move exactly the same form of motion that I moved earlier simply to prevent the ambush of legislation. The Timber Industry (Interim Protection) Bill is a good example of that but there are likely to be other examples where members of the Opposition will not be given notice of intended government legislation. I thought those days were gone. We should not give the

Government an arbitrary power to bring on bills and ram them through. I thought it had already been agreed that this was a thing of the past. I object to leave being granted to the Government to control the whole business program without giving notice to the Opposition, simply to avoid that. That is not to say that the Government is not willing and able at any time to run the parliamentary business program. But there are no safeguards to prevent bills which are introduced being hurried through this Parliament, notwithstanding the good will of the Leader of the House, me and the Independent members of Parliament. In my view, it is adequate for the motion moved by the Leader of the House to be agreed to in this instance. But we will reject the giving of power cart blanche to the Government to introduce legislation willy-nilly at its leisure and not notify members of the Opposition.

Mr Hatton: I understand that -

Mr ACTING-SPEAKER (Mr Merton): Order! There is no provision for other members to speak to the motion.

Motion for suspension of standing and sessional orders agreed to.

GOVERNMENT PRICING TRIBUNAL BILL

Bill introduced and read a first time.

Second Reading

Mr GREINER (Ku-ring-gai - Premier, Treasurer and Minister for Ethnic Affairs) [11.32]: I move:

That this bill be now read a second time.

The purpose of this bill is to establish a government pricing tribunal to determine the maximum price for monopoly services supplied by nominated government agencies and to report on the pricing policies of those agencies. Its principal aim is to ensure that the interests of the citizens of New South Wales, both as consumers and taxpayers, are protected and are seen to be properly protected. Many government businesses in New South Wales are monopoly suppliers of services, notably, electricity, water and transport. As a result, these agencies are not subject to competitive forces and are able to set their prices without reference to the prices of substitutes for their services. In the absence of regulation these monopolies can charge prices which are higher or lower than they would be if set in a competitive market.

The Government introduced a draft bill proposing the establishment of this tribunal during the last session of the Parliament. As a result of further discussions since that time the bill currently before the House refines the previous bill. The substance of the proposal, however, remains unchanged. The pricing tribunal established by this bill with power to review and determine prices charged by monopolies will ensure that monopolies do not abuse the power which they have by being the sole supplier of a good or service. The tribunal will provide a proxy of conditions which would operate were

Page 539

the monopoly in a competitive market. It will ensure that the price-setting process is depoliticised and rational, unlike the short-sighted and flawed proposal put forward by the Australian Labor Party in its so-called Family Relief Bill. Its approach would encourage efficiency, equity or the appropriate allocation of resources either in the short term or the long term. The introduction of a price formula and nothing more would

encourage a mindset within authorities and the Government whereby government charges are simply allowed to increase by the consumer price index each year.

While this approach might be justifiable in a short-term context in some cases, it is dangerously unsound as a basis for long-term price reform. It would undermine any incentive to drive prices down through increasing productive efficiency. Indeed, the Labor Party's bill would lead to a less fair, less efficient and a less environmentally sensitive society. By contrast, the bill currently before the House will ensure that government monopolies are prevented from abusing their monopoly position but, at the same time, it is designed to ensure that proper price reform and efficiency gains are encouraged, not discouraged. The tribunal, in making its determinations and recommendations, will have regard to a number of matters. The cost of providing the services concerned will be only one relevant factor to take into account. Other matters the tribunal must consider are: the protection of consumers from abuses of monopoly power in terms of prices, pricing policies and standards of service; the appropriate rate of return on public sector assets; the effect on general price inflation over the medium term; the need for greater efficiency in the supply of services so as to reduce the costs to consumers and taxpayers; and the protection of the environment by appropriate pricing policies.

The tribunal will, therefore, be constrained by strict efficiency and cost issues but will take a broader range of matters into account when making determinations and recommendations. This will ensure that environmental and social issues form part of the equation and the tribunal will need to weigh these matters against strict cost-related factors. Honourable members would be aware that any reasonable analysis of the price or pricing structure of monopoly services, such as electricity, water and sewerage, must take into account the externalities relevant to the supply of the services. The cost of avoiding or minimising any environmental damage which might occur as a result of the supply of monopoly services should be taken into account when determining the appropriate price to be charged. This action will promote sound environmental practices and decisions as well as determining economically appropriate prices for the benefit of the people of this State. It will be a further factor operating to discourage and minimise environmental degradation.

The bill establishes the Government pricing tribunal which will consist of three members, being a full-time or part-time chairperson and two other part-time members. As I indicated previously in a media release, the Government has set up an interim tribunal in order to facilitate this year's work and it is obvious that it will be under time constraints. It is the Government's intention to use the interim tribunal as a principal source of advice in determining this year's prices pending the setting up of the tribunal on the passage of this legislation. The three people who have been appointed to the interim tribunal are Professor Thomas Parry, Ms Joan McClintock and Mr Shaun Mays. They fit entirely the requirements of the bill that members should be required to have a knowledge and understanding of economics, the interests of consumers and the interests of the Government as the owner of the agencies on behalf of the taxpayers of New South Wales. The tribunal will be able to call in specialist advice to assist it in determining the right level of prices and the right pricing policies. The tribunal will also be empowered to report on matters arising from its investigations of prices and pricing policies. This will be a valuable source of information for the Government in determining the direction of further reforms of government monopoly businesses.

Government. They will be published in the *Government Gazette* and will take effect from the date of publication, unless a later date is specified in the determination. The bill provides a procedure for the implementation of price determinations which requires Ministers and agencies to ensure that the price does not exceed the maximum price determined by the tribunal. Prices will only be able to be fixed below the level recommended by the tribunal with the consent of the Treasurer. The bill also requires the tribunal, when determining maximum prices, to report on the likely costs to the Consolidated Fund if the price of the service were not increased to the level permitted and the revenue forgone by the government agency concerned were to be compensated by an appropriation from the Consolidated Fund. We are trying to ensure that the budgetary implications of the adoption of a particular price are fully considered before prices are set. The tribunal will be empowered to conduct investigations and hearings. It is intended, however, that the tribunal will operate as informally as possible and will only hold hearings where this is necessary for the purposes of an investigation. There will, of course, be opportunities for public submissions, seminars and workshops.

Initially, the tribunal will have a standing reference to make determinations in relation to electricity and water supply authorities and government public transport authorities. Suppliers of other government monopoly services may be added to the schedule from time to time by regulation. There is also the capacity for particular government monopoly services to be referred by the Minister to the tribunal from time to time. The Government is of the view that those major agencies whose prices have the greatest impact on families and family budgets ought to be tackled first. The tribunal's initial focus will, therefore, be directed at monopoly services such as water, sewerage, electricity and transport which affect households universally throughout the State. The tribunal's activities will result in greater efficiency in the delivery of monopoly services in the State which will directly benefit all families in New South Wales, both in the short term and in the long term.

The Government is confident that the tribunal proposed by this bill represents the most sensible way of properly pricing government monopoly services. It will ensure that resources are rationally allocated and that in the longer term these agencies operate at least cost and maximum efficiency, taking into account all relevant factors. Both theoretical and empirical evidence, especially from the former command economies of the Union of Soviet Socialist Republics and Eastern Europe, conclusively demonstrate that controlling prices without reference to costs causes underpricing, and this encourages excess investment, increased environmental degradation, financial crises, and ultimately higher charges - to cover the cost of excess productive capacity and job losses - as industries either move to cheaper locations or retrench staff to remain cost competitive. The Victorian experience in recent years is a fair analogue to the experience of Eastern Europe and the disastrous effects of that sort of shortsighted and not cost-related pricing policy. The end result of not adopting the sort of proposal we have before us is that households now and in the future will be worse off.

This bill is all about a fair deal for everyone - not just for now but for the future. It will ensure that future generations are not left with the cost of the excesses of this generation. If New South Wales is to remain one of the soundest economies in the country, it is essential that we continue to get it right. Proper pricing policies for our major monopolies are an essential part of ensuring the continued prosperity of the State. This Government cares about the welfare of families now and in the longer term. They will be the major beneficiaries of the increased efficiency and equity that will result from a better pricing regime. I do not believe that the importance of this legislation can be

Page 541

overstated. Assuming it is able, as I believe it will be, to produce high-quality and

considered work in 1992 and onwards, we will end up with a society in New South Wales that is more prosperous, that is fairer and that is environmentally better off. Those goals seem to me to be entirely consistent with the goals of this Government and of the people of the State.

Debate adjourned on motion by Mr Langton.

DRIVING INSTRUCTORS BILL

Second Reading

Debate resumed from 25th February.

Mr LANGTON (Kogarah) [11.42]: The Opposition will support the bill before the House. It believes it is timely, if not overdue, that legislation has been introduced into this Parliament to tighten up the important area of driving instructors, particularly as it relates to road safety. I am sure the Parliament is aware of the many inquiries that have taken place over the past couple of years into corruption among driving instructors and driving examiners. The Joint Standing Committee upon Road Safety, which has done a very good job over the years under chairmen from both major parties, a couple of years ago brought down "Staysafe 14", a report into malpractice in driver licence testing. That led to an investigation and report by the Independent Commission Against Corruption. In that Staysafe inquiry report on page 6 a driving examiner was quoted as saying:

I was personally offered \$20,000 cash and \$1,000 per week to pass all applicants from _____ driving school . . . The final crunch came when I refused and I was told they were going to get my children . . . I am still hiding in the country . . . I will not write too much in this letter because I have got to the stage where I do not trust anybody anymore.

That was about the stage that people were at in both the Department of Motor Transport and the Roads and Traffic Authority as driving examiners and among driving instructors in the driving schools. At page 32 of the report, among other things, the committee found:

Many submissions favoured greater stringency in the issue of driver instructor licences, and some alleged inadequate control of driving school proprietors.

I think honourable members agree with that. The report continued:

Review of the performance of instructors and schools was advocated, as was cancellation of licences if requirements aimed at maintaining honesty were violated.

Some submissions sought central regulation of instruction fees, being particularly suspicious of arrangements where a total contract was entered into by school and candidate, and then the candidate passed after very few lessons.

Recommendation 5 was:

That the RTA be required to give greater prominence to its responsibility to prevent corruption, and ensure fair and honest application of its powers to all road users in New South Wales. Corporate planning documents should clearly reflect this need.

I am aware that the driver's handbook which is issued to applicants for driving licences

indicates towards the front of the booklet that it is an offence to offer a bribe to a driving instructor or through a driving instructor to a driving examiner. Startling allegations and
Page 542

startling findings were contained in the report of the Independent Commission Against Corruption inquiry, which came down in December 1990. Among other things, the Independent Commission Against Corruption reported:

The amounts typically paid in relation to a car licence were \$20 or so in the early 1980s and \$30 or \$40 by the end of that decade. Higher payments were generally made and received in relation to licences to drive heavy vehicles. Some of these corrupt practices were facilitated by clerks working in the registries. Corruption was also widespread with respect to knowledge tests. A difficulty was encountered by registry staff with some individuals who provided interpretation services for those who actually or purportedly do not have a decent grasp of the English language.

It is not possible to measure with precision the amounts of money involved. However, \$250 per week was an amount by way of illicit earnings commonly received by single driving examiners. Some did much better than that. The report finds that 26 of them were corrupt. The total figure involved is at least \$3 million.

I think that figure was quoted by the Deputy Premier, Minister for Public Works and Minister for Roads in answer to a question from the honourable member for Oxley last year. He said that over a period of 10 years \$3 million had been paid to driving examiners, and a lot of that money was paid directly by driving instructors and driving schools. The report of the Independent Commission Against Corruption stated that a total of 61 named individuals were involved in corrupt conduct. The report stated finally:

What matters most is that the system should be changed so that repetition is difficult and the public can be guaranteed that the corruption which is systematic or endemic does not recur. To achieve that involves the adoption of proper attitudes on the part of RTA management and staff and much work by way of systems improvement.

A lot has been done as described in the report. I agree that a lot has been done in the Roads and Traffic Authority in this area, though not in many other areas, to try to weed out corruption. This bill will tighten up one of the major avenues of corruption - driving schools and driving instructors. The Minister and the Chief Executive of the Roads and Traffic Authority have a responsibility to clean up the internal side of the Roads and Traffic Authority. The proposed legislation will sort out the external part - the driving schools and the driving instructors. As the Minister said in his second reading speech, the bill will repeal legislation that is some 30 years old. It is timely, but a bit late. It will significantly improve the standards of driver education. Again I refer to the investigation of the Staysafe committee because the whole reason for Staysafe investigating corruption among driving examiners and driving instructors was the road safety aspect. If there is corruption in the industry, some people who are not fit to have licences will get them or will be insufficiently trained or educated to be able to drive safely, which has road safety implications.

The object of the bill is to combat corruption and malpractice. It is to make sure that those who are involved in the industry as educators have a full rather than probationary licence and have successfully completed an approved training course. I ask the Minister in reply to provide more detail on how these courses will be structured. In answer to a question asked on 18th September last year the Minister stated that the proposed source will be a recognised TAFE course, a pilot course having been successfully completed by 30 students. He went on to state that from this group initially

part-time teachers have been selected to conduct courses at Kurri Kurri, Wetherill Park and Gympie. I ask the Minister to explain further when the course will commence, which TAFE colleges will conduct it, the cost of running it, and whether sufficient people are available to run the course. I note that the driving schools have objected to that part of the bill which states that people must have successfully completed one of these courses prior to gaining employment at a driving school. They suggest that provision will

Page 543

seriously disadvantage the industry. Traditionally training is done on the job. They ask for that to continue and that the TAFE course incorporate theory aspects, with the practical aspects being dealt with while working in the driving school. I do not favour that view.

Driving instructors should have all the necessary training before taking up employment, whether it be in practical or theoretical aspects of the work. I am sure the Minister has a solution as to how that problem can be overcome, what provision can be made for practical training and whether a training element will be part of the TAFE course. The Minister states that all present instructors will have to complete the course within three years and that new applicants will have to undertake the course almost immediately. I ask when this course will be available? Obviously I support the provision that excludes probationary licensees from the industry. I strongly support also the provisions which provide for licences to be refused or cancelled, in particular to those who have been adversely mentioned before the Independent Commission Against Corruption inquiry, of which there were a great number. Volume 2 of the report that resulted from the ICAC inquiry details those who were adversely mentioned and its findings against them. Quite clearly we do not want those people associated with the industry now or at any time in the future. These necessary measures will preclude those people from gaining a licence.

The onus to ensure that employee driving instructors meet the requirements is placed on the principal of the driving school. That puts the responsibility where it should be. All too often in reports of the ICAC and in Staysafe reports one sees adverse mention of principals of driving schools. Those principals have the greatest responsibility to ensure that they provide the required valuable community service in a way which guarantees the integrity of the industry and the safety and competence of the people they are allegedly educating. The legislation requires driving instructors and driving schools to establish and maintain a proper system of records and to produce those records for inspection by police or authorised officers. I seek further explanation of what records will be required and the power of police and authorised officers on perusing the records. The provisions in the bill that permit applications for licences to be refused state that the authority, being the Roads and Traffic Authority, must refuse an application if:

- (b) the Authority is not satisfied that the applicant is a person of good character; or
- (c) the Authority is not satisfied that the applicant is a fit and proper person to act as a driving instructor; or . . .
- (f) the Authority has reason to believe that the applicant has engaged in bribery or fraud . . .
- (g) the Authority is of the opinion that it would not be in the public interest for the applicant to hold a licence having regard to the applicant's record of convictions (within the State or elsewhere) for offences involving motor vehicles.

This measure provides for such a refusal to be appealed against in the Local Court.

Obviously the Opposition supports that provision. The fairly severe increases in fines proposed in the legislation are not overharsh. This relates to the great responsibility of driving schools and driving instructors to ensure that those who drive on our roads are safe drivers. It is related also to the poor record of the industry generally. The penalties fit the importance of the industry that they seek to regulate. I do not accept the criticism that the penalties are too severe. An article that appeared last year in the *Sydney Morning Herald* mentioned 50 hours being the required amount of training in theory in the TAFE course. I ask the Minister to explain how the theory and practical education will be provided. I turn now to the Driving Schools Association which represents the industry.

Page 544

In his second reading speech the Minister said:

Throughout the development of this vital proposal, consultation has taken place with the Driving Schools Association, which has indicated its unqualified support.

I am sure the Minister is aware of a document put out by the Driving Schools Association recently which states:

It should be noted that there was no consultation with industry on the draft of this bill before it was submitted to the Parliament. In fact there was no notification that the Bill was being presented.

Either the Minister or the Driving Schools Association is not telling the whole truth in this matter. If the association has been consulted, why has it now sought so many amendments to the bill? If it was not consulted, I ask why it was not? When legislation is brought before this Parliament on such an important issue, in particular one relating to road safety, the Government and the RTA have a responsibility to ensure that full consultation takes place with those involved in the industry. It is worth while to note some of the concerns of the Driving Schools Association in its document. It states that clause 8(4)(b) should be deleted. Clause 8 reads:

(4) A person who advertises, or makes a statement in writing, to the effect that the person acts or is willing to act as a driving instructor or as a driving instructor in respect of motor vehicles of a particular class must specify in the advertisement or statement:

- (a) the class of motor vehicles in respect of which the person acts or is willing to act as a driving instructor; and
- (b) the number of the person's licence.

The association claims that this provision will adversely affect it. It goes on to state:

Clause 8(4)(b) is inserted to restrict the small number that may work independently without licences. It is detrimental to the mainstream industry.

The association is suggesting that paragraph should be deleted from the proposed legislation and that if a number is to be displayed, it should be the registration number of the school, as it is the school's responsibility to employ only licensed instructors. I do not believe that is a valid criticism. Clearly the person whose name is on the advertisement should put his licence number in the advertisement. I do not accept the assertion by the industry that if a driving school has 100 instructors, 100 licence numbers will have to be displayed in all advertising. Clearly the clause deals only with the person whose name appears in the advertisement. In regard to clause 10(d) the Driving Schools

Association of New South Wales states that the TAFE course for driving instructors is structured so that after the first section of the course a conditional licence is issued and the final section, which includes on-the-job training with student drivers, is then completed before full licensing. It wants to know which provision in the bill allows that procedure to continue. I raised that issue earlier. In his reply the Minister might give an answer to that question.

The industry also refers to clause 46(3), which provides that a certificate stating licence conditions or restrictions issued by the Roads and Traffic Authority may be used in court as evidence without the necessity for the production of any record or document on which the certificate is founded. Possibly incorrect records of the Roads and Traffic Authority would have to be accepted as fact, without question. Again I assume that the Minister has seen this document from the association and will answer that question. The

Page 545
association has some problem with clause 53 in regard to the use of an unsatisfactory vehicle. It says that it cannot agree with the penalty provisions because they are discriminatory as they impose different penalties for driving instructors than for other persons. I do not agree with that comment. A driving instructor has a great responsibility to ensure that his vehicle is as good as it can possibly be, particularly when they may be someone at the controls of the vehicle who is not licensed and obviously is nervous. That places a greater responsibility on the driving instructor to ensure that his vehicle is up to scratch.

The association has some difficulty also with clause 54 which states that a person must not permit a driving instructor to drive an unsatisfactory vehicle. They raise the concern that in the driving instruction industry all cars are owned by the instructors, not by the schools. They say it is the intent of the proprietors that instructors comply with roadworthiness provisions of the Traffic Act. This clause will make the driving school proprietor equally responsible as the instructor, the vehicle owner, for any minor defect. How can a proprietor of a school with 20 or 30 cars be aware of, much less responsible for, the condition of other people's vehicles at all times? I agree with the association's concern about clause 54. The roadworthiness of a vehicle is covered in clause 53 and I fail to understand why there is a need for clause 54 as well. Again the Minister might address that matter in his reply. Having made those observations and raised those questions, I repeat that in my opinion this is good legislation. The sooner we get an industry in which applicants for licence can have confidence the better it will be. Anything that will contribute to road safety should be supported by all honourable members and the people of New South Wales. I believe this legislation will have a beneficial effect. I applaud the Minister for introducing it but ask that he respond to the matters I have raised.

Mr JEFFERY (Oxley) [12.3]: I congratulate the Deputy Premier, Minister for Public Works and Minister for Roads on bringing forward the legislation. I congratulate also the Government on introducing a training scheme to improve the credentials of commercial driving instructors in New South Wales. Thereby it is hoped that the capabilities of learner drivers will be improved. As was mentioned by the honourable member for Kogarah, since 1988 the Staysafe committee of which I have been a member, as has the honourable member for Cabramatta, recommended a more thorough procedure for the training and licensing of driving instructors. The committee found that there was a need for the development of a systematic professional driver training scheme. During its investigations Staysafe was advised that a successful testing program had been introduced in New Zealand. Members of the committee examined also what was being done in other States of Australia. As was mentioned by the honourable member for Kogarah, the "Staysafe 14" report was presented in April 1989. That report dealt with

malpractices in driver licence testing and was followed later by the "Staysafe 18" report, which recommended that the Roads and Traffic Authority develop and operate a good but affordable training course for driving instructors and also provide incentives to encourage novices to complete accredited driver training courses.

I know that you, Mr Acting-Speaker, have a keen interest in this issue because of the wonderful complex at Armidale. I am aware that the Staysafe committee is looking forward to visiting that region and inspecting the facility. The bill supersedes the existing arrangements for driving instructors which had focused on practical driving skills. It has been possible for any person over the age of 21 to become a driving instructor, without having any teaching skills. Staysafe heard evidence from Roads and Traffic Authority testers who alleged that some driving instructors were knowingly encouraging grossly incompetent candidates to attempt driving tests. Another very

Page 546

serious allegation was that some driving instructors were training candidates simply to pass the driving test, without paying regard to any other advice that would enhance safety. The new course has been developed in consultation with TAFE, the National Roads and Motorists Association, the New South Wales Police Service and the driving instructing industry. In the long term that course will be of immense benefit to all concerned. I do not intend to criticise driving instructors, some of whom are conscientious and capable people. However, I should say that adequate training should be standardised and accepted as necessary in the best interests of road safety and the driving public of New South Wales.

The new standard required for instructors to train people how to drive in a professional and safe manner is essential to better equip our young and new drivers for today's driving conditions. The TAFE course in commercial driving instruction includes 50 hours of theory and practical training. After 35 hours of classroom instruction and a period of practical training driving instructors can obtain a conditional licence to continue training on the job. Further formal classroom and practical training will be necessary before they can obtain a full instructor's licence. The holders of existing driving instructors' licences in New South Wales - and I think there are about 2,600 of them - will be required to complete the new course within three years in order to retain their licences. They will not need a conditional licence, as the endorsement on their present licence will continue to apply. It is essential that those instructors upgrade their skills and that a uniform method of teaching be applied. It is important to instil a proper attitude to driver safety. That is vital to the instruction of learner drivers. Perhaps some long-term drivers also could do with brushing up on their driving skills when one has regard to what happens on roads in New South Wales.

The object of the bill is to provide for the licensing and regulation of driving instructors. I was pleased to hear the honourable member for Kogarah say that he supported the increase in penalties. He considered that they were not harsh but were appropriate to this day and age. I concur with that comment. The last time penalties were increased was in 1965, 27 years ago. The penalty for acting as a driving instructor without holding a licence has been increased from \$200 to \$5,000. The penalty for offences against the regulations has been increased from \$100 to \$2,000. The legislation does not apply to persons who provide driving instruction without fee or other reward. However, the Roads and Traffic Authority is developing helpful and general material about teaching methods, to assist those who want to teach family members or friends. I am not sure that would help me, because I would not have the patience to do it, though my wife would. The bill seeks to prevent persons who have engaged in bribery or fraud in relation to drivers' licences from being associated with driving schools. As was mentioned, that matter was the subject of a thorough Staysafe inquiry which brought to

light some alarming breaches and rorts of the system. I remember well the day the report was tabled in Parliament. Only members of the Staysafe committee and the Premier had access to the report at that time because of the serious allegations and material the committee found in its inquiries. The investigation found corruption in a number of motor registries and among a number of driving instructors and examiners.

Honourable members will be aware that these proposals to improve the driving instructor industry follow an extensive investigation by the Independent Commission Against Corruption last year. This bill is important. It will restore confidence in the industry by producing more competent and ethical driving instructors. The long-term goal is that the State's roads will be safer and that better records will be kept. The changes will also produce some very worthwhile long-term benefits for both the industry and the community. I thank the Deputy Premier, Minister for Public Works and Minister

Page 547

for Roads for introducing this legislation. We are also very grateful for the support of the Opposition and its members who have served on the Staysafe committee. I support the bill.

Mr NEWMAN (Cabramatta) [12.12]: I support the bill, and I commend the Minister's department for introducing it better late than never. In the Minister's second reading speech he stated that this bill was the result of the investigation into driver licensing by the Independent Commission Against Corruption. In August 1989 the "Staysafe 14" report informed this Parliament that 15 to 30 out of the 129 employees of the Department of Motor Transport were taking illegal payments. It is disconcerting that those numbers of people were involved. Yet, the department did not institute an investigation. It is rather sad that the matter has been the subject of an ICAC investigation. Page 32 of the "Staysafe 14" report states that the department was trialling new procedures in respect of driver instructor licences and predicted that those new procedures would be introduced shortly. It has been two and a half years since that "Staysafe 14" report was tabled and, allowing for a three-year introduction period, it will be five and a half years before the system is in place. The "Staysafe 18" report, which was presented to Parliament in December 1990, dealt with steering novice drivers towards safety, but it was also related to driving instructors.

Page 24 of that report stated that behavioural science experts advised Staysafe of little expectation that present driving instructors would necessarily perform any better as driver trainers than parents. It was acknowledged that parents might be helped by more user-friendly teaching resources. I draw the Minister's attention to that factor - user-friendly teaching resources. The Roads and Traffic Authority should examine the learn-to-drive books commercially available in New South Wales. I understand that those books are not endorsed by the authority. Parents - and the bulk of driving instructors in New South Wales are parents - would be greatly assisted by a user-friendly type of kit related to driving instruction. The Minister should consider that matter of the "Staysafe 18" report. The section dealing with commercial driving instructors stated that driving instructors were knowingly encouraging grossly incompetent candidates to attempt driving tests. That factor is highlighted in statistics in many areas where people constantly fail their driving tests simply because they are not ready.

The December 1990 report also referred to a pilot test of a course for driving instructors which was to commence on 1st March, 1991. I am concerned that it has taken so long for this recommendation to reach the Parliament. There have been other reports to the Parliament encouraging the commencement of such a course at a proper level. The "Staysafe 18" report also contained complaints about the concept and the cost of such a course. Driving instructors expressed the view that those costs would simply

be passed on to individuals. I ask the Minister to consider the factor of the cost of training driving instructors. We are endeavouring to give professional instruction to learner-drivers. To many people in our community the cost of driving course precludes them from taking instruction from professional driving schools. The Minister might also consider the suggestion made by a driving examiner at paragraph 4.7.10 on page 26. He suggested that pass rates for driving instructors should be published. Other driving instructors proposed prizes for the best and retraining for the worst. The Minister should investigate the possibility of issuing gold, silver and bronze licences for driving instructors and introducing some merit system related to their capabilities. Learner drivers want to know the competence of the driving instructor, and the industry should provide an incentive in terms of qualifications and years of driving instructor experience.

I compliment the Minister on his second reading speech. He stated that the

Page 548

objectives of the bill are to combat corruption and malpractice within the industry, to keep people who are considered unfit to hold a driving instructor's licence out of the industry, and to ensure that both current licensees and future applicants have successfully completed an approved training course. They are commendable points. Penalties have been introduced which will give the Roads and Traffic Authority some teeth. The range of increases, from \$200 to \$5,000 and \$100 to \$2,000, meet current standards. Clause 8 of the bill refers to advertisements. It is a clause about which I am very concerned. It has been brought to my attention that in my local area there are advertisements which are quite suspect. One so-called newspaper advertisement - it has appeared in a Chinese newspaper - guarantees a pass for the licence examination following the second lesson. That is remarkable. That sort of advertisement would no doubt attract clients. I note that the clause provides that the driving instructor's licence number or the name and address of the driving school concerned must be specified in the advertisement. I commend to the Minister that he alter that provision to require that what should be advertised is the instructor's licence number; not a choice of one or the other. Insertion of the driving school's name and address does not really give us all the information that is necessary.

I want to give the Minister some examples of problems that have been related to me about poor instruction. One must take into account the multicultural community in the Cabramatta area, indeed the whole Fairfield city area. In one instance a so-called instructor who had sent along 26 applicants for the examination was found to have only a probationary licence. Another involved a German-speaking instructor using hand signals in an attempt to communicate instructions to a Vietnamese student who could not speak English. Those are just two of the many problems that have been referred to me. As advertising is very very important, in that respect the bill should be amended to require insertion of the licence number of the instructor in the advertisement. I am also pleased that clause 16 of the bill empowers the Roads and Traffic Authority to require an applicant to obtain a medical certificate of fitness - a very important and good initiative. The bill provides for suspension or cancellation of a driving school licence. I am pleased by that clear indication that bribery has no part in the driving instructor industry.

Clause 37 provides that the Local Court may place a total or limited prohibition against a person conducting a driving school. The Minister might advise me what a limited prohibition means in terms of a driving instructor's role, a driving instructor's work relationship and a driving instructor's period of time. Does that mean the person will be so prohibited for three months before returning to the industry, or are the terms of the order to be based on the seriousness of the offence? I am very curious about that provision. I am also very concerned about limitations that are placed on the ethnic community in terms of driving instructors and problems that are showing up in statistics.

In November I wrote to the Minister about those matters. I appreciate that the Minister did reply to my correspondence in which indicate that Asian drivers have an examination failure rate of between 65 per cent and 80 per cent. That showed a huge disparity between Asians and persons of other nationalities, particularly those from English-speaking backgrounds. I asked the Roads and Traffic Authority at that time to have a look at this particular problem. One of the key factors was driving skills and competence of driving schools - some were very good but others were very poor. In essence, the provisions of the bill and retraining measures should do a great deal to help overcome problems with that particular community.

Page 549

That some driving schools offer very cheap lessons brings me to the matter of industry standards and the class of licence that driving instructors have, whether gold, silver, platinum or whatever. There should be one standard right throughout the industry. Driving instructors, having undertaken the course in accordance with the Act, should offer a price that is reasonable to the community so that everyone will get a fair go. As the parents of New South Wales make up the bulk of driving instructors, I again ask the Minister to consider my proposal that the RTA produce a user-friendly guide to parents. I reiterate my request that the Minister change the legislation to require advertisements to carry the licence number. That would help a great deal. [*Time expired.*]

Mr D. L. PAGE (Ballina) [12.27]: I support this legislation. I commend the Minister for bringing it forward and welcome the fact that the Opposition is also supporting the legislation. By way of background, in December 1990 the Independent Commission Against Corruption's report on investigation into driver licensing found evidence of corruption and malpractice within the Roads and Traffic Authority and amongst the driving instruction industry. The report was also critical of the standard of competence of driving instructors. Commissioner Temby recommended that changes be made to the Motor Vehicle Driving Instructors Act to increase controls over the driving instruction industry and provide for and include training in levels of tuition. Those recommendations, as well as other reforms which had already been moved within the Roads and Traffic Authority, have been included in this package of legislative amendments. It is important that this legislation be right. It was only in December 1990 that Mr Temby brought down his report. Some Opposition members were a little uncharitable to the Minister in suggesting that he had been tardy in this matter. So it is roughly two years between when the report was brought down and the introduction of legislation into this House to implement the major recommendations of Commissioner Temby.

The Minister outlined in his second reading speech the primary objects of the bill, and as it is good legislation I think it is worth repeating the two main objects: first, to combat corruption and malpractice within the industry, to keep persons who are considered unfit to hold a driving instructor's licence out of the industry; and, second, to ensure that both current licensees and future applicants have successfully completed an approved training course. I think there is a broader objective to this legislation, namely, to improve the standards of driving right throughout New South Wales, particularly of new drivers. It is a sad fact that there is a disproportionately high accident rate among people who have recently obtained their licence. This sort of legislation, which is designed to improve the standard of driving instructors, will have a ripple effect as people who complete courses of instruction conducted by approved instructors will obviously be better drivers.

It is also important for people who hold themselves out to the public as being driving instructors, accountants or politicians to meet certain standards. Of course, this legislation makes provision for that. It ensures that the behaviour, integrity and competency of driving tutors is of a professional standard. At the moment there is a tremendous variation between driving instructors. No doubt some of them are very good and have been acting as driving instructors for many years. They might resent the fact that they have to go back and do a TAFE course. But I think they would be the first to recognise that they are part of an industry that has to maintain high standards. At present a number of driving instructors who are currently licensed would not meet acceptable standards. This legislation will ensure that there are minimum, acceptable standards. How do we set those minimum standards? The proposed legislation will require all instructors who are licensed at present to complete an approved training course within

Page 550

three years of the commencement of the Act. I believe that this three-year period will give an ample opportunity for the training requirement to be satisfied, without causing undue hardship to existing licensees.

Newcomers to the industry will also be required to complete a similar course as a prerequisite to the granting of an instructor's licence. Initially, that course will be available through TAFE colleges. I will make a few comments in relation to the TAFE colleges where this course will be available, particularly as it affects the North Coast region. The effect of all this will be that, within three years, licensed driving instructors will possess qualifications appropriate to the profession. This will give the public and those who are learning to drive a measure of protection and it will be a considerable improvement on the present haphazard arrangement. I believe the penalties in the legislation are appropriate. There is no doubt that previous penalties were totally inadequate. As Commissioner Temby suggested, we need penalties which will be a deterrent. People who flout the new legislation will face penalties increased from \$200 to \$5,000. Clearly, that is a desirable measure.

In summary, a number of benefits will flow from this legislation. First, it will minimise the incidence of unlicensed commercial instruction; second, learner drivers will benefit from the enhanced professionalism of their instructors; third, the general community will appreciate the Government's commitment to eliminate fraud and corruption; fourth, all road users will enjoy a safer motoring environment; and, fifth, public confidence in the driver licensing system will be restored. Formal training, stringent licensing requirements and increased accountability will improve the image of an industry which has been severely damaged by the improper actions of a corrupt minority element. At the moment there are about 3,460 driving instructors in New South Wales. Approximately 18 or 19 per cent of those driving instructors are in the northern region of the Roads and Traffic Authority. While about one-fifth of those instructors are in the Newcastle area, a considerable number are in north Newcastle and the area I represent on the far North Coast. One of the concerns I have is that the people on the North Coast who want to attend this course may have to travel excessive distances. At the moment they would have to go either to Kurri Kurri college or to the Armidale Traffic Centre. I think that would be inconvenient for some people. I understand - the Deputy Premier, Minister for Public Works and Minister for Roads might be able to confirm this when replying to the debate - that if we get sufficient numbers we might be able to organise a TAFE driving instructor course closer to that northeastern corner of New South Wales which is growing so rapidly.

The question of costs is worthy of mention. As I understand it, the cost of the course will be roughly \$450 to \$550. I do not believe that is prohibitive, given that we are trying to set a standard. The public need to be confident that this will not be a

mickey mouse course. People will have to make a genuine sacrifice in order to be able to undertake the course. If they are interested in becoming professional driving instructors it will not inhibit their capacity to undertake this course because it will not be prohibitively expensive. In conclusion, I understand also that some provision will be made for a challenge test. This will enable people who are currently licensed and who can demonstrate that they have the capacity, the experience and the educational qualifications to impart their message clearly, to fast track the normal TAFE courses. The challenge test should be formulated in such a way that it will not reduce the standards we are striving to establish through this legislation. I would be very supportive of that concept. Obviously, a number of driving instructors who are doing the job very well would, given the opportunity to do a challenge test, pass with flying colours and meet the standards that we seek. I congratulate the Minister on bringing forward this

Page 551

legislation. I do not believe he has been tardy at all. It is two years since we received Mr Temby's report and I think that was quite a reasonable period within which to formulate good legislation. I commend the Minister and I support the legislation.

Mr PRICE (Waratah) [12.36]: I support the bill. I do not agree entirely with the honourable member for Ballina. I do not believe that the two-year period has been reasonably spent in formulating this legislation. However, I will not dwell on that matter; the Minister has taken action and the matter has been brought forward for debate. If I have any criticism at all it concerns the scope of the bill. I believe a number of matters, particularly advanced driving, have not been covered. I accept that we have to get our act right in regard to basic driver training skills. A form of licensing is not only necessary but also essential. I accept also that many drivers, once trained and licensed, are not necessarily skilled in every aspect of road use. I would like to think that the Government will proceed further in this regard. At some future time the Government could move an amendment to this legislation or introduce another bill which will cover the need for advanced driver training. I share the concern of the honourable member for Ballina about the availability of courses through TAFE. A sufficient number of centres should provide such a course to allow genuine driver training schools to update within the time frame provided - a three-year program to get every driving instructor in the State appropriately licensed. The objective is excellent but even the TAFE course that is currently available for training is not adequate. The Kurri Kurri TAFE college, which has a residential component, is probably the only one geared up for this sort of thing at present, apart from those colleges that already conduct a form of motor cycle training.

The Hunter Plant Operators Training School has been training drivers in the heavy earthmoving equipment industry for some years. It was started as a private initiative and was eventually taken over and adopted by TAFE. It continues to operate successfully and provides skills and licences to people in the heavy earthmoving equipment industry. It seems to me that the school could vary its curriculum in a relatively short period to train teachers so that they could conduct courses on a part-time basis away from main centres. If Kurri Kurri were to deal with several TAFE colleges in the north and northwest of the State on a part-time basis, that would be of value to TAFE because its people would rotate and gain other experience. It would be of greater advantage to the driving schools that operate at present or those that will emerge as a result of the accreditation system, because those driving schools will not have to refrain from operating during the training period; they could reasonably expect to qualify during the three-year period or two-year period, depending on the duration of the course determined in the part-time mode. In general terms, the bill answers most of the general problems that were raised in 1988 when the scandals were discovered. I commend the work of successive Staysafe committees and their recommendations in relation to driving instructors. I am sure the Minister was grateful to receive the advice contained in the

various reports. It would have assisted him and the Roads and Traffic Authority to come forward with the proposed legislation.

I urge the Government to take particular note of the difficulty that non-metropolitan schools will have in obtaining accreditation in the way the bill appears to describe. A group in the Waratah electorate called Roadwise Educational Publishers operates a driving school and an advanced driving school. It has trained the postmen who work for Australia Post and use their motor cycles on footways. The company's courses are excellent, but it has no real accreditation. That company would benefit significantly from the opportunity to have some input into how the courses should be structured. I know it is a case of the theoretical student teaching the teacher, but there is an opportunity for the interface and interchange of ideas to assist with implementing a course

Page 552

that would cover not only first-step driver training but take the driver to the second step. Honourable members would agree that a defensive driver training course would be of value to most drivers in the community. I have not had the opportunity to undertake a course myself, but I hope to do so this year. I hope also that the Government as a matter of policy will ultimately advance to the stage where all drivers in the State in its employ would be obliged during the first two years of their employment as drivers to undertake defensive driving courses. Apart from the personal safety aspect, the Government would make a significant gain through vehicles not being put off the road as a result of accidents. I join with other members of the Opposition in supporting the bill and look forward to its early implementation.

Mr SCULLY (Smithfield) [12.42]: I support the Driving Instructors Bill. It is timely legislation. It will repeal the Motor Vehicle Driving Instructors Act of 1961. I have had a good look at the Act the bill will repeal. With some interest I noted that its breadth and depth were non-existent compared to the proposed legislation. The Minister should be acknowledged for bringing the proposed legislation before the House. It is well overdue. The Act came into operation in June 1962. Therefore, we are about to celebrate its thirtieth anniversary. The Act is far too narrow in its scope. The bill will make a number of worthwhile amendments to the Act. I refer the Minister to clause 15 of the bill, which relates to the testing of applicants. The clause says, "The authority may require the applicant to submit to a test of any one or more of the following". It then sets out such things as competence, knowledge of the Traffic Act and of the Motor Vehicle (Driving Instructors) Act, and the ability to teach, and other matters prescribed by regulation. I wonder whether the words should read, "the authority shall require the applicant to submit to a test".

I understand the philosophy may well have been to leave the discretion to the authority responsible for administering the Act to determine, on a case-by-case approach, whether an applicant should be put through the rigours of the provisions of that clause. If the Government intends to tighten up the industry - and I am sure there would be no argument in this Parliament that the industry needs cleaning up - it should be fair dinkum about it and put each applicant through those particular tests at RTA level. Existing clause 5 is deficient in that it provides that the administering authority may carry out those tests but only if the Commissioner of Police deemed it necessary. Therefore, if the Commissioner of Police did not deem it necessary, the authority had no jurisdiction to require an applicant to undertake those particular tests. The Minister is probably aware that the old legislation had contain provision for training but was never gazetted as no course was available to applicants.

Clause 10 will delete a reference to "other qualifications and experience".

There has always been a provision that an applicant did not have to undertake the course if he could show he had qualifications and experience sufficient to justify a licence being issued. It is probably preferable to delete that provision. I would feel much more comfortable about people undertaking a course in driver instructor training. The Minister may have received correspondence from the Driving Schools Association of New South Wales. About a year ago I corresponded with the Minister and he replied to my correspondence, for which I thank him. The association raised the need to run the course on a part-time basis. One particular instructor who came to me argued that that would decimate the ranks of potential instructors in New South Wales. I do not know whether he is being alarmist or genuinely concerned about a barrier to entry into the industry that will be raised and may well preclude some good people coming into the industry because they cannot afford to go on to the unemployment queue while they complete a full-time course. I continue to feel it should be full-time, but I felt I should raise it with the Minister. I acknowledge that he will respond to it.

Page 553

The other two factors the association referred to were that the course should be cheap and accessible. I know that the Assistant Minister for Transport said the cost would be approximately \$400 to \$500. The association, and the gentleman who came through my office, asserted it would be about \$800. I raise that with the Minister as another matter of concern. It is difficult enough for people to forego income producing income to undertake a full-time course without having to pay a large sum of money for a course. The Assistant Minister talked about accessibility. The Minister, being from a country area, would be concerned about access for country people who wish to undertake courses. I do not know how the Minister will overcome that problem. The association referred finally to the British system, which I understand operates a system of provisional licences. An applicant gets a provisional licence, undertakes a part-time course and in the market-place there is a reduction in the fee charged. I invite the Minister to monitor the situation. If the fears of the industry eventuate, perhaps that sort of scheme could well be taken on board. We do not have to lift our lids and pull our forelocks for that to be done.

This is an important industry and its problems need to be addressed. One of the previous speakers referred to 600 instructors. I understand there are approximately 700 instructors and that 60,000 student drivers a year undertake 7.5 hours tuition at a cost of \$11.5 million. At some stage in our lives almost all of us encounter driving instructors and the industry certainly needs cleaning up. Clause 181(f) deals with the authority having reason to believe that an applicant is engaged in bribery or fraud relating to the testing of applicants for licences. I appreciate that is probably directed at the ratbags who have been identified in these inquiries. Perhaps that measure is too broad or too loose. On appeal, must the court be satisfied that there has been no conviction for bribery or fraud before a licence will be issued? Or must the court be satisfied that there is a reasonable belief or suspicion that a person may have engaged in bribery or fraud? This may be unfair to people who have not engaged in anything of that nature. Otherwise I support the bill.

Mr W. T. J. MURRAY (Barwon - Deputy Premier, Minister for Public Works and Minister for Roads) [12.51], in reply: I thank honourable members from the electorates of Kogarah, Gosford, Cabramatta, Ballina, Waratah and Smithfield for their contributions to this bill. Also, I thank the Opposition for its support. A number of matters have been raised. The honourable member for Kogarah raised the matter of a driving school as an employer or principal having the power to require an employer agent to maintain the vehicle in a fit condition. A responsible proprietor should certainly do so

and strict control should be maintained. I would expect every driving school operator to see that that happens, and this legislation will require that. The Driving Schools Association was fully consulted about the contents of the training course and the proposals contained in the bill. In March last year we met and spoke about proposals to be put to Cabinet. Officers from the RTA met constantly with Driving Schools Association representatives in September 1990 and June 1991 about training courses and now speak regularly with the Driving Schools Association on an informal basis. Concern was expressed as to what records should be kept. The records must include details as to vehicle roadworthiness and insurance status, the names and addresses of instructors, the instructors' licence numbers, the names and addresses and licence numbers of learners, for verification, lessons taught, and fees charged, for consumer protection purposes. Those records will be used to prosecute operators who fail to comply - for example, licensed instructors who use unsatisfactory vehicles.

The honourable member for Kogarah also spoke about details of the RTA's approved training course for driving instructors. The course is currently provided by TAFE at the New South Wales Traffic Education Centre. The course consists of 50

Page 554

hours theory tuition as well as practical training. The length of the practical training is dependent upon the skill of the individual but is expected to average six hours in total. The cost of the course is set by the provider, in consultation with the Roads and Traffic Authority. At present classroom teaching costs \$300, and course materials cost \$400. Practical tuition is estimated to cost between \$60 and \$180 depending on the skills of the individual applicants. Total cost to the individual is approximately \$400 to \$500. A number of service centres are located around the State. As has already been mentioned, they are at TAFE colleges at Wetherill Park, Hornsby, Gymea, Dubbo, Goulburn, Kurri Kurri and at the New South Wales Traffic Education Centre at Armidale. If demand is sufficient, courses will be offered at any New South Wales TAFE college. It will be a demand-driven operation.

TAFE is developing also a correspondence course format to assist people living in country areas or those unable to attend the centres. Providers are offering a variety of course schedules designed to suit trainees, including weekend, residential and appropriate day formats of varying durations. Concern has been expressed about training being a prerequisite for employment. People wishing to become a driving instructor can complete part of the training course, part of the practical training, and then be granted a conditional driving instructor licence by the RTA. This guarantees a minimal level of training before someone is able to teach a member of the public, but allows people to complete training and gain practical experience while earning an income. A full instructor's licence will not be granted until the training has been completed. User-friendly training aids are available to help parents. The RTA is producing a manual, which will be available later this year, to assist parents to teach teenage children to drive. It is based on the novice driver curriculum produced by the road safety bureau of the authority and has been produced with the assistance of the Education and Training Foundation. This manual will be a plain English publication, sold widely for a nominal fee.

The training course was implemented under the existing Act and has been a requirement since July 1991. The Driving Schools Association has always objected to the publication of pass rates for driving instructors. Pass rates do not always tell the whole story. Sometimes applicants insist on taking driving tests against the advice of instructors. The pass rate for new drivers on first testing is as follows: private tuition 43 per cent, commercial tuition 55 per cent, and all driving tests 50 per cent. Fifty-eight per cent of all applicants for a class 1A licence receive the greater part of their tuition from a

licensed instructor. These figures were taken over the six-month period from April to October 1991. The majority of driving instructors are not parents; almost 60 per cent of all tuition is paid for. Clause 8(4)(b) requires that an instructor's licence number be displayed in any advertisement. It is impractical to require the licence number to be displayed on the driving car.

The honourable member for Waratah sought clarification regarding the scope of the bill. This legislation is to regulate all aspects of the driving instruction industry, not to control and regulate drivers, as provided for under the Motor Traffic Act and regulations. People offering advanced driving courses will need to be licensed under the Act. The honourable member for Smithfield was concerned about country people having access to training. I have mentioned that training will be provided through TAFE colleges, provided they achieve sufficient numbers to make the course viable. A correspondence course is also being developed. Other qualifications were deleted from the old Act at the insistence of Commissioner Temby to make sure all potential instructors undertake a course of training. The challenge test will obviate the need for experienced instructors having to do the whole course. The challenge test will be of
Page 555

benefit to competent instructors. There is not much point doing it all round if one is highly qualified. Clause 15 provides that the authority may require tests in certain circumstances. That gives the authority the flexibility to impose tests as it sees fit. Tests may be waived if the qualifications are considered to be adequate. This legislation has been fully debated. ICAC and RTA officers have taken considerable care to ensure that consultation has occurred in respect of this legislation. In the long run the Driving Instructors Association will appreciate that its organisation will be converted to a very acceptable organisation within the community. I commend the bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

[Mr Acting-Speaker (Mr Merton) left the chair at 1 p.m. The House resumed at 2.15 p.m.]

MATTER OF PUBLIC IMPORTANCE

Mr Speaker advised the House that he had received from the Leader of the Opposition notice of a matter of public importance to be listed for discussion at the conclusion of formal business.

QUESTIONS WITHOUT NOTICE

ABORIGINES IN CUSTODY

Mr CARR: My question without notice is directed to the Premier, Treasurer and Minister for Ethnic Affairs. Why has the number of Aborigines gaoled in New South Wales increased by 80 per cent since mid-1988, while the increase in the rest of Australia has been 8.6 per cent?

Mr GREINER: The Government has taken seriously the report of the Royal Commission into Aboriginal Deaths in Custody and some of the related issues. I take no joy in principle from the figures. Clearly the right people ought to be gaoled for the right length of time, regardless of whether they are black, brown, white or any other colour.

There are 90-odd recommendations in the report of the royal commission, which deals not solely with deaths in custody but with a related range of issues. In other words, why they get into custody in the first place, which is the point of the question. About 70 of those recommendations are now being implemented. I accept the implicit criticism contained in the question. I do not know whether or not the number of Aborigines said to be in gaol in 1988 is right. One suspects that in many cases the level of law and order in country New South Wales under the previous Labor Government was absolutely and totally abysmal. It may well be that the changes in law and order that this Government made and with which the Labor Party now agrees to every man and woman - the changes made in law and order which they are not going to change in any way - may have produced some of the numerical result that the Leader of the Opposition suggests. Ignoring the useless point about the numbers, I do accept that there is a serious need to ensure that the way in which the system of law and justice deals with the Aboriginal community is in every way fair and appropriate. The royal commission report contains many recommendations that are valuable, and the Government is implementing them with all deliberate diligence.

Page 556

Later,

Mr GREINER: Earlier today the Leader of the Opposition asked me a question about the number of Aborigines in prison in New South Wales. At the time I indicated that that part of his question dealing with numbers was in fact futile and it is. I should like to present the House with some relevant information from Mr Graham, the Commissioner of Corrective Services. Mr Cunneen, who is the person whose newspaper article the Leader of the Opposition relies upon - he gets the information for all his questions from the newspapers - has used the number of Aboriginal inmates in New South Wales as at 30th June, 1987 - 369 - and as at 30th June, 1991 - 664 - to show an 80 per cent increase in numbers. However, these figures ignore the increases in the general inmate population which have occurred in the same period. The inmate population in total has risen from 4,451 to 7,103 over that time. The number of Aboriginal inmates has risen from 369 to 664, which is where the figure referred to in the question arises from. The percentage of the prison population which is of Aboriginal background has gone from 8.1 per cent to 9.3 per cent; in other words, it has remained relatively static. That does not in any way detract from the points I made in response to the question earlier, which is to say that the whole question of the place of Aborigines within the system of justice is worthy of very particular attention, given their disadvantaged status. The Government will be continuing to implement the recommendations of the royal commission.

VICTORIAN GOVERNMENT ASSETS SALE

Mrs CHIKAROVSKI: My question without notice is addressed to the Premier, Treasurer and Minister for Ethnic Affairs. Is he aware of plans by the Victorian Government to conduct a fire sale of major assets and then lease them back? If so, has he been advised that such a scheme would give Victoria an advantage over other States in terms of Commonwealth financial arrangements?

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

Mr GREINER: Today's and yesterday's Melbourne *Age* tell a story that is in my view probably the most disgusting story of financial incompetence that will ever be told

in any Australian State. But the implications go far beyond Victoria. They go to the Labor Party in New South Wales, and indeed to the whole system of Federal-State financial relations. Today's Melbourne papers say that the Victorian Government has announced the sale and lease back of nine major Government office buildings. This is worth listening to. This is the Labor Government in Victoria.

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

Mr GREINER: They are going to sell the building that houses the Department of Conservation and Environment, they are going to sell the Attorney General's Department, they are going to sell the Environment Protection Authority, they are going to sell Forestry House, they are going to sell the State Taxation Office, they are going to sell the Valuer-General's building, they are going to sell the Police Department, they are going to sell the Agriculture Department and they are going to sell the Health Department. If Mrs Kirner had a dunny in the backyard at a beach cottage, they would be selling that as well if they had the opportunity.

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

Page 557

Mr GREINER: The point is not simply that the Victorian Government is broke and is not willing to make a decent decision about how it can get out of its problems. Even the Melbourne *Age*, about the only remaining supporter occasionally of the Victorian Government, talks about a desperate policy of cash now, pay later. The reality is that into the worst property market that there has ever been in the central business districts of Melbourne or Sydney the Victorian Government is going to sell these buildings because it is stony broke and then it is going to lease them back, full of public servants, completely leased for 10 years. It will lease them back. The reality is that this is a fire sale approach which stands in stark contrast to the sort of responsible market-driven approach that the New South Wales Government is about. And indeed -

Mr SPEAKER: Order! I call the honourable member for Charlestown to order. There is far too much interjection.

Mr GREINER: There is an awful lot of rhetoric and nonsense from the other side about selling off the family silver. If they want to see any examples of family silver being sold off, they will not find one in New South Wales, but they need only to go south of the border to see what happens when a government goes like that. Indeed, as Moody's said the other day:

Given the strength of the various interests in the Victorian Labor Party and the long tradition of interventionist economic management, doubt persists about the depth of fundamental change.

As I said this morning in my address in reply we are committed to fundamental change, we are committed to maintaining the sort of process which has maintained New South Wales' triple A rating, and we are adamantly opposed to the sort of nonsense involved in the Victorian Government's approach. But there is a more fundamental issue at stake here and it is about the whole future of Federal-State financial relations in Australia. It is about the Loan Council. Because if Victoria gets away with what it is now proposing you can simply tear up the Loan Council. Mr Keating and Mr Dawkins can absolutely forget about any element of control that they might like to have on the finances of State. The truth is that this is another bodgie financing deal. It is another shonky, brother sort

of deal done by the Victorian Government, or tried to be done -

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

Mr GREINER: I would do it to Labor's policy if I could find one. There is no doubt at all that that is what is proposed. It is, in fact, the sale of fully occupied office buildings and leasing them back on a long-term basis with clauses ensuring cash flow to the people buying them. It is a straight financing deal and if it is allowed to occur, and occur outside of the Loan Council, they can give the game away in Canberra because every State will be doing exactly the same thing and any semblance of control over monetary policy will simply go out the window. This is much more serious than simply being an admission by Mrs Kirner that she is completely broke and has no good ideas about how to get out of it. It is much, much more than that. It is a basic attack on the whole Federal-State financial situation. By way of contrast, in New South Wales it just so happens that the Minister for Local Government and Minister for Cooperatives has a very good sense of timing. He wrote to me only yesterday concerning the New South Wales State Office Block. I think the contrast was worth pointing out to the House. The Minister's recommendations, which I accept, include that because the disposal of the State Office Block could not be achieved on terms acceptable to the Government in the short term, then its potential sale should be deleted from the current

Page 558

and next year's property disposal program. The same applies to the Department of Education building. We are not in a position, because we have been managing the thing properly -

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

Mr GREINER: We will not be selling the State Office Block unless we can get a proper arrangement in terms of price and in terms of having the private sector take the risk. If you do what the Victorians are proposing to do, where you simply get all of the risks taken by the public sector, where you simply get the next generation of Victorians paying for the absolute and disgraceful neglect and mismanagement of the present Victorian Labor Government, you are really selling the future of the State down the drain. It is important that Mr Keating and the Federal Government note what is going on there and that they stop it happening, if they do not want to lose control of monetary policy in Australia. Certainly, as far as the New South Wales Government is concerned, we are absolutely committed to a program of privatisation. The Government is absolutely committed to a program of sale of surplus assets, but it absolutely and totally rejects the sort of miserable fire sale approach which the Victorian Government has undertaken.

FANMAC AND HOMEFUND LOANS

Mrs GRUSOVIN: My question without notice is addressed to the Minister for Housing. Are HomeFund borrowers whose mortgage documents state that they are paying 15.9 per cent interest per annum in fact paying a true interest rate of more than 17 per cent as a result of FANMAC practices? How many borrowers are paying this amount? What action will you take?

Mr SCHIPP: We have jumped off yesterday's question. We could not get it right yesterday, so we have another one today. I was expecting that the honourable member for Port Jackson would have been given the guernsey today, because I know she is very close to it. The honourable member for Heffron must wonder sometimes why

she ever left the other place. I will check the information. If it is anything like the other statements that this obsessed person has made about FANMAC, it is totally wrong. I would have answered yesterday and told her that through the good efforts of the honourable member for Albury, the honourable member for Baulkham Hills and other members, this Government corrected the anomaly that was inherited under the program when she was Minister for Consumer Affairs. She approved the exact process that FANMAC was operating on, which she now likes to criticise. I will come back and give her an answer.

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

Mr SCHIPP: On the head of this person sitting opposite, the honourable member for Heffron, sits a 1 per cent surcharge on the FANMAC interest rate, which would have gone to the market in December to increase the current bond raising. It would have allowed us to reduce the interest rates to about 11.4 per cent. But, because of what she did and said, and the uncertainty she created, both in regard to the policy of her party and in the secondary mortgage market, that had to be delayed and the money that was raised yesterday will come -

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

Page 559

Mr SCHIPP: The money raised yesterday will come out with no interest reduction at all and she can have on her head a 1 per cent premium. I will answer, she will approve and I know where she will approve from.

Later,

Mr SCHIPP: I have received additional information to help me to answer the question asked by the honourable member for Heffron. As I predicted, she was wrong. She has a gross misunderstanding of the HomeFund program. The loans to which she referred in the category of the low start loans begin at 11.9 per cent and have a repayment escalator of 6 per cent, a matter that is being considered. That 6 per cent was the long-term inflation rate that was built into the program in the time of the former Government. We are now looking to see whether that can be adjusted. In fact, interest on those loans never exceeds 15.9 per cent. There is no way that the matter raised by the honourable member for Heffron, as usual, has any truth to it.

ENDANGERED FAUNA PROTECTION LEGISLATION

Mr TURNER: My question without notice is directed to the Minister for Local Government and Minister for Cooperatives. Have local councils expressed concern at the impact of the Opposition's endangered fauna legislation upon the normal working of councils? Has the Minister been advised in what ways that Act will disadvantage and endanger local communities?

Mr PEACOCKE: The question from the honourable member for Myall Lakes goes to the very heart of the effect of this ill-conceived legislation that affects communities throughout the State of New South Wales.

Mr SPEAKER: Order! I call the Deputy Premier to order.

Mr PEACOCKE: I will tell you later. When the Endangered Fauna (Interim

Protection) Act was introduced into Parliament by the Labor Party and debated the Government repeatedly expressed its fears as to the effect of its provisions on all activity in this State.

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

Mr PEACOCKE: The responses I have received from councils since the Act commenced leave me in no doubt whatsoever that these fears were well founded -

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

Mr PEACOCKE: Councils are responsible in their local area for building and development work and they grant approvals for a broad range of activities undertaken by others. All types of activities and approvals, whether concerning buildings, drainage work, power lines, roads or subdivisions, are now affected by the Endangered Fauna Protection Act. It is extremely difficult for councils to meet the new provisions because of the detailed zoological knowledge now required by a council before it can give a consent for any kind of activity. This problem applies to assessing its own activities and consents given for others activities. To all intents and purposes councils are now quite hamstrung. For example, an activity which did not require development consent or an

Page 560

approval under Part 5 of the Environmental Planning and Assessment Act may now be in breach of the National Parks and Wildlife Act if the activity involves the taking or killing of any protected or endangered species. Councils will now have to dust off their crystal balls, as it were, when considering development applications and their own activities under the Environmental Planning and Assessment Act. That is because the endangered fauna protection legislation now requires a council to consider whether there is likely, and I emphasise likely, to be a significant effect on the environment of protected fauna. If so, a fauna impact statement is required and the whole ludicrous paper chain starts again.

Mr SPEAKER: Order! There is far too much interjection.

Mr PEACOCKE: Councils will now be at the mercy of the Director of the National Parks and Wildlife Service and any other public authority that is involved in granting approval for particular local projects.

Mr SPEAKER: Order! I call the honourable member for Londonderry to order for the second time and warn all honourable members that there is far too much interjection and far too much audible conversation. The Minister should be heard in silence.

Mr PEACOCKE: It will rightly be considered that they would be in breach of the National Parks and Wildlife Act if approvals were granted to carry out work which affected protected fauna.

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

Mr PEACOCKE: This then has the effect of completely halting council's progress on what may be essential road, drainage, sewage or other works. The ramifications are endless. Councils will be forced to say, "No, we can't build a park for local children because we can't afford all the zoological exploration" or, "Yes, tourists

would be attracted to our area if we could build fireplaces and walking tracks".

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

Mr PEACOCKE: But no, that is not allowed because there is a remote chance that some extremely common local animal may not like it.

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

Mr PEACOCKE: The simple fact is that in most cases councils do not have the information and expertise available to make any assessment as to the effect of their activity on fauna; nor to make the further distinction between the effect on protected fauna, as opposed to endangered fauna, which because of its scarce numbers may be even more difficult to assess. To import or develop such expertise is likely to be extremely costly and will involve immense delay. These practical facts seem to have escaped the Opposition when it passed the legislation. They are obviously quite happy for ratepayers to be slugged again with extra charges to employ the bevy of experts needed to give councils a chance to carry out normal works. Zoological consultant companies could be the growth industry of the 1990s, because there is obviously going to be a lot of work going around. Of course, the dying industries will be council support operators in country areas, particularly small business men usually employing a few people.

Page 561

I am sure that many of our country communities would be thrilled and willing to sacrifice their jobs and the future development of their communities to ensure that they do not upset the digestion of some little known but protected, poisonous creepy crawlies. Another factor that seems to have been overlooked is a simple safety concern. I wonder when the honourable member for Blacktown was last on the other side of the Great Divide in the bushfire season. I do not suppose that that is much of a problem at Blacktown. The Opposition's Act may effectively guarantee a horror fire season this year, and that is a very serious issue of which everyone should be conscious. The Act, in its attempt to address the issues, places councils in a situation which is ambiguous in the extreme, leaving them exposed to serious criminal sanctions. How long will it take and how much will it cost for an average council to get its fauna assessed and approval and licences granted to clear scrub and cut firebreaks?

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

Mr PEACOCKE: How many animals will perish in the fires which may result from slow approvals or the whole process being just too expensive to pursue?

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

Mr PEACOCKE: More to the point, what about the lives and livelihoods of people who live in these areas, and the bushfire brigades who will risk their lives to protect them? The Act is dangerous and naive and it needs to be reconsidered and amended. It is typical of the Opposition in its desperate attempts to appease the green lobby groups and grab a quick headline at the expense of commonsense.

NEWCASTLE BUS SERVICE PRIVATISATION

Mr LANGTON: My question without notice is directed to the Minister for Transport. Does the Government intend to seek tenders from private bus companies for routes in Newcastle on a pilot basis? Is this the first step in the Government's plan for the eventual privatisation of the State Transit bus services in Newcastle?

Mr BAIRD: I draw the attention of the honourable member to a question on the same topic on the Questions and Answers paper for today's date asked by the honourable member for Newcastle.

Mr Langton: On a point of order. Mr Speaker, it is up to you to rule as to whether the question is in order.

Mr SPEAKER: Order! I call the honourable member for Broken Hill to order. My attention was not drawn to the fact that this question was similar to a question on the Questions and Answers paper. I understood the Minister for Transport to draw attention to the fact that a question in almost the same terms had in fact been answered today. Therefore he believed he was taking a point of order and not answering the question. I believed he was answering the question and I apologise for mishearing. But I point out to all members that it is very difficult for the Chair, when there is such an absolute continuous barrage of conversation, to hear accurately what is happening. For abundant clarity on my part, I ask the member for Kogarah to restate his question so that I may assess it against the question on the Questions and Answer paper. Order! I call the honourable member for Baulkham Hills to order.

Page 562

Mr LANGTON: My question is: does the Government intend to seek tenders from private bus companies for routes in Newcastle to operate on a pilot basis? Is this the first step in the Government's plan for the eventual privatisation of State Transit bus services in Newcastle?

Mr SPEAKER: Order! The Minister has drawn my attention to question No. 183 on the Questions and Answers paper.

Mr Baird: Yes.

Mr SPEAKER: I do not believe there is sufficient similarity between the two questions to rule this one out of order. I ask the Minister for Transport to answer the question. Order! I call the honourable member for Ashfield to order for the second time. I suggest to the honourable member that if he continues in that manner he will find himself out of the Chamber without any further calls to order.

Mr BAIRD: Members of the Government have no problem in answering any questions. It is the Government's intention to reduce the overall cost of operations in Newcastle. We have been having discussions for some time regarding costs and the intransigence of the union movement in Newcastle in reducing costs in that city. The cost per passenger in Newcastle is three times what it is in Sydney.

Mr Bowman: Nonsense!

Mr BAIRD: One of the world's leading experts, who is speaking on that subject, would probably also like to speak about the Swansea bridge. State Transit Authority buses in Newcastle are lumbered with these overhead costs which are so much higher than they are in Sydney. Newcastle buses have half the passenger trips of those in most

State Transit Authority bus depots. Newcastle receives one-third of the fare revenue compared with the average Sydney State Transit Authority bus depot. A reform process is on the agenda. We have made it clear to the unions in the past that we will not put up with this situation. Costs are high in Newcastle compared with the State Transit Authority in Sydney and the private sector. In Sydney the Government contribution per passenger trip is 86c and in Newcastle it is \$2.39. Fare box revenue per passenger trip in Sydney is 75c, yet it is 91c in Newcastle. Total expenses per passenger trip in Sydney are \$1.52, yet in Newcastle they are \$3.81.

[Interruption]

Overheads per passenger trip are the same as in Sydney. They have not been changed, as honourable members opposite would well know. Overheads per passenger trip in Sydney are 7c, yet they are 50c in Newcastle - six times the amount.

Mr Bowman: Answer the question.

Mr BAIRD: I am answering the question. Why does not the honourable member go back to Swansea bridge? The honourable member was thrown out because he could not get that right. Government payments per person are \$77.32 in Newcastle and \$19.70 in Wollongong. So there is a huge cost differential in Newcastle compared with the State Transit Authority in Sydney and compared with the private bus network. In every respect union employees in that city have simply refused to negotiate. The honourable member for Kogarah simply has no agenda. If there is an issue of importance he simply agrees with it, never mind the cost and never mind the legitimacy of whether

Page 563

we should reduce costs in Newcastle. The honourable member for Kogarah is not interested. The Prime Minister, one of his own mates, is saying that we should have microeconomic reform in the transport area. What suggestions has the honourable member for Kogarah ever made?

Mr SPEAKER: Order! I call the Minister for Sport, Recreation and Racing and Minister Assisting the Premier to order.

Mr BAIRD: What does the honourable member for Kogarah want us to do about overall losses? Last year the overall losses of Newcastle buses amounted to \$5.7 million. Does the honourable member agree with that? Is that his understanding? Of course, he would rather that I answered some other questions.

Mr SPEAKER: Order! The behaviour of members on both sides of the House in question time today has been quite deplorable. There has been far too much interjection. It impresses no one outside the Chamber. I ask honourable members to remember that they are leaders in the community and have a responsibility to set some sort of example for the community. Therefore, they should behave themselves in a more orderly fashion. The Minister for Transport is the only member who has the call.

Mr BAIRD: By any criteria the Newcastle bus network is inefficient in regard to overall costs. We have placed the unions on notice for well over 12 months and we have emphasised that reforms are necessary. The taxpayers of this State - the people of Sydney - are subsidising the people of Newcastle for services which cost three times the amount of services in Sydney. If the honourable member for Kogarah thinks that is fair - I am sure he thinks anything is fair - that would be his only policy, as he has none. This Government is about reducing costs in transport and providing a better level of service.

We mean to do it and, as I have said, we have put the unions in Newcastle on notice.

ENDANGERED FAUNA PROTECTION LEGISLATION

Mr JEFFERY: Has the Minister for Natural Resources had complaints from the mining industry about the impact of the endangered fauna protection legislation on the New South Wales mining industry? If so, has he been advised what effect this will have on jobs and investment in the industry?

Mr CAUSLEY: Undoubtedly the honourable member for Oxley has a great empathy with the workers in his electorate and a great concern for their well-being. No one in this Parliament - and I am sure no sane thinking person in New South Wales - would deliberately set out to harm fauna or damage the environment. But this short-sighted legislation brought in by the equally short-sighted honourable member for Blacktown is already doing enormous damage to families and workers across New South Wales. A great many working people have a real and legitimate concern for the safety of their jobs and the well-being of their families. Many fine sentiments have been expressed by honourable members opposite to the effect that not one job has been lost through this legislation. I indicate to them that the people who were outside the gates of Parliament House at lunchtime have lost their jobs and there are many more to follow because of the actions of the grim reaper opposite. Members of the unions have already said that the honourable member for Blacktown did not consult; she just made this decision and all the lame members opposite who say they are the great defenders of the right-wing of the Labor Party meekly went along. The honourable member for Blacktown is destroying families and job opportunities in New South Wales.

Page 564

[Interruption]

You wait; I have got you.

Mr SPEAKER: Order! The Minister will direct his remarks through the Chair.

Mr CAUSLEY: I regret to advise the honourable member for Blacktown and honourable members in this House that I was advised only this morning that in the next few months at least 30 people will lose their jobs with a mining operation on the Central Coast as a direct result of the totally unnecessary requirements of the endangered fauna protection legislation that was forced through this Parliament. I wonder whether the honourable member for Peats is concerned about that. The honourable member for Blacktown can feel proud that she is responsible for the loss of those 30 jobs. Does she care for those families and for the children of those families? Was the family of the honourable member for Blacktown endangered by this legislation? I bet they were not. What reply would the honourable member for Blacktown, any member of the Opposition or the Independents have when a hard-working father comes home and tells his family that he has lost his job because of a political point-scoring exercise by the Opposition.

Mr SPEAKER: Order! There is too much audible conversation in the Chamber. I call the honourable member for Keira to order.

Mr CAUSLEY: The company I have just referred to has a development consent application pending with the local shire council for expansion of its operations. It has submitted a detailed environmental impact statement in support of that application. The shire council has ordered the company to make an additional fauna impact study in the

terms of the new legislation before it will consider the merits of the application. The plain fact is that the company cannot afford either the time or what it will cost to do the work. The mining operation must expand within the next month or two or 30 employees will be dismissed. Add to that the people who indirectly depend upon one mining operation for their livelihood and the number of people likely to be thrown out of work rises to 90 or more in an area of New South Wales most severely affected by unemployment. A major mineral exploration firm already working in the mid-north of the State has indicated that it is likely to move its operations off-shore or elsewhere in Australia as a direct result of the fauna legislation. So much for the fatuous claims that not one job has been lost by the introduction of the legislation. Last week I informed this House of an expectation that up to 2,000 new jobs in the New South Wales coal industry would be available before the end of the decade and that there were new coal mining projects in the pipeline with a capital investment of \$1.3 billion. Some of those jobs in large lumps of that investment are now at risk as the companies involved reassess their commitments in the light of the legislative direction this Parliament is taking. Who can blame them when low-cost overseas competitors are breathing down their commercial throats.

Last year this State attracted \$60 million in investment in mineral exploration. At least one of the major players in this field is already rethinking its investment, as I have indicated already. This State and its unemployed workers cannot afford to lose out this way. Australia ranks as one of the world's leaders in mineral resource output. It is the third largest mining nation in the western world in terms of non-coal production. In 1989 Australia ranked first in the world in the production of bauxite, alumina, diamonds, lead, opals and mineral sands and fourth in the production of gold. It is the world leader in the export of coal. The mining industry makes a major contribution to the economy of New South Wales. In 1989-90 the value of production was \$4.4 billion,
Page 565

and 24,000 were directly employed in the industry. At least that many people again are directly employed due to the multiplier effect in the mining industry. The contribution of the mining industry by way of royalty over the past decade has been \$1 billion.

The mineral industry is the lifeblood of many regional centres in New South Wales. Broken Hill, Cobar, Lightning Ridge, Singleton, Newcastle, Wollongong and other centres depend heavily on mining. Where are the honourable member for Waratah, the honourable member for Wallsend and the honourable member for Swansea? They should be supporting these industries. They are voting for legislation that will destroy them. Mining in the mining-dependent sectors contributes 54 per cent to New South Wales exports. That compares with a contribution of 24 per cent from agriculture. Added together, 78 per cent of the State's income comes from mining and agriculture, yet Opposition members are prepared to destroy those industries. There is no doubt that the legislation is having wide-ranging ramifications on industry and employment across the State. Honourable members opposite, including the Independent members, stand condemned. The legislation is affecting good, honest workers in Australia, who are desperately trying to earn an income and support their families.

CHICKEN MEAT INDUSTRY DEREGULATION

Mr MARTIN: My question without notice is directed to the Minister for Agriculture and Rural Affairs. Why does the Minister continue to press ahead with the deregulation of the chicken meat industry when the 400 producers are convinced it will force the majority of them out of the industry?

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

Mr ARMSTRONG: One thing about the honourable member for Port Stephens is that he is totally consistent - consistently wrong, consistently inaccurate and consistent in misleading this Parliament. No announcement and no decision has been made on the future of the chicken meat industry. Suffice it to say that yesterday I put out a press statement indicating that in no way will I deregulate the chicken meat industry.

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

Mr ARMSTRONG: The department is still awaiting a response from the industry. I invite a response from the honourable member for Port Stephens - if he is capable of responding. That might contribute to the betterment of the New South Wales chicken meat industry. I was interested to note that the so-called shadow spokesman on agriculture is creating a considerable number of problems within the agricultural community of New South Wales because of his inaccurate statements and his incompetence. Recently in the *Land* newspaper, which is the largest circulating rural newspaper in this State, the editor saw fit, because of his concern over the attitude of the so-called shadow spokesman on agriculture, to draw specific attention to the performance of the honourable member for Port Stephens. If honourable members needed any proof of his performance, it would have been obvious over the past few weeks on the events unfolding at Homebush when the honourable member sought to make political gain by providing inaccurate figures and making inaccurate statements, to the extent that the Leader of the Opposition took the responsibility away from him and gave it to the shadow attorney general. The Leader of the Opposition knew that the honourable member was causing embarrassment to the Opposition because he was so wrong.

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

Page 566

Mr ARMSTRONG: The editor of the *Land* said:

In the pursuit of fairer, unbiased reporting, I should point out Oxley's interpretation of Mr Martin's statement in the "Port Stephens Examiner" of January 1 might have been different had the Shadow Minister been as verbose in his column as he has been in [his letter to the editor]. I will quote Mr Martin's statement in full: "During the week before Christmas I visited Far Western NSW - Cobar and Bourke were the main centres. Blue-green algae and other rural problems were discussed with the local authorities as these fall within my responsibility as Shadow Minister . . . We should all look at these areas to realise what a wonderful place Port Stephens is."

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

Mr ARMSTRONG: The editor then said:

I don't see much evidence in those words to indicate Mr Martin's "admiration" for the "tenacity" of western people to cope with adversity.

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

Mr ARMSTRONG: The shadow minister is an absolute disgrace, and I think he had better stick with the chickens.

RURAL MEDICAL PRACTITIONERS

Mr SMITH: Is the Minister for Health Services Management aware of recent rural medical reports about the need to attract more doctors to country areas in New South Wales? What action has the Government taken to address this issue, and what effect has it had?

Mr PHILLIPS: The honourable member for Bega is one of many members on the Government side representing a country electorate. It is hard to find a member of the Opposition representing a country electorate. The closest such member the Opposition had was the former shadow minister for agriculture, who formerly represented the Riverstone electorate but has moved to the Mount Druitt electorate. The honourable member for Port Stephens clearly indicates that he prefers to stick to the coast and is not at all interested in the plight of the country people of New South Wales. When the coalition parties came to office in 1988 one of the serious problems in health confronting country people was the number of doctors leaving country towns for the city and the lack of young doctors moving to country towns to provide important health care.

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

Mr PHILLIPS: Medical support in country towns is a vital part of the security that must be maintained in work places and residences. Between 1986 and 1987, under the former Labor Government the number of general practitioners working in country New South Wales fell from 769 to 755. Upon coming to office the former Minister for Health and Minister for Arts, the Hon. P. E. J. Collins, immediately embarked upon a program designed to address the problem. In that time we implemented an active policy of encouragement, planning and training for country doctors. We implemented the rural cadetship scheme which gave students in their final year experience and tried to develop an emotional attachment in them for the country so that they would not suddenly be attracted to city hospitals. This Government implemented the rural doctors resource network which through advertising, ongoing training and advice to rural doctors gave

Page 567

them the necessary support network. This meant that young doctors moving to the country and those already resident there felt they had a group who would look after their interests. The Government implemented also rural health prizes, bursaries and financial assistance schemes for graduates who took up rural practice. As an example, recently I approved a grant of \$1,000 for a rural practice club at the University of Sydney whose members this year are embarking on a study tour of Mudgee. The purpose of the grant is to provide young doctors with some contact with the country in an effort to attract them to those areas. The rural health unit of the Department of Health was also implemented. This unit monitors rural doctors' needs and actively encourages country doctors.

Recently I announced also the establishment of the rural doctors' training unit at Tamworth at a cost of \$300,000. I am sure the Independent member at Tamworth appreciated that. That unit will train general practitioners so that they are properly equipped with the skills necessary to take on the broad range of tasks that must be performed in country areas. Often young doctors found that though they were trained in city hospitals they did not necessarily have the broad range of skills and confidence necessary to do the very hard work they would be required to do on their own in country towns. It is important to determine whether those measures have been working. Since we have been in government the number of country general practitioners has increased by 192, from 755 to 947, under the programs implemented by this Government. That clearly demonstrates our interest, concern and attention to the health needs of country

people. There has also been an increase of 5 per cent in the number of resident medical officers employed in country hospitals and a 50 per cent increase in the number of career medical officers in country areas. That clearly demonstrates that the action taken by this Government when it came to office in 1988 is working. This Government will continue to give the attention necessary to the health of country people that Labor Party members so badly neglected when they were in government for 12 years.

BAR COUNCIL APPLICATION OF Ms WENTWORTH

Mr HATTON: My question without notice is directed to the Attorney General, Minister for Consumer Affairs and Minister for Arts. Last year in answer to my question about the Bar Association's opposition to the admission to the Bar of Ms Wentworth, he replied that he would ascertain whether it was in the public interest. Is it in the public interest? If it is, will the Minister release the minutes of the Bar Association meeting and other relevant documents? If not, will he intervene to prevent this abuse? Which way did the Attorney vote as a member of the Bar Association?

Mr COLLINS: I did give an answer last year about Ms Wentworth's application to become a legal practitioner in New South Wales. I think the honourable member for South Coast is referring to the Bar Council's decision in relation to Ms Wentworth. I certainly support the attitude which has been shown to date by the Bar Council and would be happy to advise the honourable member further as events proceed. Perhaps contrary to the belief of the honourable member for South Coast I do not control the Bar Council of New South Wales. I am ex officio a member of the Bar Council of New South Wales, and when opportunities present themselves I endeavour to attend the meetings of the Bar Council. Therefore, I will ascertain what the latest state of play is in relation to Ms Wentworth and advise the honourable member accordingly.

Page 568

JAPANESE RICE MARKET

Mr SMALL: I direct my question without notice to the Minister for Agriculture and Rural Affairs. Is the Minister aware of forecasts that the Japanese rice market is about to be liberalised? What effect would this have on the New South Wales rice industry and will it enable our rice growers to compete with the United States of America on the Japanese market?

Mr ARMSTRONG: The honourable member for Murray is a most successful rice grower and a former director of the New South Wales Rice Growers Co-operative Limited. The next 48 hours will tell if this unprecedented speculation becomes reality. Japan has made a submission to the General Agreement on Tariffs and Trade on the Dunkel plan. This could contain the framework of a plan to at least partially prise open the huge lucrative Japanese domestic rice market to imports. Front-runners would be Australia and the United States. New South Wales rice, which is of high quality and backed by professional marketing, may well lead the pack if this liberalisation eventuates. Of course, the issue is most delicate, with extreme opposition to any liberalisation from Japanese growers. Last year the United States came under intense criticism for importing only sample rice to a food exhibition. However, there are encouraging signs that the Liberal Democratic Party Government will take the so-called bit between its teeth and now open as much as 3 per cent of the market to imports. As a matter of interest that virtually represents the entire Australian crop.

The conditions of those imports may be severe which would keep this market far

beyond the protection cuts sought under the GATT and Uruguay round. However, I recognise that any opening of the market whatsoever would at least be a major step forward. The Dunkel agreement provides for conversion into tariffs of all non-tariff barriers, such as Japan's blanket ban on rice imports, and then for those tariffs to be reduced in stages. The plan also requires access for foreign producers to a minimum 3 per cent to 5 per cent of their agricultural commodity markets. The Prime Minister of Japan has reportedly sought a compromise by allowing rice imports while offering other protection to his grower incomes. On Monday of next week the Deputy Director-General of New South Wales Agriculture, Mr Buffier, in his role as a board member of the Rice Growers Co-operative Limited, will travel to Japan for talks on rice trade and will certainly emphasise the need for fair and reasonable access for our growers to this high-potential market. The Rice Growers Co-operative Limited will also establish a New South Wales presence at this year's Foodex National Japanese Exhibition. It is significant that this year the United States is not expected to participate in that exhibition. Mr Buffier will conduct talks with the ministry of agriculture, forestry and fisheries, as well as the producer organisation, the National Chamber of Agriculture.

It is difficult to estimate with accuracy the benefit to the New South Wales industry of such liberalisation, even under the initial high tariff regime. However, any move in this direction will be good news. I believe we could be expected to compete strongly. New South Wales can offer the Japanese consumer counter-season rice of high quality, trading on our reputation for clean agriculture. Three per cent of the mainly medium grain market represents 300,000 metric tonnes. At present medium grain rice production by all exporters of that type of rice worldwide is estimated at only about one-third of the total size of Japan's market. If Japan will agree to liberalisation - and the next few days will be crucial in this regard - then even at the enormous tariff rates speculated in some quarters this liberalisation will be a step in the right direction and provide the basis for further intense negotiation between our State and Japan.

Page 569

PACKARD MOTOR COMPANY

Mr FAHEY: Yesterday at question time I was asked a question by the honourable member for Smithfield concerning the Packard Motor Company. As I informed the House after question time yesterday, the initial advice that I received from my department regarding complaints against the Packard Motor Company was incorrect. I was subsequently advised that there are two complaints. I also told the House that I had called for a full report on those complaints and as to why the initial advice given to me was incorrect. My department has advised me that the reason for its failure to give correct advice was due to the outdated computer program which is unable to comprehensively search for complaints unless the name of the complainant is made available. In this case the Opposition withheld the information by deliberately deleting reference numbers, names and dates of the complaints. When the complaints had been identified the department was able to trace the files. Both files had been properly investigated and reports made. Those complaints had been made to the Industrial Registry and the files had been returned to the Industrial Registry where they had been referred to a judge of the Industrial Commission who will determine the appropriate action to be taken by the commission.

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

Mr FAHEY: That fact alone makes it absolutely clear to the House that every effort has been made to ensure that the matter was fully investigated and proper

procedures undertaken for action. I regret that the House was incorrectly informed. However, I feel that as a Minister I have little choice but to accept the advice of my department on matters of administration. I stress that I honestly reported to the House the advice I was given.

INDEPENDENT COMMISSION AGAINST CORRUPTION

Report

Mr Speaker, in accordance with section 78(1) of the Independent Commission Against Corruption Act, tabled the report of the Independent Commission Against Corruption on an investigation into the New South Wales Film Corporation and Pepper Distribution dated March 1992.

PETITIONS

Health Services

Petition praying that funding cuts to health services and hospitals cease and that funding be provided to ensure that waiting lists for hospitals and operations are eliminated, received from **Mr Gaudry**.

Lidcombe Hospital

Petition praying that because of dissatisfaction with the rationalisation of health services the House prevent the downgrading and possible closure of services at Lidcombe Hospital, received from **Mr Shedden**.

Page 570

Sydney Harbour Foreshores

Petition praying that the House stop the sale of publicly owned land on the foreshores of Port Jackson and its waterways, including that currently leased from the Maritime Services Board, and retain such land in public ownership; acquire for the public foreshore land whenever the opportunity arises; and optimise public access to the foreshore, received from **Ms Moore**.

Woollahra Traffic

Petition praying that the House take all necessary steps to reduce the traffic volume in Ocean Street, Woollahra, and that Ocean Street be returned to a safe and pleasant street consistent with residential neighbourhood values, received from **Ms Moore**.

Woolloomooloo Finger Wharf

Petition praying that public money not be wasted demolishing the structurally sound finger wharf and establishing a walkway on the western side of Woolloomooloo Bay but instead that basic renovations be carried out on the wharf and an integrated multimedia arts centre be established, received from **Ms Moore**.

Steel-jawed Leg Hold Traps

Petition praying that the House legislate to ban totally the manufacture, sale and use of steel-jawed leg hold traps in all areas of the State as they cause great suffering to all animals and birds, both target and non-target, caught in them, received from **Ms Moore**.

Royal Agricultural Society Showground

Petition praying that because the Royal Agricultural Society Showground, the E. S. Marks Athletics Field, Centennial Park, the Cricket Ground, Moore Park and Queen's Park form part of the original bequest by Lachlan Macquarie as commons land, future planning for this land be subject to open space study, received from **Ms Moore**.

Royal Hospital for Women

Petition praying that the House provide funding to the Royal Hospital for Women to ensure that it maintains its leadership role in women's health care, received from **Ms Moore**.

Waste Disposal

Petition praying that the House halt expansion of existing waste tips until a parliamentary select committee determines an environmentally viable legislative, administrative and financial strategy for waste generated in the Sydney Basin, received from **Dr Macdonald**.

Walker Estates

Petition praying that the Government preserve the Walker estates, including Yaralla, for public use, received from **Ms Moore**.

Page 571

Newcastle Rail Services

Petition praying that the rail line between Civic railway station and Newcastle railway station not be closed, received from **Mr Mills**.

Cockle Creek Railway Station

Petition praying that the House urgently reconsider the proposal to demolish buildings at the Cockle Creek railway station and that it make no attempt to reduce the frequency of trains to that station, received from **Mr Mills**.

Water Rate Payments at Post Offices

Petition praying that for the convenience of customers, particularly the elderly and those without private transport, the Minister for Housing reappraise the facilities available for the payment of water rates to include post offices, received from **Mr Rumble**.

PACKARD MOTOR COMPANY

Ministerial Statement

Mr COLLINS: I wish to make a ministerial statement. Last week the honourable member for Mount Druitt asked me a question seeking information as to when I would table the report by the Department of Consumer Affairs into the Packard Motor Company. At that time I told the House that the report was still some two or three weeks away. That was a week ago. The Commissioner for Consumer Affairs has this morning forwarded a copy of his report to my office, which I intended to table tomorrow, the normal day for tabling of documents. I now seek leave to table that report.

Leave granted.

PACKARD MOTOR COMPANY

Matter of Public Importance

Mr CARR (Maroubra - Leader of the Opposition) [3.18]: I move:

That this House notes as a matter of public importance the repeated failure of the Government to respond in Parliament to questions about the tax obligations and the industrial and superannuation record of the Packard Motor Company and the Department of Consumer Affairs investigation into that company; deplores the failure of the Premier and relevant Ministers to release relevant material and the need for them to do so forthwith.

Yesterday in response to a question from the honourable member for Smithfield concerning the Packard Motor Company the Minister for Industrial Relations and Minister for Further Education, Training and Employment told the House that no complaints were made - that is, to the Department of Industrial Relations - in respect of anybody employed by the Packard Motor Company. It is a fact that former Packard employees had in fact complained to the department, one alleging non-payment of severance pay. As the Minister has been forced to concede last night and today, one of those complaints actually resulted in his department approaching the Industrial Relations Commission to take action in the matter. We have been asked to believe that the department processed the material, processed the complaint, giving it that degree of

Page 572

serious treatment - a complaint concerning the Minister's parliamentary colleague who had attracted some attention in this context about these matters - without letting the Minister know. In other words, there is a public servant in his department who looks at a complaint concerning one of his backbench colleagues and sets in train a process that results in that complaint going to the Industrial Relations Commission, without alerting the Minister, without telling the Minister. It really strains our generosity of spirit to accept that story.

This is the sixth time that the Government has frustrated this House in its attempt to secure information about the Packard Motor Company and its obligations to employees, to consumers and to the public. On 25th February the honourable member for Drummoyne asked the Premier whether there were outstanding State taxes to be paid by that company, a matter of public importance and an entirely justified question. The Premier said, "I am unaware of the answer to that question". Full Stop. The next day, 26th February, the honourable member for Drummoyne asked a question without notice to the Premier: "The Premier will recall that yesterday I asked him a question concerning the actions of the Packard Motor Company, whether it had outstanding moneys payable to the State and, if so, the quantum. Has the Premier an answer, and when will he provide it to the Parliament?" The Premier, with a day to summon up the details from the Department of State Revenue, said, "The answer is the same as yesterday", his answer yesterday being that he did not know. I asked, the following day, 27th February -

Mr Cochran: How much tax has the Australian Labor Party got outstanding?

Mr CARR: You are the next one under investigation. You will be the next one to go.

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

Mr CARR: On 27th February I asked the Premier - this is three days running, leaving me to ask the Premier - "whether he will now answer the question asked by the honourable member for Drummoyne during question time in the past two sitting days?" The Premier said, "... the answer to the second part remains the same". What we have got here in the simplest possible terms is the Premier saying he will simply not provide information to this House, he will not seek the information, he will not even ask for the information about the non-payment of State taxes by a member of this Parliament. The Premier has overlooked what he laid down - this is known as the Greiner-Mochalski standard - the standard he laid down in this House in 1986 when, in tones of great dignity and lofty statesmanship he said, "There is no requirement that Parliament must wait until there is a conviction before acting to protect its honour." That is now the conventional wisdom. We all subscribe to that. And that is the standard that will be applied in this case at the appropriate time.

On three occasions the Premier was asked about outstanding State taxes due from the honourable member for The Hills to the citizens of this State, to the Government of this State - a legitimate question which he, on three occasions, has refused to answer. You cannot treat this Parliament with that level of contempt. It took the notice of this motion today and the threat of it being carried with the support of Independent members of this House to get the Attorney General to respond, as he did a moment ago, to a question he was originally asked on 4th December. On 4th December the Attorney General was asked about complaints from a customer of the Baulkham Hills dealership
Page 573

of Tony Packard Holden concerning the misappropriation of \$37,000. Consumer Affairs exists to protect citizens with complaints like this. The Attorney General said: "I look forward to receiving the report from the Commissioner for Consumer Affairs. I should have it soon. When I have it I will make known the details". On 25th February the honourable member for Mount Druitt asked about this matter and the Attorney General responded yes: he did make that commitment some months earlier and it should be due within the next two or three weeks. It took this motion being presented today to draw a response from the Attorney General.

Can you imagine if this were another car dealer, someone other than the honourable member for The Hills. We know how averse to personal publicity is the Attorney General and Minister for Consumer Affairs. But, can you imagine him stifling his reluctance, smothering his reticence to get up and lecture this House about his determination to see that the consumers were protected? But not in this case; not when it concerns the honourable member for The Hills. It took this motion being tabled today for him to treat this House with the respect which it deserves, when asked questions of this sort. The report, we happen to believe - and I say this knowing it is a serious allegation - we happen to believe that report has been completed, available and sitting on the Attorney's desk for some time. I regret to say that, because the Attorney General is one of the few Ministers on that side of the House who sometimes behaves as if he is the possessor of a conscience, but on this occasion he has sadly let down his standards and been part of what can be described only as a cover up involving the Premier, the Minister

for Industrial Relations and the honourable member for The Hills.

The Premier's role in this cover-up cannot be defended and indeed he will not even defend his failure to answer those three questions. He would not even defend that failure today in this debate. On three successive days he was asked to provide information about whether the Tony Packard Motor Company had fulfilled its legal obligations - I stress legal obligations - to pay State taxes, stamp duties, motor vehicle registration fees, or payroll taxes. It is an obvious question, given information to creditors by the receivers Coopers and Lybrand that the dealership owes \$150,000 to the Australian Taxation Office alone. With that amount being owed to the Australian Taxation Office it is altogether legitimate for members of this House to ask whether there is any amount owing to the State Government relating to State taxes. None of this has deterred or deflated the honourable member for The Hills in the slightest fashion. True to the standards of his Government, I notice from the detail of a national two-day conference on restructuring corporate debt, he has emerged as a lecturer to the corporate sector. The conference will be held in Sydney later this month, on 24th March at 10.45 a.m. All those enrolled are going to hear a case study presentation by the honourable member for The Hills. He is described in this as a management consultant. He should get out of Parliament and get on the great consultant gravy train. That is where the money is to be made under Greiner, as a management consultant. He is lecturing on these matters, "Case study - Tony Packard Holden", and discussing these matters, "Is Solvency a Curse?", "Borrowings In Many Baskets", "Total Bankruptcy?", "Protecting Business Confidence and Maintaining Trading Profile". I guess their next conference will be on restructuring government debt and we will have the Premier with just as much credibility.

This Government has increased State taxes and charges on ordinary families by about \$1,400 a year - another reason why it is altogether legitimate for us to ask some questions about the payment of State taxes by one of the business leaders represented on the other side of the House. I make this point. We have a pecuniary interest register for all members of Parliament, the Premier introduced a ministerial code of conduct, we have

Page 574
an Independent Commission Against Corruption, all of which are based on the principle of making public figures more accountable to the people. We have a Premier in New South Wales who laid down, when he was dealing with the Mochalski matter, the code that "there is no requirement that Parliament must wait until there is a conviction before acting to protect its honour" - the honour of this Parliament. Those principles make altogether legitimate the questions we asked. After this debate today there will be no stilling of the accusations concerning this matter. Other employees have contacted my office, as recently as this morning, informing us of details of what, I think, is outrageous treatment of working men and women by someone who obviously subscribes to the full code of the Greiner approach to industrial relations.

An employee, for example, was told he would not be paid overtime and that not receiving overtime would increase his chances of promotion in the company. Yet the honourable member for The Hills said in the debate on the Industrial Relations Bill, "The sooner workplace by workplace agreements are established, where people can share the profitability and additional spoils, the better this nation will be". Not good enough for those working people who have been badly misled and cheated and deceived. While many employees are owed many thousands and will not get a cent, the honourable member for The Hills has the audacity to tell journalists in aggrieved tones that employees won't chat with him about the matter, and he is out there giving lectures on restructuring corporate debt. The fact is the report tabled by the Attorney General today is a general one, estimating some losses to consumers. It does not in any way address

those unanswered questions posed in this Parliament on two occasions by the honourable member for Drummoyne and by myself. The specific grievances are mounting; this will not be the last time the Parliament debates them. There are positively thousands of dollars of outstanding taxes owed to the State but the Premier refuses to comment. There are complaints to the Department of Industrial Relations but the Minister has pretended, until caught out, that his department has not got them. There is a report on consumer complaints that the Attorney General has sat on. Parliament has been treated with contempt, especially by the Premier. Questions are asked; they are not answered. Parliament is deceived or Parliament is kept waiting. Parliament ought to respond and that is precisely what this motion before the House today does.

Mr FAHEY (Southern Highlands - Minister for Industrial Relations and Minister for Further Education, Training and Employment) [3.33]: This motion is not about -

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

Mr FAHEY: This motion is not about the Packard Motor Company or the employees of the Packard Motor Company. It is not about the benefits or otherwise that may have accrued to that company's employees or to any other employees in this State in any of the other companies that day by day are collapsing under the strain of the Federal Government's recession. It is about playing political ducks and drakes. There is no interest in those employees, as was demonstrated so openly yesterday by the Opposition. It brought in a young man who was an employee of the Packard Motor Company but who lost his job at the time that that company went into receivership. He claimed that there were certain moneys owing to him. They may well be owing to him but the fact of the matter is that, having set that young man up, the Opposition proceeded to throw around letters without names or references, suggesting that there were other complaints in train.

Page 575

There are complaints in train about industrial matters, in respect of wages and conditions. I indicated that to the House both last night and today. The stupidity of the Leader of the Opposition was demonstrated when he indicated that these complaints have been syphoned off to the Industrial Commission. He has absolutely no regard for or understanding of the law that deals with these matters, as he showed by making such a statement. Those complaints were made in the first instance to the Industrial Registry. They related to severance pay under the Employment Protection Act. That Act gives to the Industrial Commission power to determine the complaints. They were investigated by the Department of Industrial Relations. There were reports made. That investigation and the outcome of that investigation and those reports were returned to the registry. Last night, when I became aware for the very first time that there were two complaints there and I sought to get the file, it was in the chambers of one of the judges of the Industrial Commission. It was there for a specific reason - that that judge has to determine what action should be taken by the commission.

So the Leader of the Opposition came in here and suggested this giant conspiracy that involves officers of the Department of Industrial Relations, Employment, Training and Further Education who are conniving with me, it seems, conniving with the Premier and the honourable member for The Hills and, it seems, all other members on this side of the House. The inspectors of the Industrial Relations Commission are part of this giant conspiracy plot. The investigation was part of the plot. Now, it seems, a judge of the commission is part of the plot. I have never heard such nonsense to suggest that that is what it is about. What has occurred in my department, I am proud to say, occurred without my knowledge. What happened in Labor's time, when that department

was used as a political football and used simply to implement the orders of Sussex Street, does not happen any more. Without fear or favour investigations and reports are undertaken. The fact that they did not tell me that this was being undertaken, as far as I am concerned, indicates their professionalism, indicates their lack of bias and indicates that the system is working. The system is working right up to the point that those files, those two complaints, are on the table of a judge of the Industrial Commission to take appropriate action. What that action is I do not know. Nor should I. That is what the independence of the judiciary is about. I am sure the honourable member for Ashfield, whom I am sure is going to speak in this debate, will clearly support that principle. Whether there can be action taken after a company goes into liquidation is a matter that the commission and lawyers better than I can determine.

Let us really look at this. A political ducks and drakes game is being played. There is no regard for these employees, no regard for the taxes that may have been or may not have been paid by a legal entity - which was a proprietary limited company, not Mr Packard but a company like many other companies that got into difficulties because of the recession. There is no regard for those people. It is about the fact that in this case one of the directors of that company happened also to be a member of Parliament on this side of the House. If members of the Opposition were genuine about the concerns of these workers - as I can assure honourable members I am, because it is tough - then they would be looking at ways and means of directing this debate, this issue towards their colleagues in Canberra. As the Leader of the Opposition said, the very first one that gets a bite of the cake in such cases of receivership or bankruptcy is the tax man. The tax man takes it. If there is something else left, the secured creditors take it; and then, of course, it goes down to the employees. All too often in such sad circumstances the employees are the ones that suffer. The ones that have done the work have to sit down there and wait until the cake is shared up top with the tax man.

Page 576

Perhaps it is time, as I have often thought in the past, that we addressed the question of whether priority should be given to the taxation commissioner in such instances or whether the worker should come first, because that is what the debate ought to be about, not the fact that in one instance out of the literally hundreds and thousands of bankruptcies and liquidations that have occurred in this State there happens to be a member of Parliament involved. If I could indicate again, as far as this reference to this young man and his superannuation, the great majority of the employees of the Packard Motor Company and indeed all members of the Motor Traders Association are respondents under the Federal award. Investigation of complaints has to be conducted by the Federal Department of Industrial Relations. The case of the young man which was trotted out yesterday was used to try to set up the process dishonestly. For all I know that person may have made a complaint to the Federal Department of Industrial Relations.

The young man to whom the honourable member for Smithfield referred in question time yesterday wrote to my department and said he had lost his job because the company had gone into receivership. He still had three months in which to complete his apprenticeship. This matter was taken up by my officers and dealt with by the Director of Vocational Education and Training. The board determined to wipe that three months and to give the young man his credentials. That is just one instance of the way in which the New South Wales Department of Industrial Relations and Employment is dealing with matters humanely. I was told only this morning that it is not because this young man was in any way connected with the Packard Motor Company; it is because he is just another victim of the recession. I wish that young man well. At least he is fully

qualified. I commend officers in my department for their action. As I said earlier, this matter is not about honesty. Honourable members opposite are not endeavouring to bring the concerns of employees of the Packard Motor Company or any other company before this House. If they were serious they would look at last year's figures for the number of days lost in New South Wales. The figures were disgraceful for two reasons: first, those people were under Federal awards and, second, on a particular day in October last year they all walked out. Five hundred thousand people lost a day's work because they were urged to walk out by members of the Labor Party and the Labor movement. How many jobs did that cost? Could we quantify how many companies were tipped over? How many companies lost productivity as a result of that disgraceful strike - a strike which was against the decision of this Parliament. Those factors ought to be addressed at this point.

I will relate the story about the young people at 2KY who lost their jobs. I accept that 2KY and many other radio stations are probably in difficulty at present, just as the Labor Party and the Labor Council have money difficulties and are being forced into putting people off. They are no more immune than the Packard Motor Company or any other company. No one from the Opposition has expressed any sympathy for the three young people from 2KY who lost their jobs or any of those others who have suffered as a result of a recession that was caused by the Federal Government in Canberra. The architect of that recession is now the Prime Minister. Last week he had the audacity to stand up in the Federal Parliament and say: "Forget what I have done in the past. That is behind me; it is all over. Do not worry about all those wrong decisions and predictions. I am born again. I have a new name and a new title. This time it will work". No one believes that. I would like to believe it. I would like to think that that package will save the jobs of some employees - employees who might lose their jobs today, tomorrow, next week or next month. I do not believe the words of the Prime Minister; they are based on a false premise and have no substance. The Prime Minister is endeavouring to sell this package to the community and is saying that there is light at the end of the tunnel.

Page 577

My Department of Industrial Relations, Employment, Training and Further Education will continue to operate without interference from me. It will continue to operate without fear and without favour. People will not be discriminated against because of their race, sex, or political affiliations. My department will deal with complaints honestly and appropriately. It will act irrespective of the party against whom the complaint has been made. I assure this House that I will not interfere with that process. There is no conspiracy; there is just one tragic story in the annals of this State which has resulted because of the recession caused by Labor. In many instances individuals will lose their homes and their savings. Several years will elapse before we can get out of the hole into which we have been thrown by Labor. This Government will do all that is necessary to lessen this suffering. Every statistic shows that this has already occurred.

Let us have no more of this giant conspiracy theory. Matters should not be covered up for the honourable member for The Hills or for any other honourable member in this House. I will not have a bar of it. My colleagues in Cabinet will not have a bar of it. I am sure not one Government member would have a bar of it. It is ludicrous in the extreme to suggest that we are playing those sorts of games. It is an insult to the Ministers involved; an insult to officers in my department; and an insult to a judge of the Industrial Commission of New South Wales to suggest that these matters have not been dealt with. If honourable members opposite showed the smallest amount of sincerity, a motion which constructively addressed the difficulties being faced by hundreds of companies today would be moved in this Chamber. Hundreds of companies have faced

difficulties and have gone down the chute as a result of the current recession. Many individuals and employers are either facing bankruptcy or have been driven to bankruptcy.

At this point we might constructively address just who should get whatever is left and the fact that perhaps the workers ought not to be down that line to the extent they are. That would be a constructive way of assisting those people who are hurting today as a result of the real difficulties that will continue. Honourable members have not heard about that; they have witnessed the little witch hunt, the ducks and drakes political game, the process of trying to cover up who the people might be who are making complaints, to build up this giant conspiracy. There has been no giant conspiracy in this instance, and there will not be in any other instance, irrespective of who is involved. There is absolutely no substance in the motion. If the honourable member for Ashfield wants the papers detailing the two complaints before the department, I suggest he walks down the road and makes an application to the Industrial Commission, because I shall not take the matter to the court. All I could obtain today - and I think it was appropriate - were the reports of officers from the department. I was not entitled to the file. Nor should I be. That is what the independence of the judiciary is about. I will accept the decision the commission makes in due course. The motion is nonsense; it is stupid and a waste of the Parliament's time when there are real problems that could be addressed. The motion has nothing to do with the real problem. [*Time expired.*]

Mr WHELAN (Ashfield) [3.48]: The motion relates to the repeated failure of the Government and the Minister for Industrial Relations and Minister for Further Education, Training and Employment to respond in Parliament to questions about a variety of issues concerning the honourable member for The Hills. The essence of the motion was typified by the point of order taken today by the Minister for Transport. When the honourable member for Kogarah asked the Minister an obviously difficult question, instead of saying that he would get an answer and report back to the Parliament or attempting in any way to answer the question, the Minister for Transport deliberately and wilfully misled you as to what the question was. Question 183 has nothing to do with privatisation of transport in Newcastle, yet this senior Minister deliberately misled you.

Page 578

Mr Hazzard: On a point of order. The honourable member for Ashfield is purporting to speak to the matter of public importance before the House but is digressing completely from the subject-matter. I ask that you direct him back to the topic that he seems to think is so important rather than allow him to digress to ridiculous levels.

Mr SPEAKER: Order! I think the honourable member for Ashfield is referring to the Minister's credibility. However, I remind him that he has only five minutes in which to speak. He has already used a proportion of the five minutes and should return to the question before the House.

Mr WHELAN: It is indicative of the Government's ministerial program and Ministers' answers to questions. The other day the Minister for Sport, Recreation and Racing was asleep. Two days ago the Minister for forests was not even in the Chamber, such is his disregard and contempt for the Parliament and the parliamentary process. Those Ministers do that with the deliberate intention of ensuring that no answers will be given in this Parliament. On 12th December the Premier replied in this Parliament to a question about the costs of a conference in Tokyo. Yesterday he came into Parliament and said, "I am sorry I got the figures wrong. I have got some additional information".

He was in no hurry. The only reason the Premier came in to give the early answer, just like the Attorney General did today when he tabled his report in relation to Packard, was because there was public pressure on him and pressure on him in the Parliament. The Premier's answer came yesterday because of freedom of information. The Attorney General tabled a report, which hardly goes to the very substance of the questions that have been asked in this Parliament. The report is dated 4th March. When you read the report the 11 pages give no indication of the various matters that have been raised in this Parliament. The dogs are barking but the Attorney General of this State told senior consumer affairs officers not to send him the report because he did not want to embarrass the Government by tabling it in Parliament.

Mr Collins: On a point of order. I have not raised this matter until now, but the honourable member for Ashfield is referring to me as the Attorney General directing the Department of Consumer Affairs. If he wishes to address me in relation to this debate, it should be in my capacity as Minister for Consumer Affairs.

Mr SPEAKER: Order! The honourable member for Ashfield knows the general rule about members.

Mr WHELAN: The Minister for Consumer Affairs. The dogs are barking that he told his senior officers not to send him a report. How long does it take? How long does it take to prepare a 10-page report? Does it take months?

Mr SPEAKER: Order! I call the Attorney General to order and remind him that he will have a chance to speak in the debate later if he wishes.

Mr WHELAN: And that includes "Minister for Consumer Affairs", in case you are in doubt. How long does it take to prepare a 10-page report? What action has the Minister taken? If he thinks I am a liar, he should produce his departmental file in the Parliament and let the Parliament determine who is lying and who is not lying, who has control of his or her department and what senior bureaucrats have been told to lay off. I do not make the same allegation in respect of the Minister for Industrial Relations and Minister for Further Education, Training and Employment. It took him only a couple of hours to get into the Parliament and correct the answer that he gave in question time. Ministers, from the most senior to the most junior, do not care. [*Time expired.*]

Page 579

Mr COLLINS (Willoughby - Attorney General, Minister for Consumer Affairs and Minister for Arts) [3.53]: We have just seen one of the most contemptible performances yet from this incompetent ass who represents the seat of Ashfield in this Parliament. I will deal with the matters within my responsibility as Minister for Consumer Affairs, and that is the only capacity in which I have been required to deal with this matter. I have produced this report by the Commissioner of Consumer Affairs on the same day that it was provided to me. The Commissioner for Consumer Affairs is present within the precincts of this Parliament. If anyone has any doubts about that, like this snivelling so-called shadow minister over here, why does he not have the guts to go and ask the commissioner who has produced this report as quickly as he possibly can? Anyone with a vague knowledge of bankruptcy would realise that events unfold over a period of months, that the full debts are not always apparent at the outset. That is precisely what has occurred in this case. Creditors have been looking at what debts are owing to them, including the Department of Consumer Affairs. Those debts in relation to my department are fully outlined in this report, which is produced a day earlier than I am required normally to table such reports in this Parliament. I sought the leave of this

House to table this in order to facilitate this debate, to shed a little light on the sewer which these people opposite belong to.

I want to make it very clear that the Commissioner for Consumer Affairs and his department have acted as quickly, as expeditiously, as possible to bring this matter to a conclusion and to have this report tabled today. I challenge the coward, the Leader of the Opposition, who has left the Chamber, who has not had the guts to stick around for this debate, to repeat his allegations outside this Chamber. He will not do it. Nor will this person who has just spoken, because they both know that they will be found guilty of defaming me and they will go the way of other people who have repeated such allegations outside this House. They hide behind the privilege of this House. For them to raise this matter is all well and good. They have a right to know what is being done by the relevant departments in relation to the Packard Motor Company. I am prepared without hesitation to table any report on the Packard Motor Company or any other company about which I am asked a question. I have never and will never behave in an improper manner, delay any matter, expedite any matter, simply because of some partisan political favour and I utterly resent the attack on my office both as Minister for Consumer Affairs and as Attorney General of this State. As the first law officer of this State I have a duty to carry out my role with complete impartiality. I utterly reject the cowardly, contemptible and defamatory attack by the member for Ashfield and by his so-called leader in this House today.

The fact that the subject of this report is a member of Parliament and his previous business dealings has neither added nor subtracted a single day from the procedures which are routinely followed by the department of consumer affairs. The commissioner and the department have had my total support and continue to have my total support to reach whatever conclusion is deemed appropriate to provide the best outcome consistent with their rights as creditors of the Packard Motor Company. I utterly reject the contemptible insinuation that the report has been delayed and I stand by its public exposure here today. The date borne by the report is this day and this is the day I received the report, which I tabled. I must say that I believe it is an objective and thorough report prepared by the commissioner and his department on the information available to date. I will say further: if there is further information that may elucidate this matter that may be relevant to these proceedings or to the considerations of the House at a later date, there will be a subsequent report. [*Time expired.*]

Page 580

Mr HATTON (South Coast) [3.58]: I will not involve myself in the vituperation across the Chamber. I do not know the merits or demerits of the matter affecting the member for The Hills. I was approached by the press gallery as to whether I might support a censure motion on the Minister for Industrial Relations. I indicated that if the case could be made out I certainly would be other than consistent if I did not do that. However, I have discussed the matter with the Minister and examined matters that he referred to in *Hansard*. I want to make a statement in that regard. My position is shared also by the honourable member for Bligh, who had a conversation with the Minister. I have absolute faith in his integrity and I am impressed by the way that he has handled these matters in the House. I believe he is up front and I have no hesitation in saying that. I do not know anything about whether reports are held up with the Attorney General. It is a complex matter and it is quite possible that what he says is absolutely true. Therefore I would make no reflection on him. I speak for the honourable member for Bligh and to some extent the honourable member for Manly because I have had less discussion with him.

What has swayed me in this matter is that if the Government is in trouble on this matter today - and I believe it is - it is not anybody's fault but its own. If a question is asked about a member of this House, we are all over 21, and we know that will excite an enormous amount of interest on both sides of the House, in the press gallery and among the public at large. It is most unwise for the Premier to stand up and dismiss that question three times in a row. I have no comment about whether there is any impropriety. I just simply do not know and that is the thing that has impressed a number of the Independent members. If question time is going to mean anything in this House, if proper questions are asked I believe that they should be treated seriously, and if the answer is not available the matter should be researched and brought back to the Parliament. It is to the advantage of the Government of the day to do that, because if there is an appearance of avoiding the question all it does is to build up a head of steam. I am grateful to speak to the matter of public importance today because it is an opportunity for us, irrespective of what side we are on, to say that question time is important, and that answers should be relevant. If we do not take that opportunity there will be no opportunity in debate on a matter of public importance for the Parliament to express a view because question time has been treated other than with the seriousness that it deserves.

Mr KERR (Cronulla) [4.1]: I rise to speak because what this motion is about is simply a grubby grab for power, an attempt to discredit the honourable member for The Hills and drive him from Parliament. I notice the Leader of the Opposition is here. He mentioned the former member for Bankstown, and said, "We all subscribe to what the Premier says now". Well, your subscription was a bit late because you followed the Wran code of honour. Members like the honourable member for Bankstown now will not know about the Balanced Property Trust but a lot of members in the Labor Party will, because they suffered from it. The Premier and members on this side of the House attempted to expose it and each time we were blocked by the then Government - as the present Attorney General knows. I want to say this: you followed the Wran code of honour.

Mr Whelan: Yes, like skulking around the brothels of Kings Cross.

Mr KERR: The honourable member for Ashfield, failed consumer affairs Minister, the only one ever dumped by a caucus, asked Mr Evans what he thinks of you. Now, if I can return to the subject of this motion. Parliament is about the protection of citizens from State institutions so they work for the community and cannot be used

Page 581

against individuals. It is a pity that the Leader of the Opposition did not go forward with his law course a bit further because he might have learned that sales tax is a Federal tax, not a State tax. When it comes to State taxation the rights of individuals are subject to various protections. Those taxes, including stamp duty, payroll tax and land tax are protected by legislation and Ministers and Premiers cannot or should not find out that information. If it becomes public through litigation in the courts, that is fine; that is in the public domain. But that is not what was sought in the questions asked. If you ask questions of Ministers, or of Premiers, they still cannot divulge the information according to the rule of law unless that happens to be public information.

It is very interesting that the Leader of the Opposition said to the honourable member for Monaro that he was next. What information is he privy to that nobody else is, including the honourable member for Monaro? Was he telling the truth about that? Why does he not tell the House? A lot of people have been hurt by the Federal Government in terms of the recession, and ironically the Labor Party has been hurt. It is down to its last cardigan in 2KY. I can tell honourable members opposite a lot of people

have been laid off from the staff there, the disc jockeys there, because that is what it is about. The Leader of the Opposition mentioned ICAC. Is it not ironic that at the present time ICAC is doing an investigation into the unauthorised use of information from State instrumentalities? ICAC is saying that this is a terrible thing, the misuse of information. The honourable member for Eastwood has a bill before this house to make that illegal and to codify people's rights in that regard. That is what we are talking about here; the rights of citizens. As I say, we have a very different concept in relation to the role of State institutions because members on that side of the House, or at least the right-wing faction, equate Sussex Street with the State. They think that the State instrumentalities and the State are just one gigantic lolly shop. I am sure some people in the Labor Party would think that is a sure thing. It is interesting to look at the *Sydney Morning Herald* - no friend of the Liberal Party these days.

Mr Scully: Where have you been for the last 150 years?

Mr KERR: Oh, where have you been? The honourable member for Smithfield - when he gave his maiden speech caucus took up a collection to teach him how to speak in public. After he gave his fifth speech they took a collection to teach him to shut up in public. He ought to read the editorials in the *Sydney Morning Herald* in the 50s and 60s, all advocating, right up until after the 1961 election, a vote against Menzies. His leader could tell him a little bit about that political history. If I could continue. The attitude of the Labor Party and the mates of the Leader of the Opposition to State institutions was summarised by what the Prime Minister said about a *Sun-Herald* journalist who had offended him a few months back. He suggested, "It would be interesting if the tax office was to audit his returns and the returns of others like him". He did not have in mind there would be any happy returns for those people at all. What we are here about is a different code of honour from different sides of the House and we are quite prepared to protect the rights of citizens, whether they happen to be members of Parliament or whether they happen to be members of the Smithfield branch of the Labor Party. They are all entitled to a little bit of protection and not to have information used against them for base political motives.

Mr CARR (Maroubra - Leader of the Opposition) [4.6], in reply: First, the matter of the Consumer Affairs Commission report. The Attorney General should well understand the scepticism of this House when we are told that three-months' wait was justified in the case of a 10-page report. Now, on first glance this is a very skimpy report indeed. This is no weighty tome. This is not like the investigation of the Sinclair

Page 582

companies, the Finnane report into Ian Sinclair's affairs. This is what it is: it is a once over lightly report if ever I saw one. I find it very hard to believe the assurance from the Attorney that with a marvellous flash of coincidence this report, which had been sweated and laboured over for three months, suddenly becomes available today, the day the Opposition moves its motion in the House. He was first asked about it on 4th December. He said, "I look forward to receiving it. He was asked again on 25th February and the Attorney General said, "Yes, I did make that commitment." Another two or three weeks and it becomes available today. Oh joy oh joy, happy coincidence, it becomes available today entirely unrelated, we are assured by the Attorney, to the motion moved by the Opposition. Mr Speaker, if you believe that you will believe that Eastern Creek is a far-sighted investment. If you believe that you will believe that someone broke into the electoral office of the honourable member for North Shore and dropped notes from the typed correspondence lying around on the desk, whited out the "notes". You will believe that New South Wales is performing well in fiscal management. If you believe that the arrival of this 10-page report was laboured over for three months and has arrived today, simply by fluke of coincidence on the day we moved this motion, you will believe

anything.

[Interruption]

The honourable member for North Shore should be the last to interject. That is all I want to say about that part of this matter. In view of what the honourable member for South Coast said, I want to place more emphasis, however, on the studied insolence of the Premier when asked questions about this matter in the House. On three occasions, three days in a row, three days running, the Premier was asked whether there are State taxes owing to the Government from the honourable member for The Hills. I do not know what the honourable member for Cronulla was mumbling about. What a mumblor he is. What a dribbling little mumblor he is. He claims I referred to sales taxes. There is no reference in my speech to sales taxes. I referred to State taxes. The member should get his act together.

[Interruption]

Go and get some therapy and get yourself together, you rambling, shambling incompetent. On three days running the Premier was asked in the House about State taxes owing by the honourable member for The Hills. He treated this House with contempt. The matter was referred to by the honourable member for South Coast. On day one the Premier said, "I don't know the answer". On day two he said, "The answer is the same as yesterday". On day three he said, "The answer to the second part remains the same". Parliament is here to get information. There are four centuries of tradition bound up in the role of this place. The Parliament is here to extract information from the Executive. If the Executive is reluctant, then too bad for the Executive. We are entitled to insist on it. That is what this debate is about. We want to know if those taxes are being paid. The Premier, with a fine disdain for centuries of parliamentary tradition -

[Interruption]

The word arrogance has been suggested. I do not wish to canvass that; I do not think it has to be canvassed. Arrogance is the Premier's middle name. We have asked on three occasions and he has refused to answer on three occasions. Parliament is entitled to respond and say, "You cannot get away with treating this institution in that fashion". That is what this debate is about. I do not want to dwell on speaking about

Page 583

the Minister for Industrial Relations and Minister for Further Education, Training and Employment. It is said that he is a candidate for leadership of the Liberal Party; he will lead the Liberal Party one day. His incompetence in this matter proves again that it is totally fitting to describe him how Lyndon Johnson described Gerald Ford: he is a man who cannot chew gum and walk at the same time. They say he is a Liberal Party leader. The only reason anyone would follow him would be out of curiosity, as Jim Killen said on one occasion. He wants you, Mr Speaker, to believe that he did not know that his department had received complaints about one of his parliamentary colleagues; he was not told, he wants you to believe. He was not told that it has ended up with the Industrial Commission. I think we have to say loud and clear to the Minister for Industrial Relations: we do not believe you, we just do not believe you. He, like the Attorney, has treated this Parliament with contempt. But their exercise in contempt, their treatment of the House with disdain, pale in comparison with the standard set for them by their leader, the Premier. The Premier has simply refused to answer questions. When asked a second time he refused again. When asked a third time he treated his obligation to this House with complete contempt.

I say to my colleagues that if this Parliament does not respond to this treatment, it is not serious about operating as a legislative chamber with any kind of brake, any kind of control on the Executive. If we are going to be entirely compliant when the Premier refuses to answer questions, reasonable questions asked of him in this Chamber on three consecutive days, we are simply inviting the Executive to treat this Parliament and its members in that way at any time in the future. That is not an option. Members on that side of the House have not heard the end of this matter. Do not think it will go away. All of you over there know it. You will hear about it again and again. Every employee who has been cheated by the member for The Hills deserves to be heard, to have his or her complaint aired in this Chamber. I give my word that that will happen. Every consumer who has been cheated by this man will have his or her case put in this Chamber and voiced by the Opposition. There is no easy way out for members on that side except the one that is coming when we think it is time to deliver.

Motion agreed to.

PERMANENT BUILDING SOCIETIES ACT: DISALLOWANCE OF REGULATION

Debate resumed from 27th February.

Mr AMERY (Mount Druitt) [4.15]: At the outset I should say that the Opposition, along with the Permanent Building Societies Association Limited, the credit unions association, the working party on the Australian Financial Institutions -

Mr SPEAKER: Order! I ask members to show a little respect for the member for Mount Druitt.

Mr AMERY: The Opposition agrees with the member for South Coast and with his resolution to disallow the regulation gazetted by the Minister for Local Government and Minister for Cooperatives. That regulation will allow two new permanent building societies to operate in New South Wales, one to be run by MLC Life Limited and the second by GIO Life Limited. They would have 100 per cent ownership of the building society, contrary to existing New South Wales law and the spirit and wording of the new uniform legislation which is to take effect in Australia from 1st July. The debate has been centred around the fact that if the regulation is disallowed, there will be no new
Page 584

building societies in New South Wales. That picture has been given to the Opposition clearly; in other words: take it or leave it. The Opposition believes that the Australian Financial Institutions Bill that is to take effect from 1st July, known as the AFIC bill, will allow MLC Life and GIO Life to operate under that legislation. Before I proceed to justify that statement it is fair that I should examine the actions of the Greiner Government on this issue. On 30th October, 1991, the Premier became a party to an agreement on a national policy on non-bank financial institutions, known as the financial institutions agreement. In effect that agreement will introduce into other States standards that have been in place in New South Wales for years.

This State can be proud that its prudential standards regarding non-bank financial institutions are virtually the yardstick for all working party discussions on this matter. As a result the laws we have proudly stood by for years will be introduced nationally. The very next action of the Government, following the signing of the agreement on 30th October, occurred on 10th January, in the middle of a by-election campaign and during the school holidays. The Minister gazetted the regulation which allows for the operation of these two building societies by the GIO and the MLC, under the provisions of the one regulation. It is important to note that the two building

societies will operate under different circumstances. The issues confronting the GIO and the MLC are different. If the Government had handled this matter in a prudential and professional way, having determined that it would proceed down this path, it would have dealt with the two permanent building societies by introducing two different regulations so that the House could assess each case on its merits. On 10th January, only 10 weeks after the Premier agreed to the national legislation, we had this suspicious occurrence.

It is generally understood that the Minister withheld for some time his approval for the formation of the building societies wholly owned by the GIO and the MLC. Though there is no documentary evidence to support this claim it is a fact that he has not been a strong supporter of the AFIC proposal. It is clearly the case that at the time of the issue of regulation 71 the Minister knew that it was contrary to the content of the agreement executed by the Premier and other Premiers some 10 weeks previously. There can be no suggestion that this fact was unknown to the Minister. It would be totally irresponsible to suggest that the Minister was unaware that the gazettal of his regulation was contrary to the agreement signed by the Premier. The officer of his department responsible for administering regulations under the Permanent Building Societies Act is the same person who has been the New South Wales Government representative on the Premier's implementation task force, which drafted the Premier's financial agreement and accompanying AFIC and freedom of information legislation. On 10th January the Minister's own department head was on the working party for this national legislation. When he drafted this regulation he knew that he was acting contrary to the spirit of the bill that will come into effect in a matter of only a few weeks.

I return to my earlier comment about the need to make a choice. The choice has been put to the Opposition: we either accept the regulation as it is printed in the *Government Gazette* or we do not get these two building societies. New South Wales would be all the better for having more financial institutions, but this is not the way to go. It has never been contemplated that the prescribed percentage of ownership in a permanent building society would be higher than 10 per cent. That was a decision of the advisory council. Even if we assume, for the sake of the agreement, that the maximum percentage of ownership could be lifted above 10 per cent to the 100 per cent that the Minister wants to have in these two building societies - template AFIC legislation already exists in Queensland - section 3 in part 4 of the AFIC bill contains prudential standings which will accommodate the establishment of these building societies in accordance with the letter of the law and in line with the principle of the agreement reached some months ago. Technically speaking the Minister can say that he is entitled to gazette regulation

Page 585

71 as the current New South Wales law still applies, and will apply, until 1st July. However, it is also clear that by gazetting the regulation the Minister has acted contrary to the spirit and the intent of the agreement to which his own Government and his own Premier were signatories. The gazettal of this regulation is an act of bad faith by the Greiner Government in New South Wales. It is contrary in spirit and intent because it is explicitly stated in the Premier's agreement that 100 per cent ownership in a permanent building society would be imprudent and unacceptable. Even if 100 per cent ownership were to be permitted, such change should be made after 1st July, using the new legislation which all the States agree to be the proper standard and the proper course to take.

The Opposition does not take lightly the confidence shown in New South Wales by these two organisations - the MLC and the GIO - but we must appreciate that for years New South Wales has led the country in setting tough prudential standards. As a result New South Wales consumers have not been hit by the sorts of corporate crashes that have occurred in other States. We are all aware of the circumstances in which the Pyramid

Building Society in Victoria, the largest in that State at that time, crashed. It did so mainly because of imprudent standards adopted in that State compared with those adopted in New South Wales. I appreciate the fact that the MLC and the GIO are very different. A briefing paper to the Opposition points to the problem that the Government faces. It says that the GIO has not been operating under the co-operative societies legislation and therefore cannot be grandfathered in when the new legislation takes effect on 1st July. That is not the case with the MLC which can be grandfathered under this legislation. Had one Government Minister known what the other Minister was doing, had the Government acted and dealt with this GIO float in a professional manner, it would not have been necessary to move the motion in the House. The Opposition wholeheartedly supports the motion of disallowance moved by the honourable member for South Coast. He has acted properly, and we believe that the Government should be doing all it can to try to correct what has been referred to by the honourable member for Lakemba as a monumental cockup by the Greiner Government. We believe the matter should be resolved. [*Time expired.*]

Debate adjourned on motion by Mr Moore.

PACKARD MOTOR COMPANY

Ministerial Statement

Mr COLLINS, by leave: I wish to make a ministerial statement in relation to remarks made during the discussion of the matter of public importance relating to the Tony Packard Motor Company. I referred to the report supplied to my office by the Commissioner for Consumer Affairs as having been completed today. The report is dated 4th March - that is yesterday's date - and was forwarded to my office at Parliament House today, 5th March.

TIMBER INDUSTRY (INTERIM PROTECTION) BILL

Second Reading

Debate resumed from 4th March.

Ms ALLAN (Blacktown) [4.26]: It is with a great deal of pleasure that I lead for the Opposition on the Timber Industry (Interim Protection) Bill. It is obviously a bill of enormous significance to this Parliament, and I am pleased that the Minister responsible for the legislation is in the Chamber. The Opposition supports the bill. It

Page 586

does, however, intend to move a number of amendments which have been made available to the Government. It is interesting that this bill has come before the House in its current shape, especially in view of the debate that has surrounded its introduction. In many ways it has been a wonderful distraction for the National Party of New South Wales. The Minister for Conservation and Land Management has led his magnificent 17 members of the National Party on a crusade over the last few weeks to undermine the Endangered Fauna (Interim Protection) Act, which was passed by this Parliament in December 1991 and which has now resulted in the introduction of the Timber Industry (Interim Protection) Bill.

It has been a wonderful distraction for National Party members, given all the problems that they are currently experiencing within rural and coastal New South Wales. The areas affected by the debate about job losses in the timber industry and the relevance of the Endangered Fauna (Interim Protection) Act to those job losses, the future of the

industry and, therefore, the application of this bill are all areas where the National Party of New South Wales is experiencing major electoral difficulties. The Minister referred to the current problems occurring in the area around Port Macquarie. I have a faxed copy of the front page of the *Port Macquarie News* of Wednesday, 26th February. It contains two major headlines. The first, accompanied by a photo, was "Thirteen jobs to go in mill closure". The second was "Minister sees poll as futile". When I first looked at that fax I presumed there had been a poll about the future of the timber industry in Port Macquarie. But when I read that article more closely I realised it related to a statement made by the Minister for Health and Community Services in response to a public meeting and a public poll on what people in Port Macquarie thought of the Government's plans to privatise the new Port Macquarie Base Hospital.

We have heard quite a bit from members of the National Party and representatives of some local media outlets and local interest groups in Port Macquarie about the timber industry issues. It has been very useful for the National Party of New South Wales to try to divert the attention of that Port Macquarie community from some other important political issues, for example, privatisation of health and asset sales. There is very strong community concern at Port Macquarie at present about the future of Port Macquarie court house and the failure of this Government to provide adequate funding for community use and heritage protection for that very important building. Those issues are not being addressed by the National Party of New South Wales. Instead we have had a passing reference to prospects in the Minister's second reading speech.

[*Interruption*]

The Minister for Natural Resources interjects. I have with me also a copy of an article that appeared in the *Coffs Harbour Advocate* of 4th February, 1992. It is headed, "Logging halt could spread north" and reads:

The member for Clarence, Mr Ian Causley, has bitterly attacked the Labor Party for becoming "captives of the fanatical sections of the environmental movement over endangered species legislation".

Mr Causley, who was formerly Minister for Forests and is currently the Chief Secretary and Minister for Water Resources -

And therefore a person of some prominence and responsibility within the community:

- was commenting on the temporary halting of logging in the South Coast forest last week.

Page 587

He then went on for at least half a column essentially bagging the endangered fauna legislation. It is probably one of the few front page articles that the Minister has been able to get in the *Coffs Harbour Advocate* in recent months. It certainly diverts attention from other interesting issues that are currently affecting his electorate of Clarence. At present a greater degree of community concern is being expressed in the electorate of Clarence about a development that is occurring at Micolo Island. The Minister has a lot to say about what should be happening in respect of the endangered fauna protection legislation but he has nothing positive at all to say about community concern being expressed about that particular development. So what a wonderful distraction for the honourable Minister that he can talk non-stop about forest issues in his local media rather than address these other issues. Of course, public statements have been made by other responsible members of the National Party about the dire future of the timber industry in

this State. Meanwhile, other major issues continue to be ignored. For example, surely privatisation of health services and the future of controversial tourism developments on the North Coast -

Mr SPEAKER: Order! I remind the member for Blacktown that under the terms of this bill she cannot canvass the sorts of matters she might address in an Address-in-Reply debate. I direct her to come back to the scope of the bill.

Ms Allan: On a point of order, when the Minister made his second reading speech on this bill he talked at some length about the consequences of the endangered fauna protection legislation and its impact on the timber industry of New South Wales and its relevance to this particular legislation. In fact, the Timber Industry (Interim Protection) Bill seeks to amend sections of the endangered fauna legislation to ensure that stop-work orders are not applied to the timber industry. What I am seeking to do is to draw together the reasons why we have this bill before us today. There is no doubt at all in the minds of most members of Parliament at present that this is very relevant to a strong campaign that has been waged.

Mr SPEAKER: Order! The best advice I can give the member for Blacktown at this stage is that she will have to work a little harder to draw the nexus with the sorts of remarks she is making and the scope of the bill. If she can do that, she will proceed unimpeded by me.

Ms ALLAN: Over the last few weeks in the lead-up to the introduction of this legislation we have seen a concerted campaign by certain Ministers of the New South Wales Government leading a charge of 17 National Party members of the Parliament to undermine the Endangered Fauna (Interim Protection) Bill that was introduced in the Parliament by the Opposition last year. A deliberate atmosphere of hysteria has been created within rural New South Wales. The response in the Legislature to that hysterical campaign is this bill. This is going to be the bill that will save the timber industry of New South Wales from all those terrible job losses that have obviously been caused by the Endangered Fauna (Interim Protection) Bill. I might add that during question time today we heard the first parts of a campaign to apply those problems to other industries within New South Wales. Perhaps other bills will be introduced to try to remedy those problems before they even emerge. These concerns have also been expressed in other areas of New South Wales by prominent members of the National Party, including the Deputy Premier and also the Minister for Agriculture and Rural Affairs. In fact, the Minister for Agriculture and Rural Affairs raised such doubts in the *Oberon Review* on 14th February when he talked about the possibility of the endangered fauna legislation affecting the ability of the State's farmers to continue with traditional agricultural practices. The heading for the article in that newspaper was "Logging halt raises questions for agriculture".

Page 588

The claim has been made continuously by members of the National Party and by Ministers such as the Minister for forests since December last year when the Opposition introduced the legislation that it caused dire problems within the industry. However, never before has this Parliament seen such a sloppy, ill-considered and very poor piece of legislation as this bill before the House. Given the number of months that the industry and the Government have had to respond to some of the issues that they saw as being raised by the Endangered Fauna (Interim Protection) Bill, it is sad that the Government has still managed to come to the Parliament with a piece of legislation that has been compiled in a hurry. It certainly has not been interested in consulting too many groups.

A couple of evenings ago we had a briefing on this legislation hosted by the Minister for forests and the honourable member for South Coast on this particular legislation.

Mr SPEAKER: Order! I just remind the member for Blacktown that there is no Minister for forests in this House. He is the Minister for Conservation and Land Management.

Ms ALLAN: I am sorry, Mr Speaker. On Tuesday night the Minister for Conservation and Land Management co-hosted with the honourable member for South Coast an attempted briefing on the subject. I must admit that I would like to congratulate both the Minister and the honourable member for South Coast on the initiative, albeit at a very late stage, to host that briefing. That briefing resulted in a number of important achievements. If it had occurred a little earlier in this whole process of considering this legislation, I think a better bill would have been put before us than the bill that we have before us. The reason the meeting three nights ago was significant was that it brought together the various interest groups or various stakeholders concerned about this particular legislation. It brought together representatives of the Forestry Commission, the forest industry, the environmental movement, politicians from all parties, as well as the Independents, and members of the Australian Timber Workers Union, who are interested in this area.

The meeting brought together also the Minister for the Environment and the Minister for Conservation and Land Management. It was significant because it was the first time those people had been brought together in a forum where they could consider some of the issues raised by the legislation. Unfortunately, before they went to the room most of them did not have a copy of the legislation, so the evening became a time to explore it for the very first time. The Minister and the honourable member for South Coast are deserving of approbation for bringing the groups together. The evening achieved a couple of other things. For example, the honourable member for Bathurst asked the Minister for Conservation and Land Management a specific question about the likely effect of the bill and the previous effects of the endangered fauna protection legislation on the supply of timber for the mines in his electorate. That has been an issue of major concern to him. The honourable member was given various assurances at the meeting by the Minister that it would have virtually no effect on his areas of concern. That was the second achievement.

Unfortunately, neither the Department of Planning nor the National Parks and Wildlife Service were represented directly at the meeting. Despite questions asked of the relevant Ministers, it may seem that these groups were deliberately excluded. That is an appalling state of affairs. The bill will have a direct impact on the work of two significant government departments within this State, yet both departments were excluded from the process. There are two key issues here. On the one hand the process has begun, but not soon enough; on the other hand, at least two key players in the process

Page 589

were excluded. I do not think the Minister was particularly comfortable at the meeting, though I think anyone would have suffered discomfort after a three-hour meeting. Last night I heard one of the Minister's parliamentary colleagues say to him, "I hear you had a tough time the other night". The Minister shook his head like Gary Cooper used to in the movies and said, "Yeah, I did". But he gritted his teeth and managed to survive the evening. The meeting was significant. It shed a lot of light on the bill. If the meeting had not occurred, several things would have happened. First, far less information would have been made available and, second, the bill would have been rushed through within the space of one sitting day, which was the Government's original agenda.

[Interruption]

Some of the donkeys on the Government side might laugh about that, but the honourable member for Coffs Harbour should check the original plan the Chamber was going to follow this week. He will see that under the original plan the bill was to be rushed through. That is not good enough if we are concerned about saving the future of the forestry industry in New South Wales, which seems to be the main prerogative of the bill, and about maintaining protection for the New South Wales natural environment. A little later in my speech I shall refer to some of the comments made by the various parties about the meeting, but now I wish to give honourable members a description of the amendments to the bill that the Opposition intends to move at the Committee stage. For the time being I shall confine my comments to the general intent of the bill and related issues.

[Interruption]

Some honourable members may have misheard me earlier if they failed to understand that the Opposition intends to move amendments. The Government's interim bill is aimed at solving the short-term problems created by the failure of the Forestry Commission to comply with the Environmental Planning and Assessment Act in relation to preparing environmental impact statements for logging plans in State forests in the northeast of New South Wales.

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

Ms ALLAN: The bill will allow forest operations to continue in those areas where environmental impact statements are prepared over the next 30 months. Also, it will exempt certain private lands from having to comply in the interim period with the endangered fauna legislation. The time frame for the legislation is required because more than one million hectares of State forest are involved and the studies that will have to be done as a result of the legislation will cost more than \$10 million - that is, 15 major areas of the State at \$350,000 each. In summary, the Opposition's amendments will do a number of things. First, the Opposition will allow stopwork order provisions in the Endangered Fauna Act to be retained.

Mr West: Shame!

Ms ALLAN: The Minister is a bit late. I paused to wait for him.

Mr West: I do not have to come in on your cue all the time.

Ms ALLAN: The Minister obviously does not do that.

Page 590

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

Ms ALLAN: The Opposition's amendments will insist that logging operations on private land be conducted in a manner that will to the greatest practical extent mitigate their environmental impact. That is a very significant amendment. Essentially, the proposed legislation will exempt the forestry industry from the relevant section of the Environmental Planning and Assessment Act, part 5, for a period of 30 months.

However, the Opposition will not allow the Government open slather on logging operations on private land. The Opposition will seek essentially to ensure that the people who will be responsible for logging operations on private land come up with the sort of environmental impact statement that says what the environmental impact will be and how the environment will be affected. It will not be the same as an environmental impact statement. Third, the Opposition will insert a public accountability clause in relation to any regulation the Minister may make under the Act as well as ministerial accountability in relation to the status of the environmental impact statement and a requirement that the Minister table such a report quarterly.

The Opposition will move an amendment that provides for the setting up of a forestry committee to be appointed in consultation between the Minister for Conservation and Land Management and his ministerial colleague, the Minister for the Environment, to assess the environmental impact statements. This is very important, not only in the opinion of the Opposition but in the opinion of the conservation movement of New South Wales and of a number of courts where, unfortunately, over a period the New South Wales Forestry Commission has ended up because of its inability to log with proper adherence to environmental concerns in this State. It is the opinion of those groups, and has been the view of the Land and Environment Court and other New South Wales courts at various times, that the Forestry Commission cannot be trusted to log with sensitivity to the environment or undertake environmental impact statements at times but also cannot be trusted to do them properly. Therefore, the Opposition will suggest a forestry committee that will assess the environmental impact statement that will be done as a result of the legislation.

That committee will have a maximum time of two months in which to assess the environmental impact statement, which will be processed after the Forestry Commission has adhered to the Act. The forestry committee will comprise a number of people appointed by the two Ministers concerned. One person will have expertise in the assessment and conservation of fauna likely to occur in forested regions of New South Wales; another person will have expertise in the botanical sciences; a third will have expertise in ecological processes; a fourth will be a person with expertise in resource economics, and one person will have expertise in soil erosion. All those people, however, will be independent of the Forestry Commission, and that is a most important point. Unfortunately, it indicates the measure of trust and confidence that the Opposition and others have in the past performance of the forestry commission on these particular matters.

A further Opposition amendment will allow any third party to take proceedings against breaches of the Timber Industry (Interim Protection) Act, not the Environmental Planning and Assessment Act, but give the court discretion as to the validity of the third party proceedings. We will ensure that the applicants who intervene will not have trivial or vexatious motivations. Of course, none of those third party proceedings would be necessary if the Forestry Commission did its job and implemented its own legislation properly. Despite the frightened cries and squawks of National Party members opposite,

the Forestry Commission will not have to be fearful of being taken to court if it does the job the Government is promising it will do in this legislation and follows the letter of the legislation. Another amendment will tighten the definitions of protected fauna to refer to endangered fauna. This is very significant.

Whilst the Labor Party intends to keep the application of stopwork orders to the activities of the Forestry Commission, we will ensure that those stopwork orders relate only to endangered fauna as determined by schedule 12, which was gazetted by the

Government last week. I think this is a major improvement of the application of stopwork orders. A lot of nonsense has been talked about stopwork orders over the past three months. Only one stopwork order has been applied. That was within the southeast of New South Wales. It has not caused any job losses, despite the hysteria that has been run in local media. For example, the honourable member for Murwillumbah said in a press release on 25th February that 6,000 jobs across the State would be lost by June this year under the Labor Party and Independent sponsored endangered species legislation. The press release reads:

Described as a human disaster, Mr Beck, said the legislation is simply a recipe for unemployment in country New South Wales.

I think it was intended to read that the legislation was a human disaster, not Mr Beck. That might have been corrected on a subsequent copy. The press release also stated that according to Mr Beck workers in New South Wales are being laid off because the new wildlife laws were so poorly - spelt p-o-o-r-l-e-y - prepared that the forestry operations had to shut down because according to the fine detail of the law - I would like to see the fine detail of the brain of the honourable member for Murwillumbah - they would be prosecuted if they continued logging. Despite all those dire concerns one stopwork order was applied and no jobs were lost. I have not actually seen what sort of run the honourable member got with that press release. I hope he got something out of it, because it is very amusing reading. The final Opposition amendment will seek to include a clause in the bill to validate the Minister's claim that licences and conditions are still required for logging operations. We will also amend schedules to the bill.

Schedule 1 will be amended so that old growth forests exempted under the Act will include all those forests announced by the Premier to be part of the old growth strategy. Unfortunately, that naughty Forestry Commission left several areas announced in the Premier's moratorium out of this legislation. Labor will put them back. The Forestry Commission has been so busy doing so many other things in relation to the lead-up to this bill that it has forgotten to get that right, so we will fix that up for it. Our amendments will include a new schedule 3 to set out meeting procedures for the proposed forestry committee. This will include reporting times. The legislation will not solve problems created by the illegal activities of the Forestry Commission over a number of years in State forests. That is not just an assertion by the State Opposition. A significant aspect of the meeting that occurred the other night was the admission by the Director of the Forestry Commission that the commission had been operating illegally in a number of forests in recent years. Despite the fact that the Minister for Conservation and Land Management moved pretty cheekily in his chair when the director of State forests was saying that -

[Interruption]

Mr Speaker, could I have some order?

Page 592

Mr SPEAKER: Order! I have called a number of members on the Government benches to order. Their persistent interjection is not appreciated by the Chair. I ask them to remain silent for the remainder of the speech of the honourable member for Blacktown.

Ms ALLAN: It was admitted that in some cases the illegal activities had been occurring for nearly a decade. Essentially, that is why the Opposition is committed to

the legislation being passed as quickly as possible. We want to correct the anomaly which currently exists with the illegal activities of the commission. The legislation will have significant impact on the New South Wales Forestry Commission. We do not have to look too much further than the commission for responsibility for the campaign that has been waged about the endangered fauna legislation since December. In my opinion the commission stands condemned for its contribution to the campaign. The historical relationship between the commission and the National Parks and Wildlife Service gives some explanation of the paranoia the commission has about the legislation. For a number of years it has been obvious to me from discussions with foresters and officers of the National Parks and Wildlife Service that there is rivalry between the bodies. For example, at times the Forestry Commission has felt threatened about the possibility of the National Parks and Wildlife Service acquiring its areas of land for inclusion in national parks or the National Estate. The National Parks and Wildlife Service has been critical of some operations of the commission's logging operations.

In some Australian States there have been attempts to combine the two bodies in one department. The result has been mixed. That has not been attempted to date in New South Wales. I am sure the officers of both bodies would resist that development. In many ways the Forestry Commission's failure to co-operate in the implementation of the endangered fauna legislation passed by this House last December can be traced back to the traditional rivalry between the two organisations. The Forestry Commission cringed in December when that legislation was carried by both Houses of this Parliament because it would have to go, as it perceived it, cap in hand to the National Parks and Wildlife Service for approval to license logging activities. That horrified the commission. It reacted as most organisations or individuals react if they perceive themselves to be under siege: it dug in. It chose not to bother to educate its traditional constituency within New South Wales, the people in the forestry industry who depend on the Forestry Commission for co-operation for licensing. It did not attempt to educate those people about the full implications of the endangered fauna protection legislation. It did not attempt to educate its own officers, the regional foresters, the people in head office about the implications of the legislation. It did not just throw up its hands in horror about this legislation and say that it was too hard to deal with; it went out on a campaign to seek actively to undermine the legislation. The result of that campaign is the legislation before us, cleverly brought about at a time when a lot of concern is being expressed in the community, particularly in New South Wales, that the endangered fauna legislation will cause job losses.

The Forestry Commission must be almost rubbing its hands in glee about the fact that with this bill it has managed to bring to the Parliament, in an atmosphere of great community concern, an opportunity to legalise activities in which it has been engaging for the last decade. It has not been able to get its act together to make sure that it complied with the legal requirements of the Environmental Planning and Assessment Act. And under the guise of the present hysteria in the community it has brought this legislation forward. It has helped to heap that hysteria on rural New South Wales. A number of documents have commenced to circulate and more will emerge because both the National Parks and Wildlife Service and the Forestry Commission have been

Page 593

subjected to various applications under freedom of information laws for the paperwork that has passed between the Forestry Commission and traditional community groups with which it has working relationships and for the paperwork that has passed between the two bureaucracies themselves since December when the original endangered fauna legislation was passed.

Fortunately I have had provided to me various items of correspondence from the

Forestry Commission relating to the operation of the endangered fauna protection legislation and the impact it will have on job losses in the industry, of which this bill is an outcome. I am happy to make all of these documents available to the Minister for Conservation and Land Management. I hope he has seen them. I certainly hope that during the last few weeks the Director of the Forestry Commission has also seen them because they show that from December onwards the Forestry Commission of New South Wales actively sought to undermine the endangered fauna protection legislation to ensure that the forestry industry of New South Wales was panicked into feeling that it would suffer severe job losses.

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

Ms ALLAN: Hence this bill contains a specific provision to delete stopwork orders from the Forestry Commission. That is very important. The rationale of the Government taking away the application of stopwork orders under the endangered fauna protection legislation is based on the alleged inability of the industry to deal with the legislation. Unfortunately that inability is non-existent. The crisis has been manufactured by a number of interest groups, including the Forestry Commission. I know members of the National Party want to hear this.

Mr SPEAKER: Order! I call the Minister for Natural Resources to order. I call the Minister for Natural Resources to order for the second time.

Ms ALLAN: I want to deal with one or two of these documents. I have a copy of a memorandum dated 27th February to a senior officer of the National Parks and Wildlife Service from Helen Burne concerning allegations that the district officer, forestry, circulated misleading information about the endangered species legislation. An allegation has been made by a councillor from Nambucca Shire Council that she attended a meeting of the noxious weeds committee held on 13th February.

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

Ms ALLAN: The councillor was concerned that the officer - who is on the noxious weeds committee and whose name I think is Mr John Ball, district forester, Urunga - was giving misleading information regarding the endangered fauna protection legislation. John Ball is alleged to have said to the meeting that the Forestry Commission did not object to the council spraying for weeds in or adjacent to forestry areas as long as it had consent from the National Parks and Wildlife Service. He went on to say that everything the Forestry Commission does is now constrained by the National Parks and Wildlife Service, including car rallies and soldiers using the forest for exercise manoeuvres, which the commission has now refused to allow. Mr Ball said also that the endangered species legislation constrains one from spraying anywhere. He said also that if lesser known frog species are on the endangered species list, the council will not even be able to spray along the sides of the roads. Even members of the National Party are

Page 594

amused. One can imagine how members of the committee felt at the time. The councillor from Nambucca stated that the committee resolved to write to the National Parks and Wildlife Service asking that a representative attend at a meeting and explain the new legislation to them. That was sensible action for the committee to take. However, I am astounded that the district forester for Urunga did not have any sensible information to give the committee at that time. There are many similar examples. For

example, on 15th February the commanding officer of the Australian Cadet Corps at Cootamundra wrote an extremely polite letter to the Deputy Director, Policy and Wildlife, of the National Parks and Wildlife Service. In that letter the commanding officer, E. F. Bourke, said:

I am writing this letter as directed by Mr Rod Clark, Acting District Forester (Forbes Forestry Commission), to apply for the use of Jindalee State Forest.

256 Regional Cadet Unit would like to conduct field training in Jindalee State Forest on the weekend of 29-30 August, 1992.

Approximately 70 personnel will be involved, plus 6 vehicles for transport.

Cadets will be trained in navigation and bushcraft skills and will be sleeping in the bush during this activity.

Mr Clark advised us to write to you to obtain one of the following:

A licence issued by the National Parks and Wildlife Service under Section 120 of the National Parks and Wildlife Act as amended by the Endangered Fauna (Interim Protection) Act 1991;

An authority issued by the National Parks and Wildlife Service under Section 171 of the National Parks and Wildlife Act; or

Advice from the National Parks and Wildlife Service that our proposed activities does not require your approval.

Upon receipt of one of the above, the Regional Forester at Dubbo will be able to process our application in the normal manner.

This unit has used this forest in the past 2 years and have never under any circumstances endangered the fauna.

The Australian Cadet Corp is not allowed to carry firearms of any description or any material that would put the fauna at risk.

These people simply intended to go on a two-day field training exercise. Presumably they would be walking through the forest. They would sleep there and try out some of their bushcraft skills. They received a polite letter from the Director of the National Parks and Wildlife Service dated 21st February indicating that it would simply not be necessary for them to go through that exercise.

Mr West: Just read it.

Ms ALLAN: The Minister has had a bad week.

Mr West: On a point of order. The honourable member for Blacktown seeks to quote at length from one document, quoting one set of rules, and then selectively to quote from another document in response. She is not doing this House any favours and is not complying with the standing orders. She has an obligation to quote full details.

Mr SPEAKER: Order! I uphold the point of order and direct the honourable member for Blacktown to read the contents of the document to which she has referred.

Ms ALLAN: That is what I intended to do. The Director of the National Parks and Wildlife Service wrote a polite letter back to the commanding officer, E. F. Bourke, Cootamundra, which states:

I refer to your letter of 15 February, 1992, requesting a licence, under the Endangered Fauna (Interim Protection) Act, 1991.

The Service understands that you will be carrying out training operations in navigation and bush craft and will be sleeping in the Jindalee State Forest.

On the basis of the description of your proposed operations the Service does not consider that you will be taking or killing protected fauna, where take "includes hunt, shoot, poison, net, snare, spear, capture, disturb, lure or injure, and without limiting the foregoing also includes significant modification of the habitat of the fauna which is likely to adversely affect its essential behavioural patterns".

On the understanding that you are not carrying out any activity which falls within the definition of "take or kill" you do not require a Section 120 licence under the National Parks and Wildlife Act, 1974.

I ask why that basic information could not have been provided by the regional forester.

Mr West: Because that has been discharged from the national parks.

Mr SPEAKER: Order! The Minister will have an opportunity to reply later.

Ms ALLAN: This is not kiss and tell. The Minister can have his opportunity in reply and we will be really interested to listen to it. That letter obviously created a crisis of almost military proportions in the armed services of the State. They were concerned about the forester's actions causing the cadets to seek that application. This resulted in a letter from headquarters. The major, on behalf of the commander, G. E. Campbell, at Victoria Barracks, Paddington, wrote to the National Parks and Wildlife Service. I shall not read the letter in detail but will provide it to the Minister at the end of my contribution. This letter was written in all seriousness by Major Campbell on behalf of the commander of the headquarters, second military district, Victoria Barracks, Paddington. He is concerned about the future of army operations in State forests and is seeking clarification. He desperately wants the National Parks and Wildlife Service and the Forestry Commission of New South Wales to get together to sort out these problems so a policy may be put in place to allow immediate army access to State forests rather than having to confer constantly with the National Parks and Wildlife Service. The insignificant thing, of course, is that had the Forestry Commission done the right thing in the first place and passed that simple information on to the Cootamundra cadets we would not have had almost an international incident occurring where Major Campbell was forced to write to the National Parks and Wildlife Service and almost plead for increased co-operation between these two departments. The final paragraph states:

It is noted that the application of the Act by the Forestry Commission has resulted in a large increase in communication processed by your legal section. It is hoped that the above action will return the processing of Army requests for the use of State Forests to its previous direct liaison between District Foresters and Army units.

For the past five decades we have had close working relationships between the local foresters and army units. That was all overthrown after the Forestry Commission

Page 596

decided to muck about following the passing of the December endangered fauna legislation. The commission said it would annoy the army and sent it straight off to the National Parks and Wildlife Service, without attempting to help the army by giving it any basic information. In the process not only is the army annoyed, officers upset and pressure put on the Government but there is that other intended consequence of increasing the communication that must be processed through the National Parks and Wildlife Service legal section. The service is not a large bureaucracy. It has a limited legal section, certainly in size if not in expertise. Now the Forestry Commission contributes to a campaign of making more difficult the processes of that legal section by producing unnecessary correspondence. I also have a copy of a Forestry Commission letter dated 31st January provided under the freedom of information legislation. At that stage it was sent by the chief of the Land Resources Services, Mr Nimmo, who is based at the think-tank of the Forestry Commission at Pennant Hills. It is a pity those people do not more often leave that pleasant area and look around the State.

At that stage Mr Nimmo was raising difficulties about a proposed field training exercise on 10th to 14th February at Herveys Range, East Cookeys Plains State Forest and West Cookeys Plains State Forest. I do not think the West Cookeys Plains State Forest is currently listed in the major schedule attached to this legislation but it may be contained within the management areas. I ask the Minister to clarify that matter. It is likely that that particular State forest is not one of overwhelming old growth and conservationist concern. However, those four people who were endeavouring to arrange a field training exercise had to go through several processes to seek permission. Eventually they received another polite letter from the polite Director of the National Parks and Wildlife Service giving them the opportunity to have their proposed foot orientation and navigation exercise at Herveys Range, East Cookeys Plains, West Cookeys Plains and other State forests. No hassle arose about that at all. The Forestry Commission has caused problems to other than the army in its mischievous campaign waged since December last year. I have a letter addressed to the Director of the National Parks and Wildlife Service from the Manager of the Auto Cycle Union of New South Wales Limited, based in Parramatta. Stephen Fairnham wrote to Bill Gillooly on 14th February as follows:

The Forestry Commission of NSW has recently advised that following legislation which took effect from 17th December 1991 applicants for a special purpose permit for a motor sport event on state forest must first obtain a licence or authorisation from National Parks and Wildlife Service.

It would be appreciated if you could advise of the procedures to apply for such licences or authorisation and supply any relevant forms.

I cannot believe that the Forestry Commission could not access that information in the first place and make that provision available to Mr Fairnham. If it had done, he would not have needed to write the letter. Bill Gillooly replied on 21st February in the same way he replied to other people. Also, I have a letter from the Gold Coast Tweed Motorsporting Club which is located near the electorate of the honourable member for Murwillumbah. This similar letter states:

Please find included letter from Murwillumbah Forestry Office regarding our permit application for a car rally to be conducted on 4 April 1992.

Next month this club is to conduct a car rally in the vicinity of the electorate of the honourable member for Murwillumbah and the organisation of it has been extremely difficult. That might have even resulted in another press release from the honourable member for Murwillumbah. I wish he would send me a copy of that one and I may be able to respond accordingly. Judy Casper of the Gold Coast Tweed Motorsporting Club
Page 597

received a letter from Mr Robertson, who is the District Forester with the Forestry Commission of New South Wales. He has acknowledged receipt of Mrs Casper's application to conduct a car rally through State forests in the Murwillumbah district on 4th April. Mr Robertson does not grant permission to Mrs Casper. The letter states:

Because of the requirements of the Endangered Fauna (Interim Protection) Act 1991 and its interaction with the Environmental Planning and Assessment Act, the Forestry Commission is unable to approve your application until you have obtained either . . .

That letter goes on to list the troika of concerns that the Forestry Commission kept flicking over the people who were trying to carry on their normal work or recreational habits. Another letter from the Forestry Commission of New South Wales came from Mr Lyons, the Acting District Forester from Wyong. This is almost a form letter.

Mr Cochran: On a point of order. The member is casting aspersions on a wide range of public servants who have no opportunity to defend themselves in this place. She is calling into question the integrity of individual members of the public service employed by the Government. It is in the best interests of members on both sides of the House not to put at stake the future credibility of public servants by making those assertions.

Mr Martin: On the point of order. I note that the former person from Australian Security Intelligence Organisation has taken this point of order.

Mr ACTING-SPEAKER (Mr Merton): Order! I call the honourable member for Monaro to order. The member for Port Stephens has the call.

Mr Martin: The honourable member for Blacktown is using documents to draw attention to the problems being encountered by the National Parks and Wildlife Service and the communication that is occurring between various organisations. That must be highlighted for the Parliament and put on the public record. I suggest no point of order is involved.

Mr Cochran: Further to the point of order. I have no objection to the substance of the letters being referred to. I object to the fact that the member is -

Mr ACTING-SPEAKER (Mr Merton): Order! The honourable member for Monaro has the call.

Mr Cochran: The member is naming people involved who are public servants and the authors of the letters. She has named persons in the military forces and questioned their integrity. She should be restrained from revealing the names of those persons and placing their credibility in jeopardy.

Ms Allan: On the point of order. I have been doing this for some time, but I am not sure whether you, Mr Acting-Speaker, were in the chair at the time I commenced my remarks. I introduced them by saying that this was information that had been made available through freedom of information. I reject the suggestion that I have cast any

aspersions on officers of the military forces. I have been referring to their names, positions and addresses and have taken similar action in regard to members of the Forestry Commission.

Mr Cochran: Further to the point of order. If the member is not casting aspersions or questioning the credibility of documentation, why is it necessary for her to refer to this matter at all?

Page 598

Mr Martin: Further to the point of order. You, Mr Acting-Speaker, were not in the chair at the time the member commenced. The Minister for Conservation and Land Management asked that these letters be quoted extensively and not selectively. I draw that to your attention so that you are aware of what has preceded.

Mr West: On the point of order. What the honourable member for Port Stephens alleges is correct. I asked that the quotations from documents be extensive. However, I did not ask that she cast aspersions on the character of these persons, as seems to be happening.

Mr ACTING-SPEAKER (Mr Merton): Order! I understand that the member for Blacktown wants to make matters known to the Parliament, as is her obligation. I note also the request by the Minister that the member make direct quotations where possible. The quotations are in order, but I ask the member not to make derogatory comments about the authors of the documents.

Ms ALLAN: I have a letter from Mr K. Lyons, the Acting District Forester for Wyong, on behalf of the Forestry Commission to Mr Wayne Parker of the Deepwater Sporting Car Club at Wyong. This is a form letter which commences "Dear Wayne", with the name "Wayne" and the subject in handwriting but the rest is typed. I can assume only that this is one of a number of letters circulated by the Wyong forestry office during January and early February. The title of the document in handwriting is "Any application you may make in 1992 for car rallies in State Forest - Wyong District". That is the subject reference. The letter proceeds in typed print:

This letter is to advise you that due to recent legislation changes the Forestry Commission is unable to issue you with an authority/permit for the above activity, as it may now be caught by the provisions of the Endangered Fauna (Interim Protection) Act, 1991. Before any authority/permit can be issued by the Forestry Commission, you should present a Licence under Section 120 of the National Parks and Wildlife Act or written advice from the National Parks and Wildlife Service stating that the proposed activity does not require a licence.

Obviously the Wyong office did not feel confident at the time about giving Mr Wayne Parker of the Deepwater Sporting Car Club permission to conduct a rally. Not only was it not confident on 6th February, but it was signalling to Mr Parker that it would not be confident at any time during 1992 that they would know anything about the Endangered Fauna (Interim Protection) Act that was passed by the Parliament in December and was therefore the law of the land. The commission was signalling that it would not know anything about that legislation in 1992 and could not provide that advice. I do not have a copy of the reply from Mr Parker but I can assume only that it was in the same form as the other letters in the pile of correspondence I have about applications for car rallies in State forests. Not only the army, recreational clubs, car rallies and auto and cycle clubs have been impacted by this mischievous campaign by the Forestry Commission of New South Wales and the National Party of New South Wales. We even have the Kundabung

Endurance Riders, who come from Kundabung near Port Macquarie -

Mr Jeffery: Upper Maclean.

Ms ALLAN: It is near Port Macquarie. They fall within the administrative organisational arm of the Port Macquarie National Parks and Wildlife Service and the regional forester. The Kundabung Endurance Riders wrote to the National Parks and Wildlife Service on 6th February requesting permission "to hold our annual horse endurance ride". The ride was to occur fairly soon after the date of the letter, on 22nd March, so in early February these people would have been anxious to get things

Page 599

organised. They intended to use forestry trails in the Maria River and Ballengarra State forests. The second paragraph of the letter is in the following terms:

This will be our third ride and the Forestry Commission has granted permission for the last two rides and there have been no problems concerning our ride. Letters have also been sent to the Kempsey Shire Council, Kempsey Police and the Forestry Commission.

The Kundabung Endurance Riders have found themselves - presumably after some sort of informal advice from the local forester or the Forestry Commission representative at Port Macquarie, and even though they have held two rides in successive years without any problems and probably without causing any damage to the two State forests - having to write to the National Parks and Wildlife Service for permission. That organisation was not writing to the head office of the National Parks and Wildlife Service but to the office at Port Macquarie. I fail to understand why the District Forester or his or her representative at Port Macquarie could not have telephoned the relevant officer of the National Parks and Wildlife Service at Port Macquarie and, while the representative, Sharron Stuckey of the Kundabung Endurance Riders, was standing at the counter or outside the office, found out whether the Kundabung endurance ride, which was the third ride the group had organised in three successive years, could proceed.

[Interruption]

By his interjection the Minister for Conservation and Land Management is still trying to validate the action of the mischievous Forestry Commission which over the past three months -

Mr Causley: Caused by you. Are you not ashamed?

Ms ALLAN: This is just a sample of the correspondence that has been flying around the State between officers of the National Parks and Wildlife Service, the Forestry Commission and community groups. What a waste of paper that is on the part of the Forestry Commission. It is an indictment of its deliberate campaign to undermine the endangered fauna protection legislation. The National Party now has the hide to bring this bill before the House to seek exemption from stopwork orders. It was not just endurance riders, those engaged in car rallies, auto cyclists or the army who were affected; people involved in industry - not directly in the forestry industry but in associated areas - were also impacted by this mischievous campaign by the Forestry Commission.

Mr ACTING-SPEAKER (Mr Merton): Order! It being 5.30 p.m., pursuant to sessional orders the debate is interrupted.

PRIVATE MEMBERS' STATEMENTS

REGE THERMIC HOSPITAL MEALS

Mr MOSS (Canterbury) [5.30]: In May of last year I went on record opposing a new catering system which was to be introduced into Canterbury Hospital and a number of hospitals in the Southern Sydney Area Health Service region. That system, the regethermic system of catering, is now operating within the region. It involves cooking meals, snap freezing them, then reheating the meals when they are about to be served. I warned that Canterbury Hospital would be worse off if this new system were adopted. I asked why the contract for this catering service was given to Sutherland Hospital

Page 600
without public tender. I asked also why \$800,000 was being loaned to Sutherland Hospital from the general fund of Southern Sydney Area Health Service, interest-free for the first two years and at only 10 per cent for the third year. Also I questioned why it was that this new system had to be stitched up in a hurry - why it had to be agreed upon before the State election of 25th May, 1991.

The whole issue reeks of favouritism to Sutherland Hospital at the expense of Canterbury Hospital and other hospitals in the region. I believed, when the system was introduced, that it would be less efficient than the old system and more expensive to operate. Regrettably, I am now told that the quality and quantity of the food being served is well below standard. The system is often referred to as the cook and chill food system. I suppose that is its nickname. Staff at Canterbury Hospital, however, now refer to it as the cook and kill system - and it is little wonder. I have received complaints that the meals being served are cold, too small, unpalatable and, worst of all, at times cannot be identified. Some weeks ago when a fish meal was served nobody recognised what it was. The meal was a small grey square in the middle of the plate. Nobody knew that it was fish until they tasted it. On another occasion when quiche was served, the vegetables in the quiche were so hard that elderly patients had difficulty eating them.

Recently the service copped the ultimate black mark when an entire ward at Canterbury Hospital sent the meals back, uneaten. The patients in the ward refused to eat, and the meals were sent back to the kitchen. When patients in a hospital ward go on a hunger strike rather than eat what is put in front of them, the catering service must be bad. Canterbury Hospital is not the only hospital suffering. Garrawarra Hospital, which also operates in the Southern Sydney Area Health Service, has similar problems. On one occasion the meals were so bad at that hospital that the staff pitched in and bought food and prepared a decent meal for the patients. The denial of adequate and proper food to hospital patients is a mean act; it is irresponsible and typical of this Government's callous disregard for the public hospital system. When hospital patients go on a hunger strike rather than eat the food given to them, when hospital staff have to supply and cook food for patients, somebody must be held responsible. [*Time expired.*]

Mr CAUSLEY (Clarence - Minister for Natural Resources) [5.35]: I have noted what the honourable member for Canterbury said about meals at the hospitals referred to. Undoubtedly, from time to time meals in hospitals are not as good as we might like. I had cause to partake of them myself during a recent stay in hospital. Obviously the meals are not homecooked meals. Each year this Government has been in office the health budget has increased. Unfortunately, the Government has not and never will have enough money for health services. That is a problem that all governments face. The honourable member for Canterbury would be well advised to talk to some of his Federal colleagues because with regard to health services the Federal Government has reduced funding to New South Wales by more than \$300 million. That money would provide

better services for health, not only in the city but also in the country, about which the Government is very concerned at present.

[Interruption]

Members of the Opposition are a socialist spending lot. Many of them were members of the previous Government; which ran up a debt of \$26 billion. They left a debt of \$20 million unfunded superannuation. The honourable member for Wyong is just a new boy. He will learn a few things. The Labor Party left this enormous debt. The fact is that the Government is servicing debts run up by the Labor Party. There is no doubt about that. I remind honourable members of what is being done in Victoria. We

Page 601

heard about it in question time today. Labor is selling off everything and putting it into the current budget. It did the same thing in this State.

Mr ACTING-SPEAKER (Mr Merton): Order! The Minister will be heard in silence.

Mr CAUSLEY: That irresponsibility and mismanagement during the years of Labor government is now being felt in hospitals. There is no doubt about where the blame lies. Of course, the Opposition likes to reflect the blame elsewhere, and say, "Why is the Government not providing these services?" Every year this Government has put extra money into health, education, and law and order. The Government has had to cut back in other areas, for example in the natural resources. But at least we are responsible. At least we are endeavouring to keep the budget under control - not like the Labor Party across Australia and the previous Labor Government in New South Wales.

INTELLECTUALLY DISABLED CHILDREN

Mr BLACKMORE (Maitland) [5.37]: The matter I bring to the attention of the House relates to a problem facing a number of families in my electorate and in the Hunter Valley that are rearing severely intellectually disabled children. A group of 15 families has formed the group called Homes for Intellectually Disabled Maitland Children. The aim of the group is to establish fully staffed homes in the community, similar to the Richmond Homes concept. Undue hardship is being experienced by these families with young children. A number of marriages have ended in divorce because of the severe hardship placed upon what otherwise would have been normal families. Tremendous strain is placed upon families with intellectually disabled children. I refer in particular to a young boy with a habit of sticking scissors into power points. There are other children in his family and their lives revolve around watching this young boy and taking precautions to ensure there is no injury to the child or to others.

Another young person has a habit of sitting in the middle of the main highway, listening to trucks braking. On occasions truckdrivers have had to stop for him. Some of these children develop great strength and often physically abuse their mothers, thus mothers are placed at risk. These families are crying out for permanent accommodation so that they, in turn, can live a normal life. I have raised this matter with the relevant Minister, who is very concerned about health care in the community. But, as was said earlier, because of the lack of Federal funding we are unable at this stage to provide a home that will cater for intellectually handicapped children. Some of these families have had to turn their homes into a fortress, surrounded by a six foot high fence so that their children cannot get outside. A number of these children go to bed at 8.30 p.m. but rise at 3 a.m. and their mothers have to be up to care for them. As I said earlier, two families have ended up in a divorce.

The Minister suggested to these families that they contact his department representatives at Lismore, which they have done, and the department has written back. A letter from the Department to "Dear Mrs Julie Jeston," reads, "I refer to your letter concerning your son Ben". In the second last paragraph it states, "I recognise the difficulties that you and your family are experiencing in caring for Melissa". That adds insult to injury and is totally unacceptable. In all the letters from the department that same name - Melissa - appears in the second last paragraph. One can imagine how these families feel. They are relying on this Government, as they rely on all governments, to recognise their need - a family need. Governments are very caring in that regard but unfortunately there are insufficient funds to provide such a home. I ask the Minister for
Page 602

Health Services Management to raise this matter with the Minister in another place with a view to some assistance being provided to the 15 families in my electorate. There must be other families who are similarly affected. I ask this Parliament to give some relief to these families.

Mr PHILLIPS (Miranda - Minister for Health Services Management) [5.42]: As the honourable member for Maitland was speaking it was impossible to ignore the fact that other members in the House were paying close attention. Very often, honourable members tend to listen to the first 30 or 60 seconds of a statement and then turn off because it may not be a subject that interests them, it is a matter that has been repeated too many times, or it may be just a rhetorical outburst. On this occasion it was quite noticeable that honourable members were paying attention. This issue really does get to the heart of the problem faced by families with intellectually disabled children. Honourable members who have children and families know how difficult it is to look after teenage children, especially those round the 17-year age group. But imagine how difficult it would be to cope, at the same time, with other children who are intellectually disabled - a 17-year-old intellectually disabled child who may be aggressive. It would be very difficult on the family. There is absolutely no question that those families need support and respite care. The days of throwing such young people into institutions are over.

Families of intellectually disabled children want to ensure that they receive proper support, they want to ensure that the children they love get proper care and the attention. Parents do not want to see their children institutionalised. The community has a responsibility to ensure that families receive that support. One very important way in which such support can be provided is by way of respite care in order to give these families - and I note the member stated that there are at least 15 in and around Maitland - an opportunity to have their children cared for while they have a few days' break - a holiday - just to get away and maybe visit their own mums and dads; to have a break to inject some sensibility into what, very often, is a very difficult life. I am more than happy to take up the case for the honourable member for Maitland and bring it to the attention of the Minister, especially the issue of the letters. Those errors are brought about by the department's lack of care and attention. It also shows that the original letter was dismissed. There must be greater care and attention given to that aspect.

MURRAY ELECTORATE IRRIGATION

Mr SMALL (Murray) [5.45]: I raise a number of concerns about water issues within the Murray electorate. I am very pleased that the Minister for Natural Resources is present to hear my statement. The irrigators of the Hay Irrigation Area and the Water Resources Commission are eager for privatisation to occur. Privatisation will result in 60 irrigators being faced with a cost of \$57,000. Government assistance will be sought

in the early stages to offset that cost until full privatisation occurs. Horticulturalists in the western part of the Murray electorate were flooded out in 1956. Their farms were re-established along the Gol Gol Creek where the Water Resources Department constructed an extended channel. There is a substantial difference between costs met by licensed pumpers on the head of the Gol Gol Creek and those met by irrigation pumpers supplied by the Water Resources Commission on the other end of the creek. That matter has been raised with the department and the Minister. They are anxious to have the matter resolved.

The Minister, the Government and the Treasury have agreed on a joint venture
Page 603

scheme for the irrigators of the Coomealla irrigation area. The new scheme will enable the irrigators to be far more efficient, to get away from open channel systems, and to pipe their irrigation. A new pumping station of greater efficiency is desperately needed. To irrigate successfully it is essential that cost efficiency and agreement between irrigators be achieved. Another matter I wish to refer to relates to the surface drainage of the southern irrigation districts around Deniliquin, in the Berriquin Irrigation Area and extending through to the Wakool, Denimein and Deniboota irrigation areas. Over the past two years the State and Federal Governments have injected \$5.1 million yearly into that area - a wonderful contribution.

Because of the rising water table, soil degradation and salinity problems, it is vital that the surface drainage works be constructed as quickly as possible. I look to the Minister and the Government to help those irrigators. They are being encouraged to enter into a joint venture scheme. In these harsh economic times that will not be easy, but if they could see their way clear to providing some funding on the basis of the volume of water used that could be matched by the Government. I hope that the Minister will visit the Murray electorate as soon as possible to meet and speak with those different groups. The Minister has a responsible attitude and wants to be able to resolve these issues. I know there are Treasury problems but I have a great deal of faith in the Minister's ability.

Mr CAUSLEY (Clarence - Minister for Natural Resources) [5.50]: The honourable member for Murray raised some important points that highlight some of the problems the Government has had with the irrigation industry since it came to office. The complete mismanagement in this industry was a legacy from the previous Government, which had no idea where the money was going. There were no controls over the systems and the irrigators were being sluggish. I pay tribute to the irrigators because the management boards set up on the rivers and in the irrigation areas have shown a responsible attitude and have grasped the problems involved. The systems set up in the past, which were basically decentralisation and war settlement systems, cannot continue. The industry must operate on an efficient basis, and I must say that the irrigators, through their boards, have certainly grasped the situation and are establishing a well-managed irrigation system.

One of the anomalies that has arisen in the Hay Irrigation Area - Golgol Creek - was recently brought to my attention. The Gumly Gumly - near Wagga Wagga - and the Corby-Merungle Hill - near Leeton - irrigation systems are being cross-subsidised by other irrigators. People who run a business on a commercial basis would not expect cross-subsidisation within that business. I am well aware of the matter and believe that in the next two or three years we can gradually phase in charges to help cover the costs. The irrigators would then be asked to find some efficiencies within the system. They are the operators and they can often find efficiencies on the ground which would help the funding of these particular irrigation areas. The honourable member for Murray raised a

big environmental issue in the Berriquin area, an issue that I believe the Federal Government has not grasped. Last year I managed to get \$1 million for drainage works in that area, but yearly we are losing 50,000 hectares of arable agricultural land to salinity. Even though the Opposition debated the forestry issue it cannot see that this is the greatest environmental problem this State has - you cannot cuddle crystal salt. It is the greatest environmental problem we have and the irrigators are helping to rid us of it. I know it is difficult, particularly with the present crisis, but I have the assurance of the Federal Government that if the irrigators show willingness to help themselves, funding will be forthcoming. Unfortunately, we put our priorities to Canberra under the Federal water resources assistance program and the Federal Government played politics with us.

Page 604

Quite frankly, that is disgraceful. Obviously the priorities set by the State are not frivolous priorities, yet the Federal Government is playing politics with issues important to this State and is funding less important projects. [*Time expired.*]

WYONG HOSPITAL CLINICAL DIVISIONS

Mr CRITTENDEN (Wyang) [5.53]: The matter I wish to raise concerns Wyong hospital. The Central Coast Area Health Service is circulating a confidential discussion paper which has major ramifications for the future of Wyong hospital. This document is so confidential that the Central Coast Area Health Service is intent on ensuring that neither I nor any other affected person in the Wyong electorate sees the document or has a chance to comment upon it. The proposal contained in the discussion paper canvasses the need for clinical divisions to be established in the surgery, anaesthetics, accidents and emergency, obstetrics and rehabilitation and geriatric services areas. The Premier might call this horizontal integration. Perhaps in the inner city of Sydney where major hospitals have equal bargaining power that may be a good thing, but for the Central Coast Area Health Service that is most unlikely.

The likely effect of the proposals contained in the discussion paper, if implemented, would lead to unfettered domination of Wyong hospital by Gosford District Hospital. I understand that Wyong shire is the second fastest growing local government area in New South Wales and it clearly needs a fully functioning hospital, rather than a mere appendage to the Gosford District Hospital and the specialists ensconced in their cosy set-up. In five years time the population of Wyong shire will outstrip the population of Gosford city. The Central Coast Area Health Service is assisting a power grab by Gosford specialists to maintain their market share. It is no coincidence that the specialists making the most noise - the ones actively advocating this proposal - do not want to come to Wyong. These obstetricians, gynaecologists, surgeons and anaesthetists have no intention of ensuring that the specialist facilities to be developed under stage 2 will in fact emerge. So much for the Liberal Party-National Party promoting competition - the alleged champions of free enterprise.

If this proposal is adopted the bottom line is that only 60 beds will be controlled by Wyong Hospital after stage 2 is completed. The remainder will be administered by Gosford District Hospital. A 50-bed Wyong Hospital was established 11 years ago and since then it has fought for its survival as a functioning hospital. There is a long history of problems between Gosford and Wyong hospitals, which has been due in the main to the fact that cutbacks occurred at Wyong hospital rather than Gosford hospital. On at least one occasion, to my knowledge, the relevant Minister has had to intervene to overturn a decision to implement cutbacks at Wyong hospital. The hospital should be given its own budget in order to provide the necessary beds and services. If it had its own budget, specialists would be encouraged to serve the Wyong hospital by establishing in the Wyong and Toukley areas. Based on the completion of stage 2 of Wyong

hospital, the Wyong Advancement Group and the Toukley Chamber of Commerce have advocated the redevelopment of the commercial sectors of Toukley and Wyong. The Minister, in his reply, will probably respond by saying that specialists from Wyong could have an input into clinical divisions within the area health service. In reality under this proposal no specialist will establish in Wyong or Toukley and certainly will not be dealing exclusively with Wyong hospital. Under the capital works program of this Government, both major parties have agreed that the stage 3 forward planning is one of the principal priorities for the Wyong electorate. I am concerned that stage 3 will become irrelevant under this proposal and that stage 2 will become irrelevant if beds and services are restricted at Wyong Hospital. *[Time expired.]*

Page 605

Mr PHILLIPS (Miranda - Minister for Health Services Management) [5.58]: I can understand members of Parliament going into bat for their constituencies and their electorates and I can understand a new member of Parliament, such as the honourable member for Wyong, heading down that particular path. However, sometimes the cap-in-hand, more-money, give-give, I-want-more approach becomes a little tiring. I remind members of this Parliament and the people in the gallery of what has occurred in Wyong and Gosford. After 12 years of Labor government the coalition parties came to office in 1988. The Opposition said, "We promised to do those sorts of things". That is the second prize. The Opposition is too late. The Government has built the 120-bed extension to Gosford hospital, which will be opened in the next month or so. Around July another 100 beds at Wyong hospital will be available. The total cost of both projects is \$60 million to \$70 million. When the extensions are in full operation in the next year or so it will cost \$30 a year to keep them operating. This Government has addressed the problem of long waiting lists on the Central Coast - a major growth area that was neglected for 12 years. The Government has built new ambulance stations. The honourable member for Wyong continues to carp and complain and is very petty. The honourable member for Bankstown could tell honourable members about the desperate needs in the western suburbs.

Mr Shedden: I need big money.

Mr PHILLIPS: Big money. Nepean and Liverpool would walk over hot coals to get the \$60 million to \$70 million that has been spent on the Central Coast. The former Labor Government had a chance for a dozen years. This Government did the job. It has built the hospital extensions, and it will pay for them. It knows where the priorities are on the Central Coast. The honourable member for Wyong should be thankful.

QUEANBEYAN AMBULANCE STATION

Mr COCHRAN (Monaro) [6.1]: The Minister for Health Services Management will be absolutely delighted that I am not after \$60 million. The number of ambulance stations on the Central Coast is most impressive. However, I raise the matter of the ambulance station in Queanbeyan. This is the second occasion on which I have raised the subject in the House. On the previous occasion the former Minister had Queanbeyan hospital placed on top of the priority list in New South Wales. The Queanbeyan ambulance station was vacated due to lack of space and the unsuitability of access from Crawford Street. Though it served the community well for many years, the former Government realised that the Ambulance Service needed new premises. Instead of building a new ambulance station, the former Government sought to move the ambulance station to rented premises in an industrial area on the eastern side of the Molonglo River -

the opposite side of the river to the Queanbeyan hospital. Unfortunately, the area now occupied by the Queanbeyan ambulance station is alongside a forklift hire company. One need not be an Einstein to realise the difficulties associated with moving ambulances around an area when forklifts are being moved from spot to spot.

Restricted access to the industrial area is causing considerable trouble. The traffic congestion that has occurred since the council changed traffic conditions and closed Pound Street, which runs on to High Street, has exacerbated the problem and made it increasingly difficult for the ambulance drivers to get their ambulances on to the western side of the river near the hospital. The old premises, which are close to the hospital, are being used by the drug and alcohol unit. That unit provides an excellent service to the people of Queanbeyan and is held in high esteem in the community. It needs a shopfront

Page 606

on Crawford Street so that it can provide a service to the people who need the facilities. A number of options are available to the Government and to the Ambulance Service to relocate the ambulance station. One of those options is the construction of a new ambulance station on land that has been made available in the grounds of Queanbeyan hospital.

Since I last raised this matter in the House the Ambulance Service has designed a new ambulance station and has made ground available, but it now has to seek funds in order to commence construction. The old ambulance station could be sold. A residential property belonging to Queanbeyan hospital that is currently occupied by a member of the Ambulance Service could be sold. Those funds could be used to assist with the construction of a new ambulance station. Those options were put to me by the chairman of the Queanbeyan hospital board, Councillor Hope Marlin, who has been renowned for many years for her work in the Queanbeyan community. I am pleased to be able to say that the options put up by Mrs Marlin have been agreed to by the Queanbeyan hospital board. They provide a very real opportunity for the Queanbeyan community to raise funds to facilitate the construction of a new, modern ambulance station, which is desperately needed by Queanbeyan hospital. On behalf of the residents and ambulance officers of Queanbeyan, I extend an invitation to the Minister to have a look at the facilities in Queanbeyan, to accept my submission on their behalf, to direct the Ambulance Service to make sufficient funds available to expedite the construction of a new station and to follow up the excellent work carried out by the former Minister in upgrading the Queanbeyan hospital.

Mr PHILLIPS (Miranda - Minister for Health Services Management) [6.6]: The honourable member for Wyong, who once again came cap in hand harping and carping about the need for more money, could take a lesson from the honourable member for Monaro on how to go about lobbying Ministers on things that need to be done. I notice some smiles on the faces of some of the longer serving members on the Opposition benches. When the Australian Labor Party was in government there was a way members could go about lobbying and fighting to be put on the priority list sooner or later. For the sake of the constituents of the honourable member for Wyong, I hope that he will learn sooner rather than later how to go about lobbying sensibly and co-operatively and that he will understand how to achieve his objectives for the citizens of Wyong. If he keeps on the way he is going at the present moment, he will find it very difficult to get co-operation from Ministers, and he will find the same lack of co-operation from shadow ministers on his side.

If the honourable member for Wyong thinks that things change with a change of government, he has a rude awakening coming. In the past the honourable member for

Monaro has come to see me and identified the problem in Queanbeyan and has looked at all the alternatives so that the Queanbeyan community could help itself. He works closely with Councillor Hope Marlin, whom I had the pleasure to meet recently. She is doing an excellent job as chairman of the Queanbeyan hospital board. One only has to speak to that lady to realise that she and the honourable member for Monaro are working to try to resolve their problems as best they can. They will eventually talk to the Government about shortfalls and government assistance. In other words, they are looking at self-help and co-operation. They understand there is a recession and an unlimited amount of money is not available. Queanbeyan has a number of options available. Its need for an ambulance station is clear. However, the country is in a recession. I assure the honourable member for Monaro, Councillor Hope Marlin and all the people involved

Page 607

with the Queanbeyan hospital and the ambulance station that over the coming months I shall do all I can to squeeze the money out of the system and try to do something about the ambulance station.

Private members' statements noted.

[Mr Acting-Speaker (Mr Merton) left the chair at 6.9 p.m. The House resumed at 7.30 p.m.]

TIMBER INDUSTRY (INTERIM PROTECTION) BILL

Second Reading

Debate resumed from an earlier hour.

Ms ALLAN (Blacktown) [7.30]: Before dinner I was developing a theme which one could encapsulate by saying that the New South Wales Forestry Commission senior management, in particular, and the National Party of New South Wales should hang their heads in shame because of the way they have attempted to frustrate the Endangered Fauna (Interim Protection) Act, which was passed by this Parliament last December. I was referring specifically to a number of items of correspondence, some of which were written by representatives of community organisations, some by the National Parks and Wildlife Service and others by the Forestry Commission over the period of January and early February. The Forestry Commission was responding to queries on the Endangered Fauna (Interim Protection) Act. The correspondence that I referred to encompassed requests by organisations that included a recreational car organisation, the Auto Cycle Union of New South Wales, the Army and others which had been attempting simply to continue their ongoing recreational use of State forests. They found that the usage of State forests was being frustrated by a misinterpretation of the Endangered Fauna (Interim Protection) Act by the New South Wales Forestry Commission.

Earlier I took the opportunity to read into *Hansard* a number of letters written by officers of the Forestry Commission, or at the behest of officers of the Forestry Commission, which were a deliberate attempt to ensure that the Endangered Fauna (Interim Protection) Act simply would not work. Also, prior to reading those letters, I developed the theme that that was all part and parcel of a quite conscious campaign by the Forestry Commission and others in the community, to whom I will refer later, who have sought to undermine the implementation of the Endangered Fauna (Interim Protection) Act. After their campaign against the Act, we have before us the Timber Industry (Interim Protection) Bill.

I want to refer to one or two other letters. It was not just those recreational organisations that had their activities hindered by the Forestry Commission and its misinterpretation of the Endangered Fauna (Interim Protection) Act and failure to educate the ordinary officers of the Forestry Commission so that they could handle those very simple requests that are often made to the commission for permission to use State forests. Industry itself was directly affected both on a large scale, affecting industries which rely on the Forestry Commission for permission to obtain forestry licences for their operations to continue - and I will refer to that later - and on a smaller scale. Even small, private sector industries were being affected by the de facto policy of the Forestry Commission of undermining the Endangered Fauna (Interim Protection) Act, which the Forestry Commission has been actively implementing since December last year. For example, I refer to a letter written to the National Parks and Wildlife Service by Ms Lee Gribble,

Page 608

the Manager of the Australian Reptile Park at Gosford. I am sure that the honourable member for Gosford is a great supporter of the Australian Reptile Park. It is certainly one of the key tourist attractions on the Central Coast. It is obvious from this letter that Ms Gribble had contacted the Director of the National Parks and Wildlife Service because she was anxious about how her operations associated with the Australian Reptile Park would be able to continue after the implementation, of the endangered fauna Act. I quote from the letter from Mr Gillooly, the director of the service, to Ms Gribble on 5th February:

Dear Ms Gribble

I refer to your facsimile inquiry whether your proposal to collect unprotected greenery in Ourimbah State Forest is affected by the provisions of the Endangered Fauna (Interim Protection) Act 1991.

It is the Service's understanding from telephone conversations that you collect approximately 30 branches per week of approximately 2 metres length of regrowth grey gum and other eucalypt species from the sides of roads and underneath power lines.

Mr Gillooly continued:

On the basis of your description, the Service does not consider that you will be taking or killing protected fauna, where take "includes hunt, shoot, poison, net, snare, spear, capture, disturb ...".

Therefore you do not require a Section 120 licence under the National Parks and Wildlife Act, 1974.

Unfortunately, I do not have a copy of the facsimile inquiry that was sent to Mr Gillooly from Ms Gribble. However, I do have the reply that Mr Gillooly sent back to Ms Gribble which I have read out. It is quite obvious that someone of Ms Gribble's occupation, as manager of a reptile park, collecting greenery from the sides of roads and underneath power lines from regrowth grey gum, would patently not be caught up in the provisions of the Endangered Fauna (Interim Protection) Act as passed by this Parliament last December. However, some organisation had given Ms Gribble the advice of going straight to the Director of the National Parks and Wildlife Service. One certainly wonders how Ms Gribble came to write that letter to the service rather than simply to the local forester to get some simple information, namely, whether her activities in a regrowth forest - not even in the forest proper but on the sides of the road and underneath power lines - would be affected by the provisions of the endangered fauna Act. It is quite obvious that that misinformation came from the same category of officer of the

Forestry Commission that we have been referring to when speaking in-depth of previous letters.

For example, early this afternoon I referred to the exercise that the Minister for Conservation and Land Management and the honourable member for South Coast had undertaken when they attempted to brief we in the Opposition and others in the community on the provisions of the bill currently under debate. I referred to one of the success stories of that meeting. My parliamentary colleagues the honourable member for Bathurst and the honourable member for Cessnock had the opportunity to ask the Minister about specific concerns in their electorates about the continued availability of resources, as it would affect various forestry enterprises. In the case of the honourable member for Bathurst, a mining enterprise was to be affected if pit props or mine timbers were not made available. The letter from Mr Gillooly to Ms Gribble discusses problems which are in some ways similar to those the honourable members mentioned. What is also similar is the short-term solutions found. For example, the honourable member for Bathurst initially went to his local forestry office to try to get some information about

Page 609

how the Act might affect the accessing of mine timbers from regrowth forests in the Lithgow area. Similarly, the honourable member for Cessnock went to his local foresters to find out how the access to resources of logging companies which rely on resources on private land in Cessnock would be affected. On both occasions, my colleagues found that they were referred from the local foresters' offices to the Minister for Conservation and Land Management. Instead of the officers from the Minister's own office being able to handle what were relatively simple inquiries, my colleagues were then referred for a third time to the National Parks and Wildlife Service.

All the inquiries related to access to regrowth forest. It is unlikely from any reading of the Endangered Fauna (Interim Protection) Act that those forests would be drawn into its framework. Closer scrutiny by learned officers of the Forestry Commission should have enabled those matters to have been cleared up. Obviously they were not cleared up in the case of Ms Gribble of the Australian Reptile Park and they were not cleared up for my parliamentary colleagues from Bathurst and Cessnock. As I said earlier, one of the successes of the meeting the other night was that the Minister was able to give the honourable member for Bathurst an assurance that mine timbers would not be affected by the Endangered Fauna (Interim Protection) Act because they were being accessed mainly from regrowth forests. The Minister was able to grasp that quickly and to reassure the honourable member directly. That had not been resolved within the bureaucracy of the Forestry Commission of New South Wales. Probably many other similar requests were made in the two or three months after the Endangered Fauna (Interim Protection) Act passed through this House. Under the freedom of information laws we would probably find many other examples of misinformation on the part of the Forestry Commission.

We will probably find the documents to substantiate a claim from a Mark Johnson from Narooma. He was told by a local Forestry Commission representative that he needed a section 120 licence from the National Parks and Wildlife Service to hunt feral goats. Mr Johnson had been pursuing that activity for some time and he was surprised at the advice given. When he approached the National Parks and Wildlife Service an officer told him that he did not need such a licence. Mr Johnson, as a conscientious member of the community, passed that information on to the forester at Narooma and to local hunting clubs. The nonsense put out by the commission in the past few months was continued in the Minister's second reading speech on the Timber Industry (Interim Protection) Bill. The Minister and his colleagues interjected before the meal break with the same sort of nonsense about the Endangered Fauna (Interim

Protection) Act. On 26th February a press statement put out by the Minister said:

The Minister for Conservation and Land Management, Garry West, today said that the Labor Party's endangered fauna legislation was causing extensive delays in processing applications for soil conservation works.

The Minister is nodding. The press release does not provide evidence to substantiate the claim. It continues:

He said in Parliament that the legislation had seriously affected the administration of Protected Lands under the Soil Conservation Act and field operations carried out on private lands.

In the past few weeks I received a letter from the Bega Rural Lands Protection Board raising this issue but unfortunately it was unable to give examples. When I was working in the Public Service Board I attempted to educate myself on what the laws were and what my responsibilities were. I also made sure I was available to my senior officers so that they could educate me. I was available to junior officers to educate them. I tried
Page 610

to make the system work. Over the past three months we have seen a concerted campaign by the Forestry Commission of New South Wales - it is unfortunate that the Director of the Forestry Commission has not returned to the antechamber since the dinner adjournment - and the National Party, in particular those 17 members of the lower House who have been filling up their local newspapers with press releases. If I worked in the Forestry Commission, the National Parks and Wildlife Service or in local government or the Soil Conservation Service I would have tried to find out how the Act should work and would not have sought to undermine it. I would not have taken the negative approach that has been taken. Politicians may have suffered from a fit of pique because they did not think of the idea first. They did not want to own the idea; it was an initiative of the Independents or an initiative of the Opposition. Officers of the commission may have thought that the legislation gave the National Parks and Wildlife Service, the perceived traditional enemy of the commission, power over day-to-day operations.

At lunchtime today there were demonstrations outside Parliament House by timber workers. No doubt National Party members and the commission are congratulating themselves on panicking the industry and the community. I have referred in my speech to the effect on the community, not to the impact on the industry, which is significant. I was impressed by the contributions of the industry representatives at the briefing meeting on Tuesday evening this week. A range of representatives were present. There were representatives of the national and State bodies of the Forest Products Association. There were also direct representatives of industry. I was particularly impressed by the contribution of Mr Douglas Head of the Kempsey timber company. He obviously did not feel comfortable with being targeted simply as an industry spokesperson without any interest in or commitment to conservation and the environment. His contribution pointed the finger almost directly at the Forestry Commission for its approach since the bill was passed in December. People such as Douglas Head are sensible and intelligent enough to see that the Forestry Commission has tried to muddy the waters in this debate. He understands and has publicly stated several times that he is genuinely concerned about his company's future access to timber resources in the Kempsey area. But he is not just accepting this simplistic and almost banal line that the Forestry Commission and some National Party members dish up. He accepts that a key reason for the problem with access to resources has been the inability of the Forestry Commission over a number of years adequately to implement the Environmental Planning and Assessment Act by the efficient processing of environmental impact statements.

He understands that the squeeze on timber supplies in North Coast forests has been precipitated by the Forestry Commission, which has not allowed logging without environmental impact statements. Endangered species laws have not been the cause of threats to logging supplies. This was done even though logging occurred illegally four years before. The new policy has been a deliberate ploy by the Forestry Commission. Dr Drilmsma, as head of the commission, must take responsibility for the policy that his regional officers and some of his head officers have been implementing over the past few months. They know that if the commission puts a squeeze on timber resources to coincide with the passage of the endangered fauna legislation they can whip up the industry to think that the Labor Party was causing job losses. And they have succeeded. The target has been the Labor Party, particularly in local media exposure.

We cannot forget that this deliberate smear campaign that has been waged by the Forestry Commission has given it a chance to wipe its own slate clean. No one has been pointing the finger, except the conservationists and Opposition spokesmen over the past few weeks, that it is the Forestry Commission's illegal record that is being corrected by the bill. This opportunistic bill has been designed and produced at this time to take

Page 611

advantage of the other greater disquiet that is occurring in rural New South Wales about the endangered fauna legislation. The Minister is not exempt from responsibility in this campaign. He used his second reading speech to launch yet another of those extraordinary attacks on the Endangered Fauna (Interim Protection) Act and its so-called impact on jobs. The Minister cited this Act as one of the reasons why he needed to introduce the bill. On several occasions during the past few weeks I made public comment that I cannot disassociate the Minister's deliberate attempt to blame the Endangered Fauna (Interim Protection) Act for all these problems in the forestry industry from his own political ambitions. This has been his opportunity to make his mark amongst those 16 of his other colleagues, in particular those members of the lower House, to show what he can do to save an important rural industry in New South Wales.

So the Minister has not come to us with genuine motives; he has not been interested in seeking to ensure the implementation of the Endangered Fauna (Interim Protection) Act; he did not want the Forestry Commission to co-operate with the National Parks and Wildlife Service. He wanted to maximise support amongst his own troops on the backbench for his inevitable or inexorable ride into the sunset once our honourable colleague the Deputy Premier, Minister for Public Works and Minister for Roads retires. During question time today in the Legislative Council one of the other rivals for the job, the Hon. Robert Webster, leader of the National Party in the other place, decided he had better get in on the act. During question time he, with all guns blazing - and I think as a priority - blamed me, my colleague the honourable member for Port Stephens and another member of the Legislative Council as being responsible for the current fabricated job crisis in the industry. It is a great shame that the Hon. Robert Webster, who has now also entered the fray, who happens also to be the Minister for Planning and Minister for Energy, could not either attend or at least send a representative from his own department to attend that very important briefing session we had last Tuesday when the bill was first presented to the Opposition and to the community.

Essentially the bill takes away from the Environmental Planning and Assessment Act the participation of the Forestry Commission for another 30 months. It is an indictment of the Minister for Planning and Minister for Energy that he was not represented at that meeting. Perhaps his colleagues the Minister for the Environment and the Minister for Conservation and Land Management had not bothered to tell him that the meeting was to be held, but it was well noted that he was not represented. I shall

respond to the Minister's assertion in his second reading speech about the Endangered Fauna (Interim Protection) Act being responsible for loss or future loss of jobs in the industry. I repeat - for this information has not percolated through to the brains of many National Party members opposite - that the endangered fauna protection legislation has in fact triggered only one stop work order in one compartment of the southeast forest, yet not a single job has been lost through that action. The National Party relies on the big lie campaign again and again: we tell the truth again and again and it still does not absorb it. Not one job has been lost as a result of the application of stopwork orders, yet after December last year the hue and cry went out from this Chamber to get rid of the Endangered Fauna (Interim Protection) Act, or, if not the whole of it at least the stopwork order applications. That is what the Government is attempting to do with the bill.

Members opposite have paid no attention in debate to overall job losses that have been occurring for many years in the timber industry. Responsible timber industry spokespersons, whether from the union movement or the employers' side of the argument, acknowledge that major job losses have occurred in this industry for many years. For several weeks I have been saying on rural radio that the timber industry is

Page 612

ailing like the manufacturing industry and many other industries that are directly affected by the recession in New South Wales. The timber industry was ailing before the recession came to full force; it has been ailing for a long time and now coincides with the general poor condition of the economy in rural New South Wales. We all accept, whether we come from western Sydney or any other area - I do not know why the honourable member for Tamworth thinks what I am saying is amusing; I should have thought that he would have been most concerned about the state of the economy in the Tamworth electorate - that the industry is ailing coincidentally with fundamental feelings of demoralisation in rural New South Wales. Government members should not attempt to pin all the present problems of the timber industry on the Endangered Fauna (Interim Protection) Act. Members opposite do not like the Act because it was not their idea. They have only to go to the library to study statistics of employment levels in the timber industry over the past few years.

Mr Causley: We know all about it; we live there: you do not and you do not care.

Ms ALLAN: The Minister for Natural Resources has said that he understands everything because he lives there. It is time the Minister retired from politics. When a Minister says in this Chamber that he knows everything, it is time he retired, because he is not able to do his job either as a representative of the electors or of the Government. The Minister thinks he has all the answers and knows everything about everything. Congratulations! Looking at the Minister's local press, it is clear that he does not understand a lot of things. The Minister should re-examine how employment in the timber industry has been declining rapidly not merely since December 1991 - an accusation that has been made inside and outside this Chamber during the past few weeks. As recently as 1986, 4,400 people were employed in the forestry and logging industries in New South Wales; in 1987, 3,200 were employed; in 1988, in the early part of that year, the figure had increased to 3,500. But by February 1991 the figure had dropped to 2,300 - half the number employed in 1986.

The dramatic decline that has occurred in the industry has little to do with some of the assertions made either by the Minister for Conservation and Land Management, the Minister for Natural Resources or the honourable member for Monaro, who are so-called experts about what is really happening in the timber industry in New South Wales, but who are more concerned to repeat blind assertions than to find out what is going on.

Members opposite, instead of directing their energies to a full scale onslaught, should attempt to deal with re-employment issues in the industry. The Government has made no concerted effort to bring together the many and various parties, in this case in the timber industry, to attempt to generate more jobs. Outrageous allegations have been made about stop work orders destroying jobs. That has not occurred. Now another piece of legislation fortunately has come before the Parliament in sufficient time so that further jobs are not lost. However, a concerted effort has not been made to address the problem. What is the record of the National Party, the New South Wales Forestry Commission and the Government on trying to implement the quite sound recommendations of the New South Wales Public Accounts Committee inquiry, which pointed the bone at the Forestry Commission, or the recommendations of the Federal Government's Resources Assessment Commission, which highlighted the inadequacies in the way the timber industry operates, in this State in particular?

Page 613

This Government has not made a concerted effort to solve the real problems in the industry. It is no wonder that people who live or depend on the timber industry for a livelihood remain in ignorance, and have frustrations and misunderstandings. They do not receive any assistance from this Government. It uses them as pawns so that the Endangered Fauna (Interim Protection) Act may give more power to the National Parks and Wildlife Service, the traditional rival to the Forestry Commission. The Government has not come up with one bright idea to solve the long-term problems of the forestry industry. The proof has been in the operation of the endangered fauna protection Act. Every application for a licence to log made to the National Parks and Wildlife Service has been approved. The letters I read out earlier expose the tactics of the Forestry Commission. Despite that, the National Parks and Wildlife Service has managed to efficiently implement its responsibilities under the new legislation. The Forestry Commission claimed the law was hindering logging - but only because it failed to make it work by delaying applications to the National Parks and Wildlife Service for logging licences. I have in my possession copies of letters written by the Director of the National Parks and Wildlife Service to the Director of the Forestry Commission seeking information about the problems. Days later answers have not been received. The director may not have replied off his own bat or has been directed by the Government not to reply. All we hear about are press releases. It is government by press releases which state "Can't work, jobs lost".

The Forestry Commission has made no attempt to work with the National Parks and Wildlife Service to make sure the logging licences were applied for and efficiently processed. The industry is concerned that logging licences may expire after 120 days. Several industry people have raised this matter with me. They feel the licences are short term, and that considerable confusion will arise and will cause unpredictability after the end of that period. This concern is unfounded. I am not a forester yet I am pointing out this basic information to those people. The Forestry Commission and the Government should be doing that because the licensing power derived from the National Parks and Wildlife Act can be extended past these artificial deadlines upon application to the Director of the National Parks and Wildlife Service. That is a basic fact. Even though over the past week these industries have been granted licences, they believe their security is under threat because, in their perception, the licences are short term. Extension of those licences would not create a hassle.

The legislation seeks to remove the stopwork order power of the Director of the National Parks and Wildlife Service in favour of the Minister for the Environment having the power to impose interim protection orders under the National Parks and Wildlife Act.

At the briefing on Tuesday last week the Minister for the Environment commented that it did not matter whether stopwork orders were in force or not. He could use the powers he has had since the end of the 1890s to impose interim protection orders. The Opposition and the environmental movement do not have great confidence in the preparedness of the Hon. Tim Moore, the Minister for the Environment, or his ability to implement his powers. The Minister leads us to believe that he prefers to save endangered animals, but he gets rolled when in Cabinet because they do not share his fondness for the little furry animals. He cannot then implement the Act.

The Minister for the Environment has shown a complete inability to issue interim protection orders. This was evidenced in the Chaelundi State Forest when the National Parks and Wildlife Service recommended that he do so. Why would he act differently now if stopwork orders were removed? The evidence does not demonstrate that Cabinet has changed or that the Minister for the Environment has any greater numbers in the Parliament. The Minister's workload has increased but has his power increased? The

Page 614

division of responsibilities for the environment and conservation and land management rests in the hands of National Party Ministers, whether it is the Minister for Conservation and Land Management or the Minister for Planning and Minister for Energy. The National Party has these portfolios sewn up and has the Minister for the Environment boxed in a position where he is not able to implement his existing powers. The Opposition rejects the measure removing stopwork orders. It believes in theory that stopwork orders should be present, that no grounds exist for removing them and that in practice they have worked well. Frivolous applications have not been made to the National Parks and Wildlife Service for stopwork orders to be applied. Job losses have not flowed from the one stopwork order being applied. We do not expect that the conservation movement will show the same irresponsibility shown over the past three months by National Party members of Parliament, representatives of the forestry industry or officers within the Forestry Commission.

The State Opposition has consistently adopted the view that for New South Wales to have a healthy environment we need a robust economy. My parliamentary leader talks about that all the time. The Prime Minister also has been talking about that; we talk about it all the time. One of the reasons we still maintain credibility within the labour movement as a whole is that we have been prepared to talk about the need for increased job security right across-the-board without ditching a healthy environment. Some of the comments by members of the commission and Federal members of the Opposition are surprising. They still cannot reconcile a healthy environment to a robust economy. Increasingly they speak about unemployment. Over the past few years we have heard a great deal about unemployment from the Federal Opposition and occasionally from the State Government. The Federal Opposition leader does not understand, to the point where he cannot even bear to meet with representatives of the Australian Conservation Foundation because he believes the environment of Australia is off the political agenda.

The Opposition has news for Dr Hewson and the State Government; it is not off the agenda. In fact we are endeavouring to resuscitate the economy and retain jobs. Jobs should be expanded in the forestry industry, yet little has been said about that during this debate. The Minister for Natural Resources wants specific ideas. When he was Minister responsible for forests we did not see any great achievement whatsoever in developing plantations in this State. In some ways I wish he were the responsible Minister again so that, instead of interjecting, he might try to increase jobs within the industry and accept new technology. This industry will have increasing technological

advances which will create almost a daily threat to many traditional mills operating within New South Wales. Surely, given the enthusiasm of the State Government for the future of the timber industry, consideration could be given to implementation of these technological changes. However, even with the implementation of those changes it will be possible to ensure that the industry continues to flourish.

Before I conclude my remarks about the Forestry Commission, I emphasise that, although the Opposition is going a long way towards supporting the Government's intention in the bill, we want to retain some protective measures as far as the environment is concerned in relation to the activities of the Forestry Commission. Merely because the Forestry Commission cannot conform to the State's environmental laws - laws that every other government department is expected to comply with - does not mean that it should be allowed to circumvent those laws. If the Opposition's amendments are carried, the Forestry Commission will be obliged to take into consideration the environmental impact of logging activity under the Environmental Planning and Assessment Act while logging is allowed to continue. I wish to refer to a case study of how poorly the Forestry Commission has complied with the environmental laws of this State, particularly the

Page 615

Environmental Planning and Assessment Act. The case study has been provided to me by the conservation movement and is in relation to the Mistake State Forest. The timetable for preparation of the environmental impact statement for the Mistake State Forest was from 1987 to 1992. There has still been no approval for logging in that forest.

There can be no accusation that the Endangered Fauna (Interim Protection) Act has influenced that case study. Conservationists have made no attempt to make the task of the Forestry Commission more difficult. It has simply been a case of sheer inefficiency on the part of the Forestry Commission. In 1987 the decision was made to proceed with the logging of old growth compartments in the forest. In November of that year, however, the Land and Environment Court granted a local farmer an injunction to prevent logging pending the hearing of claims that the logging was in breach of the Environmental Planning and Assessment Act. That is typical of the Forestry Commission. On 31st March, 1989, the Forestry Commission undertook to the court that it would obtain and consider an environmental impact statement for the old growth compartments by 1st January, 1990. It agreed also not to log more than a certain amount of timber until the environmental impact statement had been completed. The commission was given permission to proceed on that basis.

As at 1st January, 1990 no environmental impact statement had been produced. By midway through last year, however, the environmental impact statement had finally been completed. It is amazing how quickly or slowly the Forestry Commission can complete environmental impact statements depending on how much judicial or political pressure is applied to it. On 16th August last year the Forestry Commission finally advertised the public exhibition of the environmental impact statement. The exhibition period closed on 20th September and the Forestry Commission is now entitled to determine the environmental impact statement and grant logging approval. However, by March 1992 no approvals have been given. No wonder the industry felt frustrated and was ripe for exploitation by the campaign waged since December last year to blame all the problems on the Endangered Fauna (Interim Protection) Act.

The Opposition amendments will place the Forestry Commission under a new requirement to give greater certainty to forestry industries. For years the commission has been the judge and jury of its own environmental impact studies. Inadequacies in environmental impact statements have led to friction with the conservation movement in

the courts and in the forests. A number of regrettable incidents have occurred where people have been arrested in forests while simply trying to protect those areas which should have been protected by the Forestry Commission. That has unnecessarily held up logging because the commission has taken a lenient view of its own environmental impact statements without critically assessing their adequacy. I doubt very much whether the time delays that have occurred because of those processes match the time delays that occur in the industry because of wet weather. It was noticeable at a meeting on Tuesday night, where industry spokespeople talked about the problems they had, that a number of the problems related to the weather. Of course that has been overlooked by the interests on the other side of the Chamber.

By removing the commission from the jury role in determining environmental impact statements, there will be less disruption to forest operations which have environmental impact statements approved by the new independent authority to adjudicate on statements. As I indicated before when I went through the Opposition's amendments, that authority will be a forestry committee which will be appointed jointly by the Minister for the Environment and the Minister for Conservation and Land Management. The

Page 616

Premier and the Minister for Conservation and Land Management have already stated that the Government was moving to correct the anomaly of the commission being both judge and jury. In fact they repeated that admission on Tuesday night. I think the director or the Minister made the comment that the commission did not feel comfortable being both judge and jury. During the last decade that circumstance has created many difficulties. The Commission wants the anomaly corrected eventually. The Opposition is giving the Government the opportunity to do that by supporting our suggestion for the formation of a forestry committee.

Before I conclude my remarks about the responsibility or the culpability of the Forestry Commission for the problems that have developed in the forestry industry and which have been highlighted in the past few weeks, I should like to make a comparison between the senior management of the Forestry Commission and the senior management of the National Parks and Wildlife Service in relation to the implementation last year of the Endangered Fauna (Interim Protection) Act. I congratulate the senior officers of the National Parks and Wildlife Service, as well as the officers generally, who have done a good job under difficult circumstances in attempting to efficiently implement the legislation. The service has been willing to get on with the job and ensure that the legislation worked. That has been achieved. The officers of the service have not been panicked by the public rubbishing they have received from their own Government. They have not become dispirited by the remarkable silence of the Minister for the Environment. Despite all the media hype they have got on with the job and implemented the Endangered Fauna (Interim Protection) Act with very little dislocation to the industry.

That contrasts dramatically with the attitude of the senior management of the Forestry Commission. I know that my colleague the honourable member for Port Stephens has often said that the Labor Party is committed to rigorous reform of the Forestry Commission. That reform will be implemented when we attain government. As I said earlier, the senior officers of the Forestry Commission should hang their heads in shame because of what has occurred in the past few weeks and because of their singular failure to properly carry out their duties as public servants in this State. I am more than happy to provide to them those documents that I read into *Hansard* earlier which show that the Forestry Commission has simply not been doing the right thing. There has been a spectrum of reaction within the industry to what has happened in response to the Endangered Fauna (Interim Protection) Act and to the bill that is now

before the House. The majority reaction within the industry, and in particular among employers, has been one of considerable confusion about how the Endangered Fauna (Interim Protection) Act would affect the industry. As I have emphasised earlier in my contribution, that confusion has not been helped by the truculence of the Forestry Commission, which has basically sought to undermine a major environmental protection law of this State.

There is confusion in the industry. What usually follows confusion is anxiety. There has been a build up of anxiety within the industry because people like Douglas Head and others genuinely believe that logging and forestry operations will be destroyed by the Act. The Forestry Commission and the State Government have not sought to clarify the position for them. Others in the industry have sought to play games. I cannot ignore the role of the forest industries crisis coalition - I have renamed it the forest industries manufactured crisis coalition - which over the past two months has made desperate attempts to overturn the Endangered Fauna (Interim Protection) Act. As recently as 27th February an article about the spokesperson for the coalition, Dr Bill Hurditch, said:

Page 617

The forestry industries have reacted angrily to various politicians' claims that the claimed job losses as a result of the Endangered Fauna Act were a sham and a beat-up. Mr Bill Hurditch said today he had hard evidence of actual job losses as a direct result of the legislation.

We are still waiting for that hard evidence. The only solution according to Dr Hurditch is for State Parliament to clear up the mess it caused when it passed the legislation last December. Dr Hurditch was so upset that he was going to seek legal advice in respect of claims that he was lying. I do not know what he was referring to particularly, but obviously someone has accused him of lying. I would accuse him only of not presenting the facts in a coherent manner. The forest industries manufactured crisis coalition has also increased the confusion. There has been a golden opportunity for action to be taken. Never before - at least not in the past couple of years that I am aware of - has there been such consistent debate in the media and the community about problems associated with the timber industry. Instead of the debate being about how to fix the problems, it has been the cut and thrust of one group making an allegation and another group challenging that allegation. That is not a constructive role for a forest industries crisis coalition to play; nor is it a constructive role for the New South Wales forest crisis task force. In a 10-page document entitled "Action Plan 1992-1993" - an action plan endorsed by the major New South Wales forest industry corporations, the New South Wales Forest Product Association, the National Association of Forestry Industries, the Forest Protection Society and the Australian Timber and Allied Industries Union - a strategy is set out that has been developed by those organisations under the umbrella of the forest crisis task force. The crisis, as they perceive it to be, has been created by the fact that the New South Wales Parliament had the audacity to pass endangered fauna legislation. The opening sentence of the document is as follows:

On 17th December 1991 the New South Wales Parliament passed legislation which poses the biggest single threat to the visibility of the New South Wales indigenous forest industry.

I take issue with that statement from the word go. If anything, the visibility of the New South Wales indigenous forest industry has been increased; it certainly has not been threatened. The document goes on at great length. This is a strategy plan by these various groups. This document contains a plan that has been developed by these groups in direct response to the Endangered Fauna (Interim Protection) Act to try to beat its

provisions. Glancing through the document I notice a number of events have been planned. We have been living them over the past few weeks: local demonstrations outside certain members' electoral offices, a concerted letter-writing campaign, and an attempt to involve local government authorities. We saw some evidence of that today at question time when the Minister for Local Government answered a dorothy dix question about the Endangered Fauna (Interim Protection) Act.

The document also refers to mobilisation of industry people and other strategies and ideas such as letterbox drops, targeted direct mail, a fund raising forest industry crisis fighting fund, public meetings, public addresses, contact with schools, demonstrations, stalls, and a rally on timber solidarity day. I do not know whether that has occurred yet, but I am looking forward to attending this year's Royal Easter Show because I think it is intended that a stall will be set up there. The document outlines a number of ideas to destroy the Act passed last year to protect endangered fauna in New South Wales. In some ways the industry will be pleased that the Timber Industry Protection Bill has been introduced. Even though the industry did not predict that the bill would result from its campaign, it certainly will welcome it. I should alert these groups which have endorsed this strategy that it has little effect on the policies of the Labor Party and is not holding back the tide of progress towards national endangered fauna legislation, which is currently being considered by the Federal Government.

Mr West: It is not national fauna, it is national endangered species. The
Page 618
member should get that right.

Ms ALLAN: National endangered species fauna, as the Minister for Conservation and Land Management so ably corrects me. That legislation is proceeding apace at a national level. Despite these campaigns - which do not increase the lines of communication but probably make it more difficult for debate to proceed in an orderly way - at the end of the day there will still be an Endangered Fauna (Interim Protection) Act in New South Wales. The national Government will continue to have a continuing commitment to national endangered species legislation. The debate is turning around, despite the doom and gloom about the future of the legislation to which I referred that has occurred over the past couple of months in rural New South Wales and other sections of the media in metropolitan Sydney. I do not expect my parliamentary colleagues in the National Party to be on top of this, because it usually takes them a bit of time to catch up.

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

Ms ALLAN: Even today in the Coffs Harbour *Advocate*, which is an influential paper on the North Coast, there is a report of a statement by the Forest Federation. I actually have managed to gain the attention of the honourable member for Coffs Harbour. He is looking alert, his eyes are open and he is awake and standing up.

Mr SPEAKER: Order! The debate will proceed in an orderly fashion.

Ms ALLAN: Today the Coffs Harbour *Advocate* has a strong statement from a group calling itself the Forest Federation, which represents sawmillers and business people, as well as conservationists in Wauchope and Bellingen. That group says that it thinks the Endangered Fauna (Interim Protection) Act is workable. We are seeing the beginnings of a more informed debate in Sydney and rural New South Wales. Instead of attempting to thwart the progress of environmental protection, hand in hand with job protection, members of the National Party should contribute to that healthier debate. Earlier today honourable members heard two particularly asinine contributions, one from

the Minister for Natural Resources and the other from my esteemed colleague the Minister for Local Government. At question time they tried to discredit the Endangered Fauna (Interim Protection) Act in their various areas of responsibility, namely, mining and local government.

Other government departments have learnt from the poor performance of the New South Wales Forestry Commission with regard to the implementation of this law. If any government department hopes to circumvent the Act by a campaign of misinformation, or by endeavouring to opt out of the debate - as the Forestry Commission has - let it be warned that it will be exposed. Our amendments will not threaten the object of the bill - the protection of jobs. That objective is the reason that the Opposition supports the bill. The amendments are designed to safeguard the environment. The Opposition is eager to protect jobs in the timber industry, and the proposed amendments will ensure that jobs are protected. Unfortunately, the Opposition was unable to protect the job of the former Assistant Treasurer, but it will be more successful in protecting the jobs of timber workers.

The proposed amendments will establish public accountability through regular reports to Parliament and very limited rights of appeal, which the Opposition considers is appropriate. The amendments will also separate the proponent from the consent authority by establishing a professional forestry committee to assess the environmental

Page 619

impact statements. That committee will help to alleviate some of the concerns expressed by the environmental movement with regard to this legislation. Finally, the proposed amendments will ensure the stopwork orders in the National Parks and Wildlife Act are retained. Unfortunately, the Minister for the Environment cannot be trusted to implement interim protection orders, instance the Chaelundi matter. In conclusion, I want to -

[Interruption]

If honourable members want me to continue, I will. There is a lot of material we can talk about. Do you want me to continue?

Mr SPEAKER: Order! I draw the attention of honourable members to the fact that there is no requirement for them to interject. I also remind the honourable member for Blacktown that, despite calls that she might continue, there are rules in this Parliament regarding tedious repetition.

Ms ALLAN: I have not referred to the reaction of the environmental movement to this legislation. Honourable members opposite would probably have received the same items of correspondence as those circulated to members of the Opposition today by the joint environmental groups and, separately, by the Wilderness Society. The essential theme of the submissions from the environmental movement is that the Parliament should reject the bill in total. The environmental movement is disturbed about the likelihood of the forestry industry being suspended from part 5 of the Environmental Planning and Assessment Act. It has reason to be concerned. The record of the industry has been appalling with regard to the implementation of this legislation. The recent statements of the current senior management of the Forestry Commission do not provide any grounds to cause one to believe that the Forestry Commission intends to reform itself.

The environmental movement is alarmed at the speed with which this legislation has been introduced to and will be processed by Parliament. It believes that it has had insufficient opportunity to work through the bill and the various proposed amendments

which have been circulated. The movement has itemised a number of objections which no doubt honourable members opposite have read carefully. Those concerns must be addressed by the Government. I ask the Minister for Conservation and Land Management in his second reading contribution to address the genuine concerns of the conservation movement. Honourable members have heard of the support and justification for the legislation - with particular emphasis on the timber industry and the impact of the legislation on that industry - but have heard nothing of the other side of the equation. There has been stinging silence from the Minister for the Environment and from the Minister for Planning. They have sought only to criticise people such as myself for even daring to debate the endangered fauna legislation.

The Minister must attempt to satisfy the concerns of the environmental movement. If the Government accepts the amendments proposed by the Opposition - which will be moved in Committee - the conservation movement will be reassured as to the Government's intention. It will believe that the Government has no intention of destroying old growth forests in this State. I am convinced that the Opposition amendments will ensure that the legislation will work properly. I am pleased in a way that the members on the Government side of the House have persisted with their barrage of interjections for almost the entire time that I have been addressing the House. They are earning their money. They would really deserve their money if they considered seriously the concerns raised by the conservation movement in respect of this legislation. They should read carefully the proposed amendments circulated, which the Opposition

Page 620

believes will not only protect the jobs of timber and forestry employees but will also protect the environment of New South Wales.

Debate adjourned on motion by Mr Moore.

PERMANENT BUILDING SOCIETIES ACT: DISALLOWANCE OF REGULATION

Debate resumed from an earlier hour.

Mr MOORE (Gordon - Minister for the Environment) [8.39]: The Government accepts that the regulation will be disallowed, and proposes to permit that to occur on the voices. I shall inform the House of the processes the Government will follow to deal with that disallowance. The regulation deals with two entirely separate issues. One is the currently operating business of the GIO with regard to the building societies. That is a matter of particular importance in the float of the GIO and needs to be considered by the Parliament prior to the prospectus period. It is the intention of the Government to give notice of motion tomorrow of a bill to deal with the GIO aspects. That will occur in the next sitting week. We will seek the co-operation of honourable members to deal with that expeditiously. With respect to what I understand to be the new business aspects relating to the MLC Group and others, the Government will consider its position - whether it wishes to reintroduce those matters in a statutorily committed form and, if so, in what form and at what time. The Government has not as yet contemplated those matters; they are not as urgent as the matters relating to the GIO float. The Government proposes to permit the disallowance on the voices.

Mr HATTON (South Coast) [8.40], in reply: The Government has indicated that it will not put the matter to a formal division - that it will be agreed to on the voices. It is clear from the Government's undertaking that the matter will be brought on again in a different form or forms. Consequently I will have another opportunity, as will members of the Opposition and the Independents, to address that question. I thank Opposition members for their support of the motion and for standing firm on the credential principles

behind my motion to disallow this regulation.

Motion agreed to.

BUSINESS OF THE HOUSE

Precedence of Business: Suspension of Standing and Sessional Orders

Mr MOORE (Gordon - Minister for the Environment) [8.41], by leave: I move:

That so much of the standing and sessional orders be suspended as would preclude Government Business having precedence over General Business between 10.15 a.m. until 1.00 p.m. on Friday, 6th March, 1992.

The purpose of this motion is to provide an hour in the morning for the introduction of bills and an opportunity for a brief outline by me and a brief outline by the Opposition of its response to the bill introduced by the honourable member for Davidson with respect to the Garigal National Park extension proposal. The Government and the Opposition have agreed that the remaining matters - a notice of motion from the honourable member for Monaro, a notice of motion from the honourable member for Ermington, and an order of the day with respect to the standing orders from the honourable member for

Page 621

Ashfield - should be postponed to permit further consideration of the Timber Industry (Interim Protection) Bill to provide for a civilised hour of conclusion of the Parliament tonight - which I anticipate will be somewhere between 11.00 p.m. and 11.30 p.m. - and then to provide sufficient time for the orderly consideration of the Committee process of the bill tomorrow. I commend the motion.

Mr WHELAN (Ashfield) [8.42]: I thank the Government and the Leader of the House for the consultation. I am sure all members are sad that tomorrow the House will not commemorate the fiftieth anniversary of the fall of Singapore, or debate the constitutional monarchy and its politicisation by the Prime Minister, and, more importantly, my privileges motion, which has been on the parliamentary table for many years and which perhaps one day will be dealt with. I take this opportunity to ask the Government to ensure that in relation to this and other matters the bills be made available as a matter of urgency. These are complex issues and consultation would be appreciated to enable a thoughtful and concise debate.

Mr HATTON (South Coast) [8.43]: I have not had time to consult with my fellow Independent members the honourable member for Manly and the honourable member for Bligh. As near as I can judge I am confident that -

Mr SPEAKER: Order! Only two members may speak to a motion to suspend standing orders.

Motion for suspension of standing and sessional orders agreed to.

TIMBER INDUSTRY (INTERIM PROTECTION) BILL

Second Reading

Debate resumed from an earlier hour.

Mr CAUSLEY (Clarence - Minister for Natural Resources) [8.44]: What a

diatribe! For two hours I have listened to the greatest load of rubbish that I can ever remember hearing in this place. What a nasty, vicious, callous member the honourable member for Blacktown is. She has no regard at all for ordinary hard-working Australians.

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

Mr CAUSLEY: I have never heard anything like it in my life. Her contribution epitomises the New South Wales Labor Party, which has deserted the workers and the families of New South Wales. It has no regard for the economy whatsoever. The honourable member for Wallsend does not even care about coalminers.

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

Mr CAUSLEY: The honourable member for Blacktown said nothing about the real issues in this debate, which have been evident for many years. There has been a war of attrition and a deliberate campaign to undermine the viability of a responsible industry - the greatest decentralised industry in New South Wales and an industry that contributes to the economy of this State. For years this campaign has tried to wear down and destroy the industry's economic base. I note that the honourable member for Port
Page 622

Stephens, the shadow minister, is yawning. The loony left has control now of the New South Wales Labor Party.

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

Mr CAUSLEY: This particular issue relates to a number of decisions taken over the years, particularly in the Land and Environment Court, which have gradually whittled away the rights of the Forestry Commission and the timber industry to the forests of New South Wales - the traditional resource. It started with the Jarasius case. What the honourable member for Blacktown neglected to say is that the provisions of both the Endangered Fauna (Interim Protection) Act and the Environmental Planning and Assessment Act are causing problems. She does not want to admit that, but that is the real problem. A combination of things have finally achieved the results for those who have tried to undermine the forest industry. We hear repeatedly the Goebels theory - tell them often enough and they will believe it - that there has been no loss of jobs. That is a load of rubbish. There have been job losses since 1982 when the rainforest decision was handed down. I agree that jobs have been lost because of mechanisation within the industry, but irresponsible legislation is having a crippling effect on the forest, mining and farming industries. It is even affecting the proposed subdivision of blocks of land for housing purposes.

This bill attempts to overcome some of these problems. There is no doubt that the Government has taken a responsible position and has tried to get back the jobs lost. Some decisions of the Land and Environment Court - arrived at after much debate and by the straw people who attacked the Environmental Planning and Assessment Act - clearly show that environmental impact statements should be conducted. I wish to comment on the emotive statement that the Forestry Commission has been breaking the law. In effect the law has been taken to court and it has been re-interpreted by the court, and subsequently the Forestry Commission has mended its ways. I do not think that is breaking the law. The commission has abided by the law. Members of this House, however, have said, for their own motivation, that the Forestry Commission has been

breaking the law. That is an attack on public servants who are genuinely trying to do their job. In the years that I was the Minister responsible for the commission I did not see a more dedicated and a more environmentally sound -

[Interruption]

The honourable member for Manly laughs. He knows nothing about forestry. His motion with regard to Look At Me Now Headland, about which he knows nothing, will cost the ratepayers of Coffs Harbour \$500 each. Because we come from a forest area we know what goes on. The honourable member for Blacktown will probably throw scorn on that remark by saying that we say we know everything. We do know what goes on; we know the individuals involved; we know the industry; and we can tell you very clearly the effect that is having at the present time. There are people who are shattered; they do not know where they are going. They are not highly paid people but they have big payments to make on their equipment. They are being deliberately disrupted by these people. They do not know where they are going to get their payments from. Their right to work is being undermined. They are good, hard-working Australians, who are the salt of the earth. But members of the Opposition will not give them their support. I am absolutely astonished to think that the Labor Party gets behind the looney left but attacks the forest industry.

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

Page 623

I call the honourable member for Monaro to order.

Mr CAUSLEY: We will deal with the honourable member for Parramatta on another day. We have a few things on him. The forest debate has degenerated to the point where it comes down to the opinions expressed by the Australian Conservation Foundation. It has clearly stated that its objectives are the abolition of native forest industry. Philip Toyne and the Tasmanian guru Dr Brown, following a previous Tasmanian election, stood up proudly because they thought they had a great win in Tasmania. They said, "We believe in the Great Escarpment National Park". That is what it is all about. It is a case of nibbling away in an effort to get more; it has nothing to do with endangered species. If the Opposition is honest it will admit not one plant or one animal has ever been destroyed by forestry in New South Wales or in Australia. Yet, Opposition members go on with this great emotive nonsense about endangered species. No one is about to attack the endangered species. By applying a little common sense and good management we can have our jobs and houses and we can protect the endangered species. But at present there is an endangered species.

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

Mr CAUSLEY: That endangered species is homosapien Australis. The Labor Party in all ways is trying to destroy these people. The undertaker in Canberra - the present Prime Minister, the man who buried Australia - is strutting around talking about jobs. The honourable member for Blacktown has the hide to say that she is worried about jobs. She cannot say exactly how she is going to deliver those jobs to the forest industry; she is destroying the industry. She also said: "What are you doing about it? I never heard anything when you were Minister about plantations". New South Wales has the largest number of hectares of hardwood plantation of any State - 22,000 hectares of hardwood plantation.

Mr Martin: It is not much.

Mr CAUSLEY: I will go into that, because obviously the honourable member does not understand. Why can we not get the trees to grow into millable logs? It is because the Labor Party does not believe in thinning the trees because that would be engaging in woodchipping. Opposition members are hypocrites. They talk about these things but when one tries to talk sensibly about how these things can be achieved they turn the other way and they run along with the greens; and that is where they are. I was interested to hear the honourable member for Blacktown talk about her bill. I understand Mr Robertson is claiming that it is his bill. I understand that the conservationists are claiming that it is their bill. Whose bill is it? The honourable member for Blacktown is just a mouthpiece for these strange people. People on the North Coast who are pushing this - I know two or three of them - have been on the dole for 15 years or more. They have not worked in their lives. They probably receive in dole payments more money than the timber workers earn. They are knocking people who are prepared to have a go, and I think that is absolutely disgraceful. No wonder the timber workers are voting for the National Party and saying to the honourable member for Blacktown, "You do not even talk to us about these sorts of things". The honourable member for Blacktown wants to drag everyone along on this particular issue and destroy them.

Page 624

I do not know whether the honourable member for South Coast is still in the Chamber. He will have an important role to play in this debate. He prides himself on the fact that he makes a fair and objective assessment of these issues. If he votes with the Opposition on these amendments the 6,000 jobs that will potentially be lost will be on his head. He should remember that. What the Government is saying is lies, unlike some of the rubbish I have heard from the Opposition. We know exactly where the problems are. We know that these people are going through hell. The honourable member for Port Stephens is shaking his head. He could not care less about the workers of New South Wales. No wonder he was sacked from his job in the Department of Agriculture. Obviously he was not a good manager. I understand there has been a huge donnybrook within the Opposition. I also understand that the honourable member for Bathurst has stood up in front of his timber workers and said, "I will cross the floor". It will be interesting to see how the honourable member for Bathurst votes and whether he keeps his word to his timber workers. Obviously he will not be able to deliver if he supports the nonsense that we have heard from the Opposition.

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

Mr CAUSLEY: For many years the honourable member for Blacktown has engaged in a campaign of spreading misinformation, telling downright lies, discrediting the Forestry Commission, and attacking the jobs of honest people. That attack has been aided and abetted by the press. I was absolutely disgusted today that there was not one camera outside when we went to speak to the timber workers. I guarantee - and I have been in this place for a few years - that if three or four greenies had been present there would have been cameras everywhere. Where does the press stand in this particular debate? Are they Australians or are they not? Do they worry about this country? Do they worry about our balance of payments. [*Extension of time agreed to.*]

I am absolutely amazed by some of the debate that takes place in this country and, in particular, its representation in the media. Obviously the media does not seek an objective view. They are told lies, but they do not seek out the facts. We are in a very serious situation. The Opposition is trying to destroy a very valuable industry yet we

import \$2.6 billion worth of forest products. That is an absolute disgrace. The Opposition is responsible for those imports because it continues to introduce this type of motion. It is absolutely destroying this country and its workers. Being Australians in a Parliament which should be looking at the rights of Australians, whether we are on the Opposition or the Government side, we should be worried about where Australia is going and have some sensible debate. But no, we are going to go down this emotive, political point-scoring path. The Opposition thinks it is being smart in respect of this particular issue, but it is digging its own grave. A Labor Premier of New South Wales once said, "If the Labor Party can hold a core area of seats in New South Wales it can govern". I am sure I have heard the Leader of the Opposition repeat that statement. The Labor Party has no chance of governing in New South Wales because the nonsense and rubbish it is putting forward in the House will stop it winning a seat in country New South Wales. The honourable member for Bathurst will have a battle if he supports this sort of nonsense. He will not retain his seat. I think the honourable member for Manly has been called a nomad. He will not be here long. The people will wake up to some of the nonsense he puts forward.

[Interruption]

Page 625

If the honourable member for Manly comes up to the North Coast he will see what goes on. If he thinks he has a strategy whereby he can win some political advantage, he is in for a big shock because the people of New South Wales have had a gutful of this sort of rubbish - of losing jobs, of going deeper into debt and of the nonsense that comes out of ratbags. The Australian Labor Party will see the results in the next election campaign. I was interested to note that the honourable member for Blacktown led for the Opposition on this bill - I think I might have interjected that she was a strong left-wing member of the Teachers Federation - yet the shadow minister, who should be supporting the workers and the industry, has been absolutely muted. I know that the honourable member for Drummoyne today went out to talk to the timber workers and told them the Opposition was on their side and it would support the bill. He did not tell them that the Opposition intended to move amendments that would destroy the bill. That is the usual thing the Opposition does. For 10 to 15 years the Australian Labor Party has mouthed platitudes that there will be no loss of jobs, but more and more jobs have gone. Sawmills are going down because they do not have the confidence to invest in the industry. If they do not have that confidence, the industry will be beaten by imports because of economies of scale. That is what the Australian Labor Party is about. It wants to destroy Australian industry and Australian workers. It is being led by the nose.

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

Mr CAUSLEY: The honourable member for Manly should tell honourable members how much money Greenpeace put into his campaign. Honourable members know all about that. This is a serious debate. I ask members of the Opposition, and particularly some of the more responsible Independent members, to think carefully, because this issue is fundamental. It comes down to the core of this State, to basic industries. Forestry is the most decentralised industry in New South Wales, the very base of many country towns, including Grafton, which is the biggest timber town in New South Wales. Honourable members heard the honourable member for Blacktown and the honourable member for Davidson talk about a wilderness bill. The honourable member for Blacktown said it would create a loss of 1,200 jobs in Grafton. I have been telling her that for years. The honourable member is dishonest. She did not say the

Australian Labor Party was supporting a wilderness area for North Washpool. Tonight she mentioned Chaelundi which is part of the Grafton catchment area for timber. They even want Dalmorton. They want the lot. The honourable member for Blacktown dishonestly made a statement to the media that she was worried about the loss of 1,200 jobs in Grafton. She is an absolute hypocrite. Those jobs are on the line and she is doing nothing to support the people in the area.

Mr Zammit: Where is the honourable member?

Mr CAUSLEY: She has gone. She will not listen to this debate because she will hear the truth - and she does not like to hear the truth. She deigned to give the timber workers 30 seconds. The timber workers are the base of the economy of country towns. If the honourable member for Port Stephens has the hide to support amendments to the bill, he has sold out the workers of New South Wales, as has the Labor Party. The Timber Workers Union has said it cannot get the support of the Leader of the Opposition and the honourable member for Blacktown. Michael Easson has been trying to tell them for weeks that they are mad and it is ridiculous, but the right-wing has been taken over by the loony left. It is a sad day when the House debates such nonsense. The timber industry is well managed on a sustained yield basis and should be protected.

Page 626

Mr MARTIN (Port Stephens) [9.4]: I contribute to the debate on the bill on behalf of the Australian Labor Party. At the outset I wish to place on record that as shadow minister for forests I am committed not only to the retention of jobs but also to ensuring that there is an economically viable timber industry in New South Wales. The Opposition does not oppose this bill. At this time timber workers all across New South Wales are scared of losing their jobs. The Opposition is committed to jobs and will, therefore, support the bill. Though the Opposition will move amendments to the bill, those amendments will not alter the intent of the proposed legislation, which is all about protecting timber jobs. The intent of the bill was made clear in the Minister's second reading speech, and its broad thrust is supported by the Opposition because it is about jobs. The National Party Ministers of this Government in their attempts to sort out the failures of the bureaucracy to administer the laws of this State have, as their underlying agenda, plans to remove all legislation relating to land use. This bill has been made necessary because of the woeful administration of forestry in New South Wales. The Government - in particular, the National Party Ministers - has done nothing to ensure that the laws of the land are adhered to. As a result, there seems to be a fair bit of blatant apathy to make sure that the environmental provisions of the bill are undermined.

National Party politicians have a disregard for timber workers. They have politicised the resource and access to it at the expense of the ordinary working men and women in communities and towns dependent on forest industries. The National Party does not seem to be able to come to grips with balancing a viable timber industry and environmental concerns. I can assure honourable members that the Australian Labor Party has worked hard to consult with all parties affected by the legislation. The coalition parties cannot say that they have done that. The Opposition will continue that process despite the Government's dishonesty. At the end of the day the Opposition will end up as a responsible group of people who will assist the forestry industries. The Leader of the Opposition has often said that if the legislation is found not to work the Opposition will amend it. The Opposition will support the legislation tonight because the Government has made the endangered species legislation unworkable. The law cannot be amended simply because the bureaucracy has failed in its duty to explain it properly. That is the root problem that must be addressed in the administration of

forestry and land use.

The uncertainty in the community about future access to timber is not the fault of the Endangered Fauna (Interim Protection) Act; it is the fault of an intransigent National Party administration of resource portfolios and of bureaucratic attempts to make the operation of the legislation as difficult as possible and therefore frustrate the letter of the law. Unfortunately, the victims are the workers who perceive that their jobs are at risk. The redneck attempt by some honourable members on the Government side to create a crisis for their short-term political gain has brought this issue to a head. Hopefully, this debate will stop the misinformation that is being peddled in rural communities, and will remove a lot of misconceptions, and perhaps even result in a better administration of forestry. I welcome this matter being brought to a head, as I think we all do. A timetable has been set to put forestry operations on a footing that will see us move towards sustainable yields and much better forestry practices. In my late teens I swung an axe. I have worked a cross-cut saw and a chainsaw. In the southeast of New South Wales in the early 1970s I was assured that forestry had it right. But one look at Nadgee and other places that were clear-felled, shows that forestry obviously did not have it right. Those problems require solving now. We were assured then that forestry had it right and today we are still assured that it has it right. We have to make sure that we get it right now because we will not have many more chances to do so.

Page 627

The legacy of forestry practices is quite horrible. That is probably because officers in the past were quite intransigent that practices would not be changed. The honourable member for Blacktown gave the House some telling examples of the sort of politicisation that is occurring in some sectors of the commission. The findings of the Public Accounts Committee, made up of members of all sides of this Parliament, have proved that forestry has not always had it right. The signs are there. We have come a long way since the years when D9s cut horrible tracks through the country and environmental matters were not a concern. I am very impressed by many of the foresters whom I have met recently. I assure honourable members that the old mentality of forestry is dying. There is a new breed, a new approach, a new willingness to get on with what is right for forestry administration in the State. I sincerely hope that the top administration of forestry addresses the requirements of this legislation and that it does so knowing that it is in the best interests of the people of New South Wales.

The first speaker for the Opposition in this debate was the shadow minister for the environment. She rightly led for this side of the House because this legislation seeks to circumvent existing environment laws. The environment movement has already signalled its total opposition to the Government legislation which is being rushed through the Parliament. The environmental movement opposes this legislation because it sees it as putting the environmental movement back 15 years. We, as practical politicians on this side of the Parliament, are prepared to ensure that we right the wrongs of the past. That is something we must all consider. I commend the people who have been helpful in our arriving at the position represented by this legislation. In that connection I make special mention of the environmental groups, the timber workers union, the Forest Products Association and many of my colleagues, particularly the honourable member for Cessnock and the honourable member for Bathurst. Industry has registered concern about the amending provisions, but is unaffected by the main thrust of the bill. The Opposition asks the Minister a very important question which must be addressed in his reply, namely: what funding will be necessary to implement the legislation, particularly to fund the environmental impact statements? I urge the Minister to respond to that question and, if need be, to ask immediately for supplementation through the Treasury, or

for whatever is needed, to make sure that forestry organisations do not say they cannot work because of a lack of funds.

The forest areas environmental impact statement process outlined in schedule 2 would be an enormous task. We acknowledge that it will take all the time that has been set aside. I would like some assurance from the Minister that the resources necessary for the implementation of the Act will be provided. We set a timetable genuinely. I assume that the environmental impact statement process will cost about \$10 million. The forest areas to be assessed are large and it is vital that the Government should make available all necessary resources. I seek a commitment so that the commission will have no excuse for not performing its duties. It must not be excused from obeying the law because it does not have sufficient resources to ensure its operation. The other concern raised by the industry touches on the proposed establishment of a forestry committee to assess environmental impact statements. If the amendment succeeds, the Minister will have to appoint a person who has all the qualifications specified. The words "timber resource economics" were added to ensure a good balance. [*Extension of time agreed to*].

The Opposition seeks to achieve a better bill, one that will benefit the workers, industry and the environment. Our proposed amendments will strengthen the legislation and protect jobs and the environmental evaluation system as a whole. The matter of third party actions must be addressed. The intention of the amendments is to balance the legislation to give all parties concerned the opportunity to take part in its processes. That

Page 628

will ultimately ensure that jobs are retained. It is important that we stop the misinformation that is being peddled, particularly about the endangered fauna laws. Outright lies have been peddled. There are stories that the Soil Conservation Service will not issue permits for logging on private land. People peddling this information work under the Minister's administration. As the Minister of the Crown responsible, he must address these matters. I assure the Minister that I have heard from former colleagues that some misguided bureaucrats have set about to deliberately confuse and worry people by mixing various legal requirements. The officers of the Soil Conservation Service should know better than to do this, and I am sure that the Minister will address that issue. If it is the case that the Soil Conservation Service is involved in that exercise, it is a disgrace. I worry about the Soil Conservation Service and the matters that I have heard of today. That great organisation has had some morale problems caused by amalgamation.

Mr Fahey: On a point of order. It was appropriate for the honourable member for Port Stephens to refer in brief to the direction of the Soil Conservation Service on matters concerning endangered fauna, but it is not appropriate for him to canvass now the incorporation of the Soil Conservation Service into the Department of Conservation and Land Management. That is totally outside this bill. There have been no such references by other members who have addressed the debate.

Mr SPEAKER: Order! I uphold the point of order. The honourable member for Port Stephens will return to the leave of the bill.

Mr MARTIN: I will return to the point of the legislation. I take on board the Minister's sensitivity on the issue and in passing ask that the matter of the Soil Conservation Service and its relationship to logging be addressed. In my role as shadow minister for forests I have made it clear to my parliamentary colleagues and the industry - for that matter, to all groups with an interest in forestry - that I am aware of the longstanding problems affecting this industry which concentrate essentially on an ongoing conflict on land usage. I am on record as actively supporting and promoting

policies that will lead to the resolution of those conflicts once and for all. I understand that forest industry investors need stability and reliable access to the resource. My efforts are aimed in that direction. Achieving these goals within the framework of a sustainable yield policy will do more to make jobs secure.

When discussing this bill it is not the time to raise the issue of need for major reform of the Forestry Act, the restructuring of the commission and other associated issues. But those concerns at some time must be addressed. The time will be right soon enough to do that. I hope honourable members opposite and the Independents will support the amendments. They have been well thought out; they strengthen the legislation; they protect jobs; they assist the timber industry and they address the environmental standards of today. I am horrified at the attitude shown by some members opposite. The issue to be addressed is one of making forestry work in New South Wales. The Opposition could have rejected the bill but it has acted responsibly by proposing amendments to enhance the legislation. We are being thoughtful and responsible politicians. At the end of the day we will ensure that the workers of this State have a much more secure future than any of the members opposite who have been interjecting are capable of envisaging.

Mr Fraser: Tell the unions, Bob.

Page 629

Mr MARTIN: The honourable member is a bigger fool than I thought he was if he knocks unions and people in the industry. The workers of this State have to carry the burdens of the decisions made in this Parliament. The Parliament will decide what is in the best interest of the people of New South Wales. We will not allow the bureaucracy and members opposite to hijack the intent of the laws passed by this Parliament. Any action taken by members opposite for short-term gain will ensure their long-term demise. In the spirit of co-operation we extend to others I inform the House that there will be only two speakers from the Opposition. We will ensure that people in the timber industry have a future.

Mr JEFFERY (Oxley) [9.24]: The timber industry in New South Wales has had a caning from the mob opposite. It is fed up to the back teeth with legislation and misguided criticism. Fifteen pieces of legislation control the timber industry. This has caused confusion and anger. The endangered fauna legislation brought forward by the Labor Party has helped to close down the industry. Twice already the forestry industry has almost closed down. In the present situation there are wider implications. There is a flow-on effect in many industries such as transport, engineering and agriculture. The introduction of the endangered fauna legislation has seriously limited the ability of the Department of Conservation and Land Management to process applications for processes involving tree destruction on protected land because of the need to consider the effect that an activity will have on protected fauna. Officers of CALM have no option but to request expert opinion and information on a range of matters. CALM has a legal obligation to call for a fauna impact statement. But what about the jobs? The loss of jobs on the North Coast in my electorate, the electorate of Myall Lakes and other electorates right through to the Queensland border will be a direct result. The Labor Party has a game plan to mount a cheap political campaign with the Independent greens. However, I must pay full credit to the honourable member for Tamworth for his common sense in supporting the coalition Government on this matter.

Where were Labor Party members when jobs were threatened? What a bunch of hypocrites! The honourable member for Port Stephens was presented with a baseball

bat at the demonstration out the front today. He said: "We will support the legislation. Trust me. Trust me". When he was asked about amendments he said, "Oh, we are going to have a meeting". But there are no amendments. I do not know where that baseball bat is now. The honourable member has a forked tongue. He has been rolled by the looney left once again. Where are his principles? What a hypocrite! How can a Labor member say he stands for the worker when he is prepared to support the ridiculous legislation that went through last year, the endangered fauna protection Act. He would allow jobs to be lost for the sake of not disturbing the odd possum. Some extreme environmentalists would oppose every form of development. Those people are parasites. They want to grow their marijuana up in the hills. They want to lock it up in wilderness areas and they want to get rid of the workers. The extreme environmentalists use resources as other members of the community do. They use toilet paper. They build houses out of timber. They have picket fences and use the products of the timber industry.

The honourable member for Manly has a wooden desk in his room. Why does he not get rid of it? Because he is a hypocrite. Extreme conservationists oppose people who invest money in an industry. They oppose decent, hardworking people who provide resources by working in the industry. They are sucking the life blood out of my electorate and country communities. They contribute not one brass razoo to those areas. Who fights the bush fires? Who helps to protect the timber and the fauna? Not the greenies. Coalition members stand for country people and country jobs. We should

Page 630

remember that the timber industry is as old as New South Wales. It is part of our heritage. The honourable member for Port Stephens tries to downgrade the worker but what about protecting our historic beginnings? If the timber industry had not been as well managed as it has been there would not be any forests for endangered species to live in. Hat Head National Park is in my electorate. All the combustible material is allowed to grow and then there is a hot fire which wipes out all the fauna and it then takes 20 or 30 years for the fauna to come back.

Without controlled forest management no fauna could exist. Complete burnouts occur in many national parks that are riddled with weeds and noxious animals. Animals common in urban areas are now amongst the species listed as being endangered. The only endangered species in this State are the workers. The Labor Party has forgotten its roots and has passed those responsibilities over to the National Party and some members of the Liberal Party. Noxious animal inspectors will also be prevented from carrying out their jobs. The 1080 baiting program, which is in danger, kills wild dogs and feral cats which prey on koala bears and other furry animals. The 1080 poison is applied in a strict measured dose on a 230 gram bait. In relation to body weight 1080 cannot kill birds and other animals because 150 times as much poison is needed to kill a chook as to kill a dog.

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

Mr JEFFERY: The Endangered Fauna (Interim Protection) Act, introduced by the Labor Party last December, is unworkable and makes illegal any activity which disturbs native fauna. The Act has closed down our regrowth timber industry. The Act does not define "significant impact", which could be the basis for future challenges of interpretation of the requirements of the Act. The bill is designed to give the forest industry a chance and breathing time to allow environmental impact statements to be prepared, as stated in the schedule, up to 1994. The threat to the logging industry is real. The honourable member for Blacktown said that no jobs had been lost. My workers are

up at the Social Security office and are unemployed. Mr Doug Head, praised by the honourable member for Blacktown, is reported as saying that politicians want corpses on the ground before they acknowledge that jobs have been lost through the endangered fauna legislation. He was amazed that the Opposition and environmentalists were still claiming that no jobs had been lost. Many other newspaper reports document jobs lost by council workers and timber workers at Kempsey mills who have been put out on the scrap heap. These people, their wives and children will not be able to buy shoes and will have to go onto social security. School teachers and others will leave those areas because of job losses.

Mr Turner: The Labor Party is anti-jobs.

Mr JEFFERY: The Labor Party is an anti-job party. I have lost 31 workers. Another 13 will go tomorrow at Coopers mill at Telegraph Point. One family has had five generations of timber workers, but the Labor Party has put them on the unemployment scrap heap.

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

Mr JEFFERY: In the Oxley electorate we have run out of opportunities and patience. We have effectively lost access to those areas of old growth State forests which were set aside in our forest strategy to maintain the industry pending the completion of environmental impact statements. Though the commission has applied for and obtained

Page 631

many licences to harvest regrowth forest areas, it cannot obtain licences for areas of old growth forest necessary to maintain the industry prior to undertaking environmental impact statements. In some districts this means that until environmental impact statements and fauna impact statements are undertaken most of the resource base needed by industry will not be available. Several environmental impact statements on the forests in the Oxley electorate, some on private land, are at various stages of development, as are fauna impact statements. Forestry covers more private land than commission land. The Opposition is closing down all the small operators in the private sector. Fauna impact studies can take up to six months. How will those operators live - on fresh air and sunshine? The current shortage of log supplies could continue for some time, but in Kempsey, where old growth forest is a significant resource, major logging operations have ceased.

I challenge the honourable member for Manly and the honourable member for Blacktown to visit the Oxley electorate and talk to those who have lost their jobs, to find out what the Endangered Fauna (Interim Protection) Act is doing. We now seek your support not to amend that Act but to pass the proposed legislation tonight to safeguard the industry in the short-term until environmental impact statements are prepared. The honourable member for Blacktown said jobs would not be lost. The people in the Oxley electorate want to talk to her to give her the full picture. She would be able to see the number of industries affected by legislation introduced by the Labor Party and supported by the Independent greens. They could talk to the tree fellers, the truck logging contractors, sawmilling staff, fuel and oil suppliers, Hastings Tyre Service - half of its work is with the timber industry - fitters, mechanics, auto repairers, spare parts suppliers. The list goes on and on. Nestles, with 116 workers, put in a \$2 million fuel generator that uses sawdust; to change that generator over to another fuel would cost another \$1.7 million. What about Boral Bricks and United Dairies in Kempsey and MidCo Abattoirs at Macksville using sawdust? So many by-products and jobs are at stake. It is not just the timber workers; it is the flow-on effect on shopkeepers, school teachers and everyone

else in country towns. Families will suffer trauma, divorce, and even suicide, from the pressure that the Labor Party and the Independent greens have created by their legislation.

The timber industry has been prudent for many years in protecting forest resources and has not destroyed animal habitat or fauna in its wake. Most forests being logged in the Oxley electorate are regrowth forests. How can selective logging of regrowth forest wipe out fauna? The plain fact is that it cannot. The bill will give breathing time to the industry. The Labor Party's Endangered Fauna (Interim Protection) Act is flawed, poorly constructed and open to challenges of interpretation. What does "significant impact" mean in the Act? How is anyone to know the intention of the legislation? In short, the Labor Party's legislation is indefensible. I agree with the honourable member for Monaro that it should be replaced by workable, commonsense, practical guidelines for the preservation of our timber resources for the industry itself, causing minimal interference to the environment, including our native Australian fauna. The honourable member for Manly must be made to understand that his folly in voting for the Endangered Fauna (Interim Protection) Act in December has placed in jeopardy not only the timber industry but many other legitimate activities. For instance, many country doctors will also be put out of work. It is about time the Parliament put sanity back into this debate.

I urge all honourable members to examine the proposed legislation and to support it on behalf of the forestry industry. We need to work together in a bipartisan manner to ensure that the timber industry in this State, in particular in the Oxley

Page 632

electorate, continues to function in an environmentally and economically responsible manner. The bill is designed to enable forestry operations to continue while environmental impact statements are completed. I congratulate the Minister for Conservation and Land Management for bringing forward the bill. The Oxley electorate depends on the proposed legislation being passed without amendment. We do not want to hear any further talk from an Opposition which then returns to the caucus room and does double flips. The loony left is leading the New South Wales Labor Party, led by Mr Carr. It is about time members opposite stood up to him. The National Party and Liberal Party support the workers of this State. Tonight and tomorrow members opposite will have a chance to prove themselves. They will be put to the test and we will see where they stand. The Opposition has proposed an amendment to the bill to set up a commission. That proposal would be like putting Dracula in charge of the blood bank. The Opposition is endeavouring to tear the legislation apart because it realises this is good legislation. The honourable member for Port Stephens said earlier, "We will look after you". What rubbish! In conclusion, the Timber Industry (Interim Protection) Bill will preserve the moratorium. [*Time expired.*]

Dr MACDONALD (Manly) [9.39]: In introduction I point out the obvious: my electorate does not have any forests or timber workers. For that reason I approach this debate from a different direction and I make no apologies for that. This debate is an absolute fiasco. It is the worst example of legislation by compromise, and I blame both the old parties for it. It has been a litany of compromised legislation, legislation on the run, which has not been thought through. It is sad but that is the case. Wrinkles may have been present in the endangered species legislation because that was done on the run but equally this has been done on the run and has many wrinkles.

Mr Schultz: The honourable member voted for it.

Dr MACDONALD: We all voted for it in the end. I remind honourable members of the saying, "O! what a tangled web we weave when first we practise to

deceive". That is exactly what has happened here, with the Environmental Planning and Assessment Act being abused. Now we have layers of legislation over the top - the endangered species and now this legislation. This is becoming an absolute mess. The Liberal Party and National Party claim that they are supporting the industry. The Labor Party claims it is supporting the workers. As an Independent, I am not part of that ideological psychosis.

Mr ACTING-SPEAKER (Mr Chappell): Order! I call the honourable member for Burrinjuck to order.

Dr MACDONALD: I am happy and proud to represent the environment movement, the next generation, the unborn Australian, honourable members' children and grandchildren. We need to commence thinking about those people. Governments and political parties are great at short-term decisions but do not make long-term decisions. That is the sadness of this stage of the debate. The provisions of part 5 of the Environmental Planning and Assessment Act have been in place since 1979. The Forestry Commission has acted illegally for years. The Minister admitted that two days ago at a meeting. The Forestry Commission has been exposed over a series of events - North Washpool, Chaelundi, the Court of Appeal case and the endangered species legislation. All those have exposed the Forestry Commission for what it has been doing.

Page 633

This legislation will be passed, with or without amendments, but the public must be informed that the Forestry Commission has been acting illegally over the years, and we should not forget that. In my view the Forestry Commission has responded by using the workers as a form of blackmail. The way workers have been threatened with job losses is disgraceful. The Forestry Commission has engaged in a form of timber strike and it is an absolute disgrace. It is using them like Roman shields in battle. It is sad but the workers have been pushed up front and threatened with job losses. And now we have this pathetic bill before us. The Forestry Commission has threatened to suspend jobs and to close down timber operations and mills. That is all because the Forestry Commission has been acting illegally. That is absolute fact. It is a beat-up by the National Party as well. We have all these intellectual dwarfs opposite.

Mr ACTING-SPEAKER: Order! The honourable member will address the Chair with less interjection across the table.

Dr MACDONALD: This bill is seeking to entrench illegality. I ask the Minister to respond to that in his reply. That should really be the headlines in the media. We have a perfectly good environmental protection Act which has been abused over the years. It has been in place for 13 years and part 5 is perfectly acceptable. I ask why the Forestry Commission is suddenly above the law and why a further Act of Parliament is being created to give the Forestry Commission an edge over everyone else. The main roads people or those wishing to build a dam are bound by Part 5 of the Environmental Planning and Assessment Act yet the Forestry Commission is not. How is it that the Forestry Commission is able to get away with it? We have had this talk of the so-called triple jeopardies. This is an interesting concept because we all face jeopardies when we do any activity. We are all bound by the laws of the land and not only one, but several. Perhaps statute obstacles would be a better term. Of course we should be bound by statutes and the obstacles within them. However, we have the Environmental Planning and Assessment Act and it is appropriate that the Forestry Commission should have to address that.

The endangered species legislation calls for fauna impact statements. The National Parks and Wildlife Act also must address the question. Why is it that suddenly the Forestry Commission is not required to address all those? The Minister for the Environment said recently that the commission had to jump through three hoops, so we should remove the hoops. The Forestry Commission should be left to deal with the National Parks and Wildlife Service. It is a bit like comparing the driver who must watch his speed, alcohol intake, car insurance and registration. What is the difficulty? Why should the Forestry Commission suddenly be exempt from certain laws? This legislation seeks to put the Forestry Commission above the law. The question of jobs has been the subject of disinformation. I have yet to hear and see a true evaluation of those job losses. I do not believe that the facts have been disclosed. Also, I believe that at worst several hundred jobs may be lost.

Mr West: And is that okay?

Dr MACDONALD: It is not okay but I should like to tell this House that in my electorate unemployment is a lot worse than in many of the country areas. Honourable members opposite may say no; they would be surprised because they do not know their facts. Unemployment in the Manly electorate has gone from 6 per cent to 12 per cent in the past 12 months. In my electorate 800 jobs have been lost in the past two years. I suppose that does not matter? A few hundred job losses in the logging industry matters but let us get selectively into this debate. What about the 7,170 jobs that have been lost

Page 634

in the public service in the past two and a half years? Those are the facts and I have checked them. It seems that the metropolitan area is exempt from consideration yet it has taken enormous job losses - and the coalition Government is responsible for that. I do not wish to see one job lost, however, a few hundred jobs may be the price that has to be paid for the Forestry Commission to comply with the law. Once it complies with the law those jobs will return. This is not a level playing field and that element of the debate must be addressed.

I wish to address a matter in general terms. I ask whether it is appropriate that we should change the law or in fact change the criminal? I ask honourable members to think about that because this is what we are actually doing. This bureaucracy has broken the law and has been acting as a criminal and we are saying, "Look, let us just change the law". I suggest the wrong issue is being addressed. The Forestry Commission must be made more accountable. This bill should not be passed but the question of setting up a forestry board should be considered to keep the Forestry Commission in line. This bureaucracy has come under enormous pressure. The Public Accounts Committee has criticised the Forestry Commission. It may well be that this has a historical context. I am not insinuating that any individual in the Forestry Commission is responsible. The Forestry Commission has been acting illegally and has been criticised from many directions. Let us get to where the problem lies. Let us bring the Forestry Commission under some sort of control. A forestry board is needed to examine forestry management and address ecologically sustainable development. The direction taken by a forestry board would be to move away from forests with high conservation values and into softwoods. The formation of a forestry board would allow an external audit of the Forestry Commission, for public participation and third party rights. That is the direction in which we should be moving. We should not be seeking to legitimise illegality, which is basically what the bill seeks to do.

Mr Fraser: The honourable member's attitude is criminal.

Dr MACDONALD: I do not understand how I am acting criminally if I am

exposing the truth. As I said, the bill seeks to legitimise illegality. It also seeks to suspend part 5 of the Environmental Planning and Assessment Act. Such action not only defies a good Act but creates an unlevel playing field where all but the Forestry Commission must address part 5. The bill also emasculates the National Parks and Wildlife Service. It removes the power of the service to issue stopwork orders.

Mr Fraser: Emasculating.

Dr MACDONALD: Indeed it is. The bill also removes the industry from the provisions of section 111 of the Environmental Planning and Assessment Act. I shall be moving a number of amendments to the bill, one of which will seek to retain part 5 of section 111. The bill should be rejected totally. The Forestry Act should be amended to provide for a forestry board. I am flagging that I shall be voting against every clause of this bill and shall be moving amendments in Committee, if the bill passes through the second reading stage.

Mr COCHRAN (Monaro) [9.52]: On a number of occasions during the past four years I have spoken in this House on behalf of the timber industry workers of New South Wales, particularly those in the southeast forests. This bill represents the first opportunity that both sides of this Parliament have had to enact legislation which may come to be the saviour of the timber industry. I should like first to refer to the political situation and to make passing reference to the demonstration that occurred in Macquarie Street outside the House today.

Page 635

Mr Fraser: The workers.

Mr COCHRAN: That is right. Who were the people who were demonstrating? Let us analyse exactly who they were. They were not members of the blue-rinse set from Woollahra. They were not farmers; I did not see any elastic-sided boots. They were not developers; I did not see any white shoes. The demonstrators were the Australian workers, the traditional supporters of the Australian Labor Party. They were people who have voted Labor all of their lives. No wonder the honourable member for Campbelltown is leaving the Chamber! He is ashamed of what has happened. He was about to walk out the door but he has decided to remain in the Chamber. I am pleased he has, because I want him to hear that traditional Labor supporters have deserted the Opposition. Honourable members are witnessing the crumbling of a political empire, the rubble of which will shake the graves of Curtin, Chifley and Lang. They would roll over in their graves if they knew what happened outside the gates of Parliament today.

The shadow Minister claimed that some Government members may have been a little emotional, even hysterical, about the fact that forest workers in our electorates will lose their jobs. Let me tell the shadow Minister that I have no shame at all about becoming a little emotional or even hysterical because the Federal Leader of the Australian Labor Party, Paul Keating, has put one million people out of work. He has done a top job; he has made an art form of it. It is no wonder that the traditional supporters of the Australian Labor Party have deserted it. Today, 5th March, is a special day. This is the day on which I will claim that the National Party and the Liberal Party took over the representation of the working class people of Australia. This day should be celebrated each year. This is the day that the Australian workers deserted the Australian Labor Party and we took over. We will make 5th March a day of national celebration.

I should also like to make brief reference to the fact that in her speech, the shadow minister could not even get the names of the unions right. I am surprised that after the negotiations she has had in recent times, she did not know that the Timber Workers Union no longer exists and has in fact become the Construction Forests Mining and Energy Union. I am pleased to see Gavin Hillier in the Chamber. He has demonstrated that he is a leader of the working people in the southeast. I am proud to be associated with him. I was pleased to stand alongside him outside Parliament today, and I was pleased recently to stand alongside Ernie Ecob, with whom I have shared the odd bun fight about the wide comb issue. Ernie had the guts to support the timber industry and I admire him for that. This bill is about saving jobs. We really need to analyse the real cause of the present problems. Why are honourable members debating this bill? It is not because of the Environmental Planning and Assessment Act. Honourable members should not be led astray by that little story. It is because of a vendetta, a political campaign that has been run by the green group for 20 years and culminated on 17th December, 1991, with the passing of the Endangered Fauna (Interim Protection) Act. That is where it all started. Let us clearly lay the blame at the feet of those who are responsible. They sit on the other side of the House. Who introduced that bill? It was introduced by Pam Allan, the shadow minister for the environment. Let us place that on the record.

Mr ACTING-SPEAKER (Mr Chappell): Order! The honourable member for Monaro will address his remarks through the Chair.

Page 636

Mr COCHRAN: It is nice to become excited and emotional about something that is as important to Australian workers as this bill. Let us place the blame directly where the responsibility lies. I refer first to a person named Tim Robertson, the guru of the greens, a latent latter day green version of Rumpole of the Bailey. I refer second to Pam Allan, Bob Carr's forest nymphet, the hairy version of Peter Garrett of Midnight Oil. Third, the responsibility lies fairly and squarely at the feet the Australian Labor Party, the immediate past representatives of the Australian workers, the Claytons associate of the unions. Those are the people who are responsible for this bill and for the likely loss of 6,000 jobs. Who are they? They are the lot on the other side of the House, the Australian Labor Party. Let us get that on to the record so that Hansard does not miss it. Let us tell Gavin Hillier and the rest of the working people exactly who is responsible for this inane piece of legislation.

Ms Allan: Is that the analysis?

Mr COCHRAN: My analysis will not take me two and a half hours, as yours did. It was the greatest load of nonsense I have heard in this House in the four years I have been a member. The bill is also about job creation. A fellow by the name of Formby put forward a proposal for job creation in the southeast forests. We thought, "Beauty, we have one million people out of work, we can give jobs to some of those". That is not what the proposal was for. The jobs he intended to create were for the people who were going to lose their jobs. But hang on - the shadow minister told us there would not be any loss of jobs. Is it true or is it not true? I shall tell honourable members opposite about the loss of jobs. We might have to bring the carcasses of the workers here to prove to the shadow minister that there will be losses of jobs. Do honourable members want to know about the jobs that will be lost? Does the honourable member for Campbelltown want to know? I could talk to you about the ballot-boxes out at Camden. Do you remember that one?

Mr ACTING-SPEAKER (Mr Chappell): Order! The member for Monaro will address the Chair.

Mr COCHRAN: That would be worth talking about. We will not miss you in the House, do not worry. Where have the jobs been lost? I can tell honourable members. They are detailed on a sheet I have. These figures are not taken from the Forestry Commission. A pro forma was sent to all of the mills, including the chip mills, and contractors in the industry. They had to fill in the pro forma and return it to indicate exactly where the jobs would be lost. I would like to have the attention of the shadow minister, because this is important. This is what the debate is all about; it is about the jobs that her legislation will cost in this State. They are all numbered. Loggers on the North Coast: loggers, six jobs; loggers and millers three jobs. If the shadow minister can count, she will find that the total is 302 jobs that will be lost. Do Opposition members believe it? They had better because it is true and the Opposition will pay the penalty for it at the next election. The shadow minister made a noise like that made by Paul Keating. She must have picked that up when watching television tonight. It must be a catching disease among Australian Labor Party members.

Jobs are being lost in the timber industry. The jobs that are being lost are in electorates such as Coffs Harbour and Oxley where unemployment levels are about 25 per cent. Apparently that does not concern the honourable member for Manly because unemployment in his electorate is only 12 per cent. It is not so bad on Manly Beach. The member for Manly is doing fairly nicely. He mentioned also that in the past four years some Government employees had lost their jobs. And so they did, because a lot

Page 637

of them had nothing to do. They were sitting around and being paid for doing nothing. I feel no shame at all about that matter. They received redundancy packages. What will the forest workers get? They will not get a red cent. What plans does the shadow minister have to give redundancy packages to the 6,000 people she will put out of work? Under her plans they will get not a cent.

Mr ACTING-SPEAKER (Mr Chappell): Order! I call the member for Swansea to order.

Mr COCHRAN: This bill is about job creation. When a million people are out of work one would have thought that in the Keating economic statement some plans would have been put forward to assist in the protection of jobs in the forest industry. How much did the forestry industry get out of the Keating economic plan? Can any honourable member tell me that?

Mr Schultz: Nothing.

Mr COCHRAN: They did not get a cent. At a meeting in Eden recently attended by 1,500 people we asked the Federal member for Eden-Monaro what he thought of Bob Carr. I would tell honourable members what he said, but this is not the right place to repeat the language he used.

Mr ACTING-SPEAKER (Mr Chappell): Order! The member for Burrinjuck will have his opportunity to speak in the debate.

Mr COCHRAN: I could tell honourable members also what the Federal member for Eden-Monaro thinks about the shadow minister for the environment. That was not pleasant either. At that meeting were 1,500 former Australian Labor Party supporters. They asked Jim Snow how much they would get out of the Keating Federal

economic statement. They did not get a cent, those 1,500 former supporters of the Australian Labor Party. At that meeting in Eden a proposal was put forward to develop a concept for the establishment of a paper mill by the year 2000, a positive suggestion for the timber industry to secure the future of workers in the forestry industry. That proposal was ably supported by our Minister for State Development and Minister for Tourism, Michael Yabsley, other members of the National Party who attended, the Australian Labor Party members who were there and the unions. We all agreed that there needs to be long-term security in the timber industry in the future. That is the type of proposal that the bunch of morons on the other side of the House cannot come up with. We are talking about establishing jobs for the future of our children and grandchildren, not about taking jobs away from people. We are talking about developing the prospect for future jobs. I understand why this bunch of morons on the other side of the House are losing the support of the Australian Labor Party members they traditionally had for many years.

What jobs will this bill save? In the community it will save the jobs of the people that we know for sure are threatened at present and also the jobs of future generations. There are young workers of the future who do not have jobs at present. If we allow the timber industry to develop and create new jobs, there will be greater opportunities for future generations. That is the other matter that should be taken into account by members opposite. In the time available to me I shall refer briefly to the stopwork orders. We were told by the shadow minister for the environment that only one stopwork order was issued. She was quite right, but one would have thought that in two and a half hours she could have got it right more than once. That is a copy of the stopwork order that I show honourable members. Do members know why only one was

Page 638

issued? I shall tell them: because pressure was brought to bear on the Australian Labor Party by the unions, the National Party and the Liberal Party. Members from this side of the House brought pressure to bear on the Australian Labor Party and it hurt. We hit them right in the solar plexus and they did not like it. Honourable members opposite saw the workers in the street today; that is why no more stopwork orders were issued. We put the pressure on and it jolly well hurt. I can assure honourable members that no more stopwork orders will be issued.

Mr ACTING-SPEAKER (Mr Chappell): Order! If Opposition members wish to speak in the debate, they should seek the call.

Mr COCHRAN: The Opposition had plans under the Endangered Fauna (Interim Protection) Act to issue stopwork orders at every coupe. We stopped that midstream. [*Time expired.*]

Mr WINDSOR (Tamworth) [10.7]: I support the legislation, but do so with some remorse. I feel that we have been down this track before. I agree with the honourable member for Manly that it is important to get it right this time. This debate not only involves the political futures of some members of this House who, in my view, got it wrong last time but involves the jobs and family security of many people and the environment in which we all want to live. Like other members, I attended the meeting on Tuesday night, which in my view was a complete waste of time. In that respect my view differs from the opinion of others. One of the comments made at the meeting was by Evan Ford, a sawmiller from the north of the State. He said that whatever the Parliament decided to do - and I do not think he had faith in any politicians - the timber industry should be informed of it, because they are unsure about their future. People are trying to make investment decisions, meet loan repayments and plan for the future. In an uncertain environment such as that in which they work, it is almost impossible. It is

imperative that we get it right. I agree with the honourable member for Manly that the whole thing is in a complete mess. I support the legislation with some fear, because essentially the debate has been hijacked by extremists. I do not regard that as being to the benefit of anyone in the timber industry or, in the long term, the environmental lobby. As I have said on at least one occasion in this House, when a family is under extreme pressure, its environment suffers. My fear is that we are going too far, too fast, particularly at a time of economic recession.

After the meeting last Tuesday night, the consensus of opinion was that there should be a future for the timber industry. There were differing opinions about how this might be achieved. Some extreme positions were discussed at that meeting. The important aspect of the debate this evening is that the signal that we send to the industry, the environmentalists and the community at large, must be understood and, more important, manageable by the government departments which will be required to administer the legislation. I objected strongly to the Endangered Fauna (Interim Protection) Act when it was debated previously in this House. I believe that it was environmentalism gone mad at the end of a week of environmentalism that had gone mad on both sides of this House. The fact that we are debating the same issue again supports the view I held at that time. It makes a lie of the claim by some honourable members that the Endangered Fauna (Interim Protection) Act would stop confrontation. Quite obviously it has not. In my view it was not intended to do so. That legislation was, and still is, a fraud. It was designed to promote confrontation; not to stop it. It was built on a similar premise to the confrontationist principles of the Environmental Protection Authority, that of extreme Gestapo-like tactics to bludgeon industry into submission.

Page 639

The warning signs being relayed from industry - and not only the timber industry - are that, particularly in times of recession, business cannot continue to operate. Despite the fact that the timber industry is worth \$2 billion annually to the State, it cannot continue to operate or to employ - even though at present it employs 16,500 people directly. The timber industry cannot continue to pay the interest bills to which we have committed the productive sector. It cannot afford to maintain a standard of living that we all expect with our standard of living. The member for Blacktown, in her rather lengthy dissertation tonight, seemed to hold the view that the body must be dead before we recognise that it is sick.

How many people have to lose their jobs before we concede that there are problems in the industry? As I have said before, this demarcation issue could, in political terms, change the focus of the traditional political debate. We are witnessing a demarcation between city and country members, irrespective of their political persuasion. There is a real risk of misunderstanding on both sides, particularly in relation to environmental issues in country areas by city-based politicians. I do not believe they understand it at all. The member for Manly is the perfect example. The decision this House takes today will have two important consequences. If this legislation is passed, it will give the Government and the industry a breathing space and allow industry to keep operating while the long-term planning and administration of forestry and land use is determined at a more sensible pace. It will underpin an employment level within the timber industry - which is critical to the 29 towns that are more than 50 per cent dependent on the timber industry and, by various economic linkages, to the well being of city dwellers and Australia generally.

The honourable member for Manly commented that in his electorate there was substantial unemployment. That comment emphasises the difference between city and

country members. I do not believe he has stopped to think about why there is rising unemployment in the city areas now; why governments are having to cut back on public services. I do not think they do so because they particularly like doing it. The reason for the unemployment - and the signals were sent out loud and clear some four to five years ago in country areas - is that we have priced ourselves out of the market; we have bludgeoned the productive sector of this country so that it will not invest and will not employ. It has almost reached the stage where it does not want to work - like others in the community. And why would we blame it? That is the reason for unemployment in city areas. That is why Manly is at last being impacted upon by the very symptoms which have impacted upon most country towns and cities for a number of years.

The country needs a productive sector that can get on and work. I believe that most people in this country want to work. I do not believe that any political party in this House actually represents the productive sector. It highlights the division between the country and the city; and the division between those who want to work and those who want to stop from working those who want to work. My electorate does not contain a lot of forest area but I have been contacted by a number of people who have knowledge of it. One instance worthy of mention is the visit I received from a quite successful logging contractor who was intending to purchase a new prime mover for one of his logging rigs. He approached the Commonwealth Bank for a loan but was refused finance - not because his asset liability statement was out of order; not because his current cash flows were out of order; but because he was involved in the timber industry. According to the bank manager, the bank was taking a close look at the future of the forest industry and was concerned about lending that fellow the money. We must send the correct signals, because we need such people out in the community.

Page 640

If this legislation is defeated, those who support its defeat must fully understand the implications of such a decision. They will be deciding not only the future employment of many thousands of workers and the future of many country towns but also the future operation of the timber industry. The extension of the political debate into the productive sector is my great concern. I view this as the start of the denigration of the productive areas within this State. If the legislation is defeated, the consequences relate not only to a few timber workers and a few sawmills here and there; it may trigger economic consequences across the State. It could quite possibly have major implications on investment decisions, not only in the timber industry but across all productive industry. The Endangered Fauna (Interim Protection) Act has the potential to destroy the \$2 billion a year industry for the State and impact on many other productive sectors, such as agriculture and mining. It also has the potential to affect the decision-making processes of local government and State departments.

The tunnel vision which some of the extremists seem to have in relation to environmental debate clouds the economic linkages which exist in this State. It is obvious to all now - as it was to some of us in December - that the legal linkages between the Environmental Protection Authority and the Endangered Fauna (Interim Protection) Act will lead to major industry shutdowns. It is obvious now that the legislation was hastily prepared with too much notice being taken of extremists. Now is the time to reconsider; to introduce some common sense into the debate; and to give the timber industry and those tens of thousands who depend upon it for their sustenance a breathing space - so that a rational approach is adopted with regard to solving the problems.

I am not against wildlife or conservation generally. I am a member of a koala protection group, and for many years I have been involved in attempting to exterminate

the fox, pig, and feral cat and dog populations. While environmentalists and some Labor politicians continue to squabble about which native animals and birds are threatened and why they are threatened, foxes, feral cats, pigs and goats are eating their way through Australia's unique wildlife. Some radical conservationists and misguided Labor and Independent politicians are using endangered species as an excuse to close down the timber industry and restrict development in rural New South Wales, while ignoring the very real threat to endangered native fauna which is disappearing because of introduced species. On 12th December last year during debate on the Endangered Fauna (Interim Protection) Bill, the Minister for Conservation and Land Management made a valid point when he stated:

None of the currently endangered fauna have become so endangered as a result of forestry activities. It is well to remember that no species of fauna is known to have become extinct or endangered as a result of forestry activities anywhere in Australia.

Where are the John Corkhills of the world in attempting to do something constructive? Their view is to lock up the forest and to let predatory imported animals breed prolifically, and eventually wipe out our native species. Would the honourable member for Blacktown, and for that matter John Corkhill himself, support the proposal of the honourable member for Burrinjuck to have a \$10 bounty on foxes and feral cats? I think that is a constructive way of helping our native fauna. I am not against conservation. I was involved with the total catchment management concept when I was an adviser to a former Minister for Agriculture, Jack Hallam, but I believe that the way to make progress on environmental issues is through community involvement, not through police tactics as proposed by some extremists through this House. Let me conclude by re-emphasising that this bill is about the interim protection and the ultimate survival of the timber industry. It is not a bill for the next 10 years. Rather, it provides breathing space for those who work within the industry, and it should be supported by all honourable

Page 641

members. Those who do not support it do so in the knowledge that they are eroding a productive base that has become so precious to this State.

Mr HATTON (South Coast) [10.22]: At one time the South Coast electorate covered 300 kilometres, from Nowra to south of Tathra. I have watched the forest industry shrink southwards. Jobs were shed and mills closed at a time when the environment was not a big issue. Some jobs were lost through mechanisation, but most were lost through resource overcut. There was horrendous waste and bad management of resources by the Forestry Commission, yet the market in the 1950s, 1960s and 1970s was good. The prices and the profits were good and the royalties were low. We must form a long-term view of what has happened and put the situation in context. As Danny Kaye said, "This is a picture that starts in the middle and ends in the middle for the people who come in half way through". Unless this issue is seen in that context, and we learn from past mistakes and look to the future, we are wasting our time.

The environmentalists cannot be blamed for the shrinkage of the timber industry at that time. The person to blame, perhaps, is my predecessor, Jack Beale, a former Minister who, against forestry advice from his own department, sold too much saw log quota. I do not know what the motives was - perhaps to keep cutting as there is plenty more. Areas were set aside for national parks which, together with wildfire, reduced resource and sustainable yield, became overcut. Mr Beale promoted Harris Daishowa to provide a partnership of Australian and Japanese technology which would bring about a revolution of wealth and utilise the whole tree except for the sticks, the bark and the leaves. Of course, that was a lie. The joint venture was able to use products of the forest which could not be used previously. The Australian component was dropped from

the partnership. Clear felling became rampant. Eucalyptus sebrii and other species grew like weeds. The cubic metreage of fuel was extremely dangerous. There was gross environmental damage and huge areas such as Nadgee became clothes props and mine-sized timber, which was uneconomic to thin. Areas such as those south of Eden were created by wildfire and clear felling and were the result of the Victra mowing policy.

The seeds of conflict were set in the forests of New South Wales. Conflict was inevitable. When the Environmental Planning and Assessment Act was passed, environmental planning laws were flouted. In the South Coast a large timber company obtained timber on the cheap. The infrastructure was paid by the State, as highlighted recently in a report by the Public Accounts Committee. The resource was underpriced, and that affected the ability of the Forestry Commission to man and to manage the forests. The Environmental Planning and Assessment Act caused a revolution within local government and organisations affected by local and State planning, but not within the Forestry Commission. The National Parks and Wildlife Service was blinkered, mismanaged, underresourced, and incompetent, and was not able to ensure proper management so as to preserve the wildlife. Two monolithic government departments were out of touch with reality and with each other. They were doing their own thing, and that is a recipe for disaster. Conflict became warfare, and as with all warfare, the first casualty was truth. The victims were the public interest, the environment, and those whose jobs rested with the timber industry.

Members who spit words at each other in this Chamber, supporting one side or the other, overlook the causes of the problems and are blind to the real responsibility, which is to identify the underlying problems. Bureaucracies should be restructured to make them accountable and to safeguard the interests of the State to make the best use of resources. The resource should be priced to cover infrastructure costs, timber management and replacement. Research and development should be encouraged and

Page 642

long-term plans formulated to husband the shrinking old forest resource. The industry should use research and development to get into the value added areas. There should be policies at both State and Federal levels to encourage such people as Mr Head, who spoke so well at the meeting on Tuesday night. We should diversify into softwood and hardwood plantations and husband the soil, water and wildlife with proper environmental impact statements, fauna impact statements, and management plans. If these steps had been taken previously the citizens of New South Wales would not be hurling abuse at each other and members of Parliament would not be looking for someone to name and blame. Harris Daishowa, which was able to pull out three times more than what is a reasonable profit, would have been forced by a State and Federal structure to provide for the thinning of the forests and the resources to assist the Forestry Commission. That would guarantee saw logging into the future. As part of the price of that resource, Harris Daishowa should have been forced to help us plan for the future, and to safeguard the future of those involved in the timber industry.

The timber industry is living on borrowed time. There are one million hectares of softwood in south China. Chile, Spain, Portugal, Brazil and other countries are using genetically improved species of seeds to grow huge plantations which, with their even yields, provide dangerous competition for the woodchip market. Those who have installed the technology that can deal with the small logs as Davison Herbert has done on the South Coast, make better use of small timber. New Zealand is in competition with our softwood market; Bombala is many years past the prime time for thinning. Where is this State's assessment? Where is this State's long-term plans? Where is this State's land management strategy and resource security? That is what the industry wants to know; that is what the thinking citizens of this State want to know; and that is what the

parliamentarians who are really looking at the long-term future of this industry want to know. I am the first to admit the interim fauna protection bill has caused problems.

Mr SPEAKER: Order! There are too many conversations going on in the Chamber. If members wish to engage in lengthy conversations they should do so outside the Chamber.

Mr HATTON: It came about because of the failure of both the National Parks and Wildlife Service and the Forestry Commission, as well as successive governments, to live up to their responsibility. Court cases brought about an entirely new ball game. There are admissions of the law being broken by the Forestry Commission. There was a crisis. Who is to say how you judge that crisis? Do you run the risk over the Christmas period of mounting a successful court challenge and mills closing down altogether, or do you try to cobble together something and do something about it? I was involved in drawing the parties together to try to thrash out a solution around the table. I am not ashamed of that. I had a go. If there are problems in that Act then I am prepared to take some responsibility. But I am also prepared to take responsibility for acting in a responsible way and saying that to do nothing was not an option. I may have been wrong, but I do not think I was. The bill was not perfect. It had its initial troubles. Finally, the National Parks and Wildlife Service worked at issuing licenses. The old ways and the old rivalries, however, did still smoulder.

The Government was in a new ball game. People can name and blame, comment and do what they like; but we are in a new ball game. The legislation had its genesis in the Opposition - it was not Government legislation. The Opposition had responsibility for carrying that legislation. At Tuesday's meeting one of the observers made the spot-on comment that it was a new ball game. If it had been Government legislation it would have grown up through the Government ranks, it would have been

Page 643

promoted by the Government, it would have been explained by the Government, and people would have known the ball game. That did not happen. Consequently there was overreaction, and very cautious reaction from forestry and local government. There was game playing to frustrate the Act, but I do not offer that as an excuse. There are recognised weaknesses in the Act and that was bound to occur in its hasty formulation of the legislation.

Following the threat of widespread closures I spoke to peak conservation groups; I inspected sections of forest at Eden and Bombala; I met with loggers, senior officers in the Forestry Commission, contractors, mill owners and their supporters, and a union representative. I also recently met people from Kempsey on the North Coast. I am impressed by the problems. I am not prepared to throw jobs on the scrap-heap. When I see people whose palms resemble treads on car tyres, and anyone who works in some of the mills which were aptly described - and I will not repeat the description which was given to us - by the timber industry workers union, which I am reminded has a new name, I am not prepared to say to them, "You are out of a job". I am prepared to look at a solution. I am prepared to look at the Act and judge it on its merits. I think it has gone too far. I want to discuss some amendments with both sides and make up my own mind about them. There are some amendments which I want to discuss with both sides and make up my own mind. But something had to be done.

Together with the Minister we convened a meeting of the parties. It was historic. I believe it was not a waste of time, as the honourable member for Tamworth stated. People were talking to each other and not at each other and not across no man's land. Some understanding will result. These historic problems cannot be overcome in

one, five or ten meetings. But if we do not talk the problems will never be overcome; that is what it is all about. The key issues are resource security for investment for the industry, responsible land management and mechanisms for dispute resolutions. There is no point in this name and blame exercise, saying that those who oppose the Forestry Commission and wish to conserve their forests are dole bludgers, yuppies, impractical, ignorant or non-caring people; or that those who are pro-loggers are destructive, irresponsible, and insensitive; and that those on one side are hard working and those on the other are not. Both sides are made up of Australians. Both sides have legitimate viewpoints. Both sides have legitimate needs. Both sides deserve the respect for the arguments that they put forward and a consideration of their case in depth. On both sides there are irresponsible elements. On both sides there are people with whom I would not like to identify, nor would many people in this Chamber. But one side or the other must not be tarred with the same brush as those who I believe act and speak irresponsibly.

I hope that I have presented a balanced view, that I have expressed my concern about jobs. I have looked at the Formby report. I was one of those who brought about that report, who said to the conservation movement, "You have to look at this". At that time before The Entrance by-election, it looked as though my vote would be the one that counted, and that was a big responsibility. When the Formby report came out I examined it. I examined the criticism of it. I examined the criticism of the criticism. I tried to weigh up the claim and the counterclaim. I realised that we need an agreed information base. There is a lot of distrust, but we are light years away from where we were six months ago. There is a change of attitude within the forests ministry and within the Forestry Commission. There is also a change of attitude within the environment portfolio and within some of the conservation groups. We should recognise that. I leave honourable members with a message of hope. Let us not pour fuel on this conflict. Let us look at our long-term and short-term responsibilities and endeavour to heal the wounds and get on with looking at the long-term future of this industry and husband the environment.

Page 644

Mr SMITH (Bega) [10.37]: This debate typifies what has been going on in the timber industry for the last 25 years. I am surprised and confused by the fact that members of the Opposition representing country electorates are not taking part in the debate on this bill. The honourable member for Blacktown led for the Opposition in the debate. The honourable member for Manly also took part in the debate. These people represent the problem we have in the whole of the timber industry. The honourable member for Manly said we on this side are intellectual pygmies. I can only say to the honourable member for Manly that he is a giant as far as ignorance is concerned. The problem is that many city people have not been down to the timber areas to see how it is logged in practice. The honourable member for Blacktown ought to get down there and have a look. She is formulating bills on the run. She does not know what goes on in practice. She should not sneak down there with the environmentalists; she should be upfront about it. If she has a look she might learn something. I have been involved in the timber industry down the southeast forests for the last 25 years. I have seen all the problems developing from a stage where the industry was basically very profitable, and very well run to the stage they are at now where the industry is restricted by ill-considered laws passed by this Parliament, which are destroying any efficiency the industry may have had.

The problems started in the southeast forests. As the honourable member for Murwillumbah said, the whole thing started with Jarasius' case over the Environmental Planning and Assessment Act. Earlier the honourable member for Manly said that the

Forestry Commission was breaking the law. I can assure him that the Environmental Planning and Assessment Act was introduced for the purpose of controlling developments such as power stations, dams and those that had a starting point and a finishing point. It was not brought in to interrupt forestry, which is a continuous operation, similar to farming. Timber is a crop that is harvested year after year. In Jarasius' case the Land and Environment Court interpreted the bill to include forestry. Therefore, an interpretation of the court was the start of the problems in the forestry industry. The court found that anything that had a significant impact on the environment must be the subject of an environmental impact statement. As a result of the decision in Jarasius' case the only forest areas subject to environmental impact statements are the southeast forests. The Endangered Fauna (Interim Protection) Act has disorganised the North Coast forest industry. Environmental impact statements need to be done on North Coast forest areas, and that is the reason we are debating this issue today.

The honourable member for South Coast said that the timber industry has been diminishing in the Bega electorate since he has been a member of Parliament. I can assure the honourable member that the area has not diminished. When a member of the Forestry Commission, Tony Howard, and I were talking about suitable locations for plantations and looked at maps, we could not find an area that was not timbered. The honourable member for South Coast may have been referring to old growth forests. There is not a large amount of old growth forest. In a concession area there will be less old growth forest. That is a difficult message to get across to city people such as the honourable member for Blacktown, the honourable member for Manly and the honourable member for Davidson. It is difficult to get it through to them that forests regrow. It is important to have forest regrowth for future generations. We must be able to manage our forests and make sure they are producing so that in years to come our children will be able to use the timber products we require and use in our daily lives. I am sure everyone in this House uses paper, lives in a timber building of some description and has timber furniture. It would be lunacy to say we should stop harvesting hardwood and start importing it.

Page 645

If hardwood production was stopped in Australia and it was imported from overseas, the forests overseas will not be managed as well as they are in Australia. The Opposition talks about the denuding of the environment. The world would be worse off if there were no Australian forestry industry. It would also have an effect on Australia's balance of payments. In the state the country is in at the moment it can ill afford more foreign debt and more imports. This country needs value added industries. The proposed legislation will not help us in that respect. I have lived at Bombala in the southeast forests area all my life. I know the timber people down there and have a great empathy with them. They are extremely hard working. I wish that honourable members from both sides of the House would go to Bombala and have a good look at the forestry operation, which is a productive industry producing wealth for this country on a sustainable yield basis. There would be no harder working people in any industry in Australia than the timber workers and shearers of Bombala. I have a great deal of respect for the people in the timber industries.

In recent times in the southeast forests there has been a great deal of doubt whether the Opposition - and particularly the honourable member for Blacktown - intends to introduce another bill designed to protect the southeast forests, similar to the proposition that Barrie Unsworth put up prior to the 1988 election. I believe this debate has little to do with timber and a heck of a lot to do with politics. I do not know what the Labor Party is aiming to do by attacking the forest industries but, from my small

knowledge of politics and the numbers game, I should think that the Australian Labor Party would need a significant number of country seats if it is ever to get back into office in New South Wales. That has been demonstrated by the fact that the Labor Party in Canberra is all about timber, jobs and production. If ever there was a person who was a political numbers man it was Senator Richardson. At the last Federal election a pro-timber Minister ran around the southeast forests saying the Australian Labor Party intended to let it all go ahead and that everything was right. Richardson was somewhere else saying the Australian Labor Party was going to conserve the lot; it was all for the greens.

If the Labor Party gets into bed with the greens, it will not be elected for years to come because this country is in such a bad economic state at the moment that, unfortunately, the environment has taken second place. I say unfortunately because there is a balance between the environment and the forest industries. We reached that balance with the agreement between the New South Wales Government and the Federal Government on the southeast forests. The New South Wales Opposition broke that agreement by introducing the Endangered Fauna (Interim Protection) Act. It threw the whole thing into turmoil. It was ill thought out. I do not like to tell the honourable member for Blacktown that I told her so, but it was explained to her time and again that the legislation would not work. That has been proved by all the speeches honourable members have heard tonight and the number of jobs that have been lost or might be lost. The bill was brought in quickly and I do not believe it will be successful. Honourable members should be firmly behind the bill introduced by the Minister for Conservation and Land Management.

I will mention the economy of Australia. I believe that it would be totally the wrong thing to go ahead, not bring in this new legislation and continue with the endangered fauna legislation in its present form. At the moment we have a foreign debt of about \$140 billion and a population of 17 million people. Russia, which is meant to be in all sorts of financial strife, has about 250 million people and a foreign debt in our currency of \$50 billion, only a third of our debt. We should think carefully of our

Page 646

position. I am sure that we would like to leave our children a standard of living at least as good as ours. We should put more thought into how we will do this. I wonder how the environment would fare if we became a third world country or a banana republic, as Paul Keating put it. I wonder how much money we will have to spend on the environment and how concerned about it we will be then. Third world countries are not worried about the environment. They are too worried about feeding and housing their population. To ignore producers is not the right way to go. We have a far better chance if we can keep people in jobs, keep producing and clean up problems in forestry and farming, such as salination, and others in city areas. We can all look over the fence and say that such and such a thing is wrong. We can do many things for the environment in our own -

Ms Allan: Dung heap.

Mr SMITH: - dung heap. Unemployment is the other aspect of the economy which must be looked at. Almost one million people are unemployed. Almost 12 per cent of Australians are unemployed. Honourable members should consider that when they are walking down the street every tenth person they walk past is probably unemployed. We must be concerned about those people. We are at a stage where jobs are most important. We must have this country producing, and the Forestry Commission is a part of that production process. We must keep those people in jobs. We are not talking about replacements for the timber workers. We want those jobs for the

unemployed. I finish by congratulating the Bombala, Eden, Bega and Nimmitabel people working in the timber industry, who over the last two or three weeks, have put a lot of effort into fighting for their industry, making trips to Sydney and trying to convince politicians that they deserve a productive job and that their families deserve to be cared for just like those involved in any other industry. [*Time expired.*]

Dr METHERELL (Davidson) [10.53]: I rise first of all to agree with much of what was said by the honourable member for South Coast, who has a very real sensitivity to this issue and a great deal of experience of it from both sides of the fence. Like many of us, he is struggling to find the middle ground between conservation on the one hand and jobs on the other and to find the solution to the problem of ecologically sustainable development. We should all be trying to find that balance in addressing such legislation as that before us. I do not believe that the proposed legislation is good law. It is bad law in the same way that so much of the legislation under the previous Government in the planning field that sought to override various forms of environmental assessment in the interests of development was bad law; for example, the Darling Harbour legislation, Parramatta Park, the monorail and Pagewood. I well remember many, if not all, of the members opposite joining in the attacks on that legislation, deriding it as bad law because it sought to sweep away the balance and to impose a preordained development on a sensitive environmental area or because it sought to override the rights of residents or interest groups to have their say about a development.

This legislation will be brought down around its ears. We have all heard from the opposite side about how the endangered fauna legislation is having a deleterious effect in country areas. Just as surely though as criticisms are levelled at that legislation for its alleged effects, honourable members on the Government side will find that this legislation, if passed in its present form, will bring down around the ears of those who are seeking to log or whose jobs are dependent upon logging, the country towns linked to that and their related industries, a recipe for confrontation. Far from resolving the problem - which I would have thought we all wanted to do - we will simply add more fuel

Page 647

to the fire, as is so often the case. When those who feel aggrieved about an injustice contained in the legislation cannot find satisfaction for that grievance in the Parliament they will seek to find satisfaction elsewhere. Many of us know that, just as there are demonstrators at the fence of Parliament House demonstrating in favour of this legislation, there will be people confronting the Forestry Commission in the forest to defend areas because they believe this legislation is unfair, bad law and has been hastily conceived and railroaded through the Parliament this week. It has become absolutely clear, not only in the public debate in the last week or two but also at the conference convened by the Minister for Industrial Relations and Minister for Further Education, Training and Employment, who is at the table, that it is not the endangered species legislation that is the problem.

Mr Rixon: Rubbish!

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

Dr METHERELL: If the honourable member would just pause a moment and listen, he would be better informed. I do not think he was present at the conference.

Mr Rixon: I was there.

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

Dr METHERELL: It was absolutely clear that the real problem was the provisions of the environmental impact statement and their interpretation in the Environmental Planning and Assessment Act. In fact, the endangered species legislation has not had any effect in the field at all. It has barely come to the knowledge of those in the field. In so far as it has any impact at all, it is simply because it has been misconstrued, on top of the misconstruction and difficulties of meeting environmental impact statement requirements under the Environmental Planning and Assessment Act. That has been conceded by forestry in the debate about the illegality of forestry activity over a long period and the endeavour to catch up and overtake past illegalities by now carrying out environmental impact statements. It is the process of the environmental impact statement and the provisions of the Environmental Planning and Assessment Act that are the problem. Much of the misinformation and of the allegations directed at the endangered species legislation are beside the point. They are completely and utterly erroneous.

I give an indication of how misinformed in the public arena this debate has become. I suspect that many honourable members on the Government benches are also totally misinformed, and that malice has not been involved. Many such honourable members and, I am sure others, on this side of the House were totally unaware that the Government made a regulation under the Environmental Planning and Assessment Act in October last year which, in effect, amended section 90 by adding subclause T. It added an additional requirement of local government in its assessment of development proposals. It made it mandatory that local government look at the environmental impact of a development proposal before it gave its approval. It was in addition to a long list of issues that local councils were required to look at. In some cases there was a lag of a month or two before that provision became known to local government. In fact, I think some councils only discovered in the new year that that regulation had been amended by the Minister for Planning and Minister for Energy, a National Party Minister in this place.

Page 648

That amendment has itself added to the general feeling of confusion about what the law in general means in this difficult area of development and its assessment. Alternatively, an absolute barrier has been imposed to a development. The officers have not known how to handle the matter and therefore have turned back the developments. That is just one of the many changes to the law and its regulations made by the Government and initiated on the Opposition side of the House that taken together have added to difficulties out in the community that have then been sheeted home in a totally inaccurate way to the endangered species legislation that came at the end of that process. I make that point not simply to rise in defence of the decision I and other members took to support that legislation. The idea that in this day and age we can proceed without effective legislation to deal with endangered fauna is an impossible proposition. I ask honourable members opposite who derided that legislation to try to grasp that. Legislation in one form or another put forward by the Opposition and Independents or put forward by the Government - whichever quarter it comes from and whatever final form it settles in - is here to stay, just as environmental impact statements are here to stay. The same arguments now mounted about endangered fauna statements were being mounted about environmental impact statements five or 10 years ago. We have learnt with difficulty to adjust to them, to adapt to them, to accept them and to work with them.

Mr West: It takes time to adjust. That is what I am trying to do, give time for adjustment.

Dr METHERELL: I understand that. There is always validity in some of the

arguments put on both sides of this House. There is validity in what the Government is saying in this debate. But what I am trying to identify is the misinformation - to some extent the distortions and exaggerations - and the cumulative effect of decisions as opposed to what is being alleged about a particular piece of legislation as a justification for an even greater error, if those members opposite see it as an error in the original legislation, being perpetrated in this bill. All I do, without any satisfaction, is predict confidently to members opposite that this legislation will not solve the problem. It is not seen as good law, or as just, and it has not gone through a proper process of assessment in this Parliament or a proper process of consultation outside this Parliament. For that reason many active interest groups will not feel obliged to abide by the law and they will take matters into their own hands. This amounts to a failure of anybody to get on with the job. People in the logging industry will not be able to get on with the job. Councils will not be able to approve development applications. Conservationists will not be able to have effective impact statements done. Everyone will be a loser because of the confrontation. That issue ought to be very much on people's minds in this debate. Whether members think they are scoring clever political points with this legislation either in the debate or publicity that has led up to it or not -

Mr Fraser: We are looking after jobs, Terry.

Mr SPEAKER: Order! There is far too much interjection from both sides.

Dr METHERELL: The honourable member can chant that phrase if he likes but at the end of this week when this legislation in whatever form has gone through, out there in the forests people will have to try to make the situation work just as they did before. In many cases as a result of the legislation and the process through which it has gone and the way in which people have approached it and heated up debate, there will be more confrontation than there was before, not less.

Page 649

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

Dr METHERELL: If I may touch on the jobs debate as an example of the way in which the whole matter has been distorted and exaggerated, we all recall that it was claimed that 6,000 jobs were at risk and applications in the Industrial Commission for 6,000 workers to be stood down and so on. It has become evident to all involved in the discussions this week, if it was not evident before, that nothing like that number of jobs are at risk.

Mr Fraser: If it costs one job, it is too many.

Dr METHERELL: That is another useful slogan to chant but it does not solve the problem of trying to get accurate information to make a balanced assessment of these matters. All politicians leap to their feet to say that not one job must be lost. But that is a very different matter from looking people in the eye and saying that there are 6,000 jobs at stake if that is a lie. It has been shown to be a lie. For the honourable member to use that figure is only to add lies to something that should be approached rationally. The Minister has sought to demonstrate in recent days the real figure. He says that it has come to a matter of hundreds. That will be disputed, but at least let us try to get the real figures. Let us look at the case studies and make a balanced judgment about the legislation. There has been inadequate time to look at the legislation in detail. Today, overnight, and early in the morning, members will be trying to put together sensible

amendments to the legislation.

The Government has the same difficulty. It is simply impossible to devise through Parliamentary Counsel, negotiate and resolve the satisfactory terms of legislation so that what comes out of the Parliament at the end will stand up in the courts and make sense in the field, will actually work in a practical way. I do not say that this is the only time that this has occurred or that honourable members on the Government side are the only culprits, but this is a very serious issue and the way in which those members have tried to railroad the issue through will only ensure that there are difficulties in the legislation and a process which all involved, on both sides of the equation, will find difficult to operate when the final legislation emerges. The Government should have provided more time. If less heat had been generated by the 6,000 job mythical figure we would have got to the heart of the limited number of jobs currently involved. I think the Minister this week acknowledged that the figure was 30 and cumulatively more figures -

Mr Fraser: It is 108.

Dr METHERELL: That was not the figure this week -

Mr Fraser: Today.

Dr METHERELL: That is not the figure today. Again the honourable member distorts the figure. If we got to the real figure we would then be able to allow ourselves the time to deal with the legislation thoroughly and perhaps in one more week we would get far better legislation than we will get as a result today. To sum up: the environmental groups are totally opposed to this legislation.

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

Page 650

Dr METHERELL: They disown it as bad law and as a recipe for confrontation. Much will result from the view that they have of the legislation. The jobs debate has been distorted and we must finally go down the path of mediation, conciliation and compromise in this area if we are to resolve the problem that we all share. That could have been achieved if we had allowed ourselves more time than we have in the process to date.

Mr FRASER (Coffs Harbour) [11.8]: Members on the benches opposite have failed to properly address this bill. It is designed to give interim protection to New South Wales's most endangered species - the workers in the timber industry. They include not only the workers directly employed in the timber industry but also those in the ancillary industries. I refer to people working in the native forests, the private forests and the plantation forests. This bill is designed to protect jobs. It is about protecting employment. It therefore protects the right of the individual who wishes to obtain his or her living by legitimate means, that is, by the great Australian ethic of hard work. What members on the other side are defending is the great welfare ethic, the ethic of the Labor Party, the ethic that means people can go to the dole office each week, put their hand out and have it filled. It is a socialist doctrine supported by the Labor Party and the green Independents, who could not give two hoots about jobs in this State.

The Labor Party has lost the confidence of the unions to such a degree that it needs to woo green voters. The Labor Party is trying to bolster its chances by joining with green extremists, who have admitted publicly that they travel around this State

protesting on welfare cheques. The honourable member for Davidson opposite is completely uninterested. Tonight he made some wonderful comments. He is trying to tell the people of New South Wales that the Government does not know where it is going and that the proposed legislation is wrong. I suggest that the honourable member for Davidson does not know where he is going. He wants the middle ground and to be the great arbitrator. Where was his arbitration when he introduced his education legislation? He had none. Where was his arbitration on the Look At Me Now Headland ocean outfall issue at Coffs Harbour? He refused to come up to speak to the people at Coffs Harbour, and he refused to talk to them when they came to Sydney. The honourable member for Davidson has no idea about arbitration.

Dr Metherell: The honourable member for Manly went up there.

Mr FRASER: The honourable member is prepared to take someone else's word - exactly what he has done tonight.

Ms Allan: On a point of order. Earlier this evening the Minister for Conservation and Land Management quickly took a point of order when my colleague the honourable member for Port Stephens started speaking about restructuring issues within the Soil Conservation Service. The honourable member for Coffs Harbour is now talking about the Look At Me Now Headland issue. That is a digression from the subject-matter of the debate.

Mr SPEAKER: Order! Though honourable members have made passing reference, I accept the point of order made by the honourable member for Blacktown. The honourable member for Coffs Harbour should concentrate on the question being considered.

Page 651

Mr FRASER: I put to you, Mr Speaker, that I am responding to comments made in debate by members opposite. The honourable member for Manly said that 300 jobs are nothing, though he admitted that at least 300 jobs could be affected. As of today 108 jobs have been lost in the timber industry. A letter signed by Mr Peter Wright was passed around the Parliament today. That letter said that the bill was introduced in haste. What about the rubbishy legislation introduced in haste in December by the Opposition which has put 108 families out of work? That Act has made the proposed legislation necessary to protect the rights of the people in the Coffs Harbour electorate who want to work, who want to get out and do a bit, the people in Bostobrick, Dorrigo, Thora and Ulong, all hard workers in the timber industry. Those people and their forebears set aside areas for national parks to preserve the integrity and heritage of the North Coast forests for future generations. Those people went out and replanted forests for regrowth. I challenge Opposition members to fly from border to border to see for themselves how much timber is available.

The environmentalists have led us to believe that no timber is available, but there is more timber to be seen than vacant land. The environmental movement is telling a massive lie that is being carried on by the Opposition in an attempt to pick up 6 per cent of the vote. The Opposition will end up with only 6 per cent of the vote. The unionists have deserted Labor. Members opposite should talk to the unionists and timber workers and ask them if they support Opposition policies. The environmentalists have been telling lies but the bill has brought them out in the open and they are running scared. The long-footed Potoroo has become so popular due to the propaganda of the environmental movement that a move is afoot to ask the Minister for the Environment to

establish a culling program before the population of those animals reaches plague proportions. Koalas in the Coffs Harbour electorate have been baited with Epsom salts. Koala pellets are to be found everywhere but the bears are rarely seen. Pellets are handed out in the environment offices. Anyone wanting to stop a development has only to grab a rake, duck down to the local environment office, get a handful of pellets, put a few scratch marks up a tree, and sprinkle the pellets around. The endangered fauna protection legislation introduced by the Opposition enables development to be stopped.

The forestry industry workers have been the backbone of this country for many years. Forestry workers looking for cedar settled the North Coast. Cedar trees are still to be found there, as are magnificent stretches of rainforest. All this brouhaha has emerged from the Chaelundi debate. On Chaelundi sections 98 and 99 of the National Parks and Wildlife Service Act were argued. The environmental impact statement was not argued because it was correct. We were beaten on a technicality. The day after the Chaelundi decision was handed down the Opposition rushed its endangered fauna protection legislation in to this House because it knew it could win by one vote. That political ploy unleashed a monster which even the Opposition does not like. The honourable member for Port Stephens would love to vote on this side of the House. Today in front of the Parliament he said, "We will support and want to support the bill". In the Chamber tonight he showed his true colours. He had been told by the left wing of the Labor Party what he had to do. So in this Chamber he said that the Opposition would move amendments in an attempt to tear the guts out of proposed legislation which will protect jobs. As soon as he had finished speaking in the Chamber he went up to the public gallery to apologise to union members. He got down on his hands and knees because he had deserted their cause. He is still trying to cadge a vote from them but he will never get it.

Page 652

The proposed legislation will protect forestry jobs and all those small businesses that rely on the forestry industry for an income. The bill protects the rights of future generations of forestry industry workers to get out and carry on as their forefathers did. The bill protects those industries in Coffs Harbour, Bellingen and Dorrigo that are supported by income generated by the forestry industry. It is not only the 108 jobs that have already been lost, or the 800 jobs to be lost in the next six months as predicted by the Minister in his second reading speech, it is all the jobs that will be lost in the ancillary industries. Families that lose jobs will be put on to the welfare scrap heap. That is what the Fabians in the Labor Party want. They want a system of welfare to bring us all down to ground level. They do not want anyone to have any incentive. The Fabians in the Labor Party are pushing this agenda with the help of the Green movement. Members opposite do not understand what the debate is all about: it is about jobs.

The honourable member for Davidson might wake up when he is no longer a member of Parliament after the next election - though he may not last that long. The unionists will not vote for the Labor Party but will desert it in droves, as they are deserting now. The Australian Council of Trade Unions does not want a bar of the Labor Party. Mr Easson should know that no one wants a bar of the Labor Party because it is not supporting jobs, has forgotten its grass roots and where it was born. Unionists of the 1890s, who were defending the highest standard of living in the world, would be ashamed of the Labor Party today. Those unionists were the Labor Party's founding fathers, and their descendants are deserting. The unionists of the 1890s would not be turning in their graves but spitting because Labor has completely lost the plot. The prize ought to be given to the Labor Party for destroying more jobs in New South Wales with one miserable piece of legislation than anyone else has ever done.

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

Mr FRASER: The Federal member for Page, Mr Harry Woods, today in the local press called on Bob Carr to stop his policies which are costing jobs in this State. The Federal Government and the Federal member for Page are panicking because they know what this legislation has done to the North Coast and what it will do to the member's seat.

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

[Interruption]

Mr FRASER: The honourable member for Davidson has a very loud mouth in casting insults on the workers of this State.

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

Mr FRASER: The honourable member for Davidson has a go at the workers in this State. He will not even visit my electorate and inspect the timber industry or the other issues he is prepared in this House to put his vote towards. He ought to be ashamed of himself. He is not a worker. He does not know where he is - the middle ground man. The honourable member for Davidson was elected as a Liberal Party member, then became an Independent and now he is a greenie. He is not sure what he is, but the people in his electorate know what he is; he is the doomed member for Davidson. He will not last. The legislation debated today has wasted the time of the House. It is caused by bad legislation which was introduced by the Labor Party. The time of this House, the Minister and the Government has been wasted by Labor's poor legislation.

Dr Metherell: This has nothing to do with that legislation.

Mr FRASER: It has everything to do with it.

Dr Metherell: The Environmental Planning and Assessment Act.

Mr FRASER: Yes, and what did this Act amend? It amended the Environmental Planning and Assessment Act. The Environmental Planning and Assessment Act is a bad piece of legislation brought in by the Labor Party as well and what you have got is poor environmental legislation across the board.

Mr SPEAKER: Order! There is too much conversation on the Government benches. Members wishing to converse should do so outside the Chamber.

Mr FRASER: This poor legislation is causing the loss of jobs right across the board. More legislation will be introduced into this House in the weeks to come to defend the rural industry, the development industry and all industries on the North Coast in an endeavour to make up for the poor legislation that Labor introduced. The Labor Party in this State is turning its back on the people that originally supported it. The green Independents are supporting those. The Labor Party is the tail that is wagging the environmental dog. Honourable members opposite once had some credibility. These

days the Labor Party is not tolerated by people in my electorate or in any other country electorate. My electorate is sick and tired of the playground, school-bully type tactics of the Labor Party, of kicking sand in the faces of the workers. The Labor Party does not care about the worker. In the Labor Party platform the right to work has been replaced by the right to welfare. I put it to all honourable members of this House that the Labor Party which once claimed to be the bastion of the workers of this State is no longer the labour party.

Debate adjourned on motion by Mr Rixon.

BUSINESS OF THE HOUSE

Precedence of Business: Suspension of Standing and Sessional Orders

Mr MOORE (Gordon - Minister for the Environment) [11.23], by leave: I move:

That, on Friday, 6th March, 1992, so much of the standing and sessional orders be suspended as would preclude the interruption of the order of the day for the resumption of the debate on the Address in Reply to permit consideration of business pursuant to the order of the House adopted this day relating to precedence of business on Friday, 6th March, 1992, and the sessional order relating to the routine of business for the last sitting day of the week. Provided that business of the House notice of motion No. 1 and business of the House orders of the day No. 1 may be proceeded with after the consideration of committee reports.

Page 654

Question - That standing and sessional orders be suspended - put.

The House divided.

[In division]

Mr SPEAKER: Order! I remind honourable members that the rules regarding order in the House apply during divisions.

Ayes, 47

Mr Armstrong
Mr Baird
Mr Blackmore
Mr Causley
Mr Chappell
Mrs Chikarovski
Mr Cochran
Mrs Cohen
Mr Collins
Mr Cruickshank
Mr Downy
Mr Fahey
Mr Fraser
Mr Glachan
Mr Griffiths
Mr Hatton

Mr Hazzard
Mr Jeffery
Dr Kernohan
Mr Longley
Dr Macdonald
Mr Merton
Dr Metherell
Mr Moore
Mr Morris
Mr W. T. J. Murray
Mr Packard
Mr D. L. Page
Mr Peacocke
Mr Petch
Mr Phillips
Mr Photios

Mr Rixon
Mr Schipp
Mr Schultz
Mr Small
Mr Smiles
Mr Smith
Mr Souris
Mr Tink
Mr Turner
Mr West
Mr Windsor
Mr Yabsley
Mr Zammit
Tellers,
Mr Beck
Mr Hartcher

Noes, 43

Ms Allan
Mr Amery
Mr Anderson
Mr A. S. Aquilina
Mr J. J. Aquilina
Mr Bowman
Mr Clough
Mr Crittenden
Mr Doyle
Mr Gaudry
Mr Gibson
Mrs Grusovin
Mr Harrison
Mr Hunter
Mr Iemma

Mr Irwin

Mr Knight
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr McBride
Mr Markham
Mr Martin
Mr Mills
Mr Moss
Mr J. H. Murray
Mr Neilly
Mr Newman
Ms Nori
Mr E. T. Page

Mr Price
Dr Refshauge
Mr Rogan
Mr Rumble
Mr Scully
Mr Shedden
Mr Sullivan
Mr Thompson
Mr Whelan
Mr Yeadon
Mr Ziolkowski

Tellers,
Mr Beckroge
Mr Davoren

Pairs

Mr Greiner
Mr Kerr
Ms Machin

Mr Carr
Mr McManus
Mr Nagle

Question so resolved in the affirmative.

Page 655

Motion for suspension of standing and sessional orders agreed to.

House adjourned at 11.34 p.m.
