

LEGISLATIVE ASSEMBLY

Thursday, 19th March, 1992

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

Mr Speaker offered the Prayer.

HER MAJESTY'S SPEECH: ADDRESS IN REPLY

Fourth Day's Debate

Debate resumed from 18th March.

Mr MILLS (Wallsend) [9.31]: It is a pleasure for me to contribute to the debate on the Address in Reply to the Queen's Speech on the opening of the second session of the Fiftieth Parliament and in reply to the statements made by the Premier and Deputy Premier in moving and seconding the adoption motion. I wish to refer to the final remarks by the Deputy Premier, who patted himself on the back - a big, healthy pat, and I am sure the House reverberated when he patted. The Deputy Premier claimed a lot of credit for there being great improvements in roads. I know that may be said about some parts of New South Wales, for I have heard the contributions of honourable members representing country electorates who have listed the big increases in road funding in their areas. Unfortunately, that has not happened in the Hunter. As was well reported last weekend in the *Newcastle Herald*, councils have come out to show in clear figures that, although the 3 x 3 levy moneys are accruing, the only form of grant received by local councils for main road construction is what was supposed to be accelerated road funding which was intended to be added to the original grants. During the past couple of years those additional funds have not accelerated the road construction program but merely replaced it. In 1991-92 funds received by the Lake Macquarie council, in the area where I live, were \$1.7 million. In real terms that figure is \$3.2 million less than the \$3.5 million received in 1986-87. I wish to quote some figures. For each of the past six years the Lake Macquarie council main roads construction program received funds as follows: \$3.5 million; \$2.4 million; \$3 million; \$3.7 million; nothing in 1990-91; and \$0.34 million for the current 1991-92 year. For the past six years the 3 x 3 levy funds received were: nil; nil; nil; \$0.2 million; \$2.6 million; and \$1.36 million for the current year.

It is evident from those figures that main roads constructions funds in effect are disappearing. That is tragic because of a grave danger that link main road 223 from the about to be completed F3 Freeway will not be completed in time. An injection of \$10 million into the Lake Macquarie area before the end of next year is necessary to enable main road 223 from Northville Drive in the Wallsend electorate, to Seahampton in the Lake Macquarie electorate to make the connection from the F3 Freeway into the southwestern suburbs of Newcastle. The Deputy Premier, Minister for Public Works and Minister for Roads must understand what is happening. What the council is saying about the disappearance of main roads construction funds is not, as the Deputy Premier was quoted as saying in the *Newcastle Herald* of 12th March, "absolute and unadulterated rubbish, another one of the great big Labor lies they love to peddle". Wrong, Mr

Minister. The facts show that the money is not coming in, and we need it to come in. In particular we need the money to complete that F3 connection.

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Otherwise we are going to have people trying to get off the F3 on to crummy roads that were not designed for that kind of through traffic. A second matter arising locally has been an unfortunate delay on coming to agreements over national disaster relief arrangements arising out of the Newcastle earthquake. The Newcastle council put in a claim in July last year, a relief claim under the NDRA for joint funding by State and Federal governments for a series of damages by the earthquake to many of the public buildings, particularly in the Newcastle City Council area. What the council did in preparing this plan was to argue that the most valid and desirable application of the funds was in a pragmatic and justifiable formula. What they asked for was application of funds now to restore a small number of regionally significant public assets, which is preferable to waiting for a string of smaller claims over the next three years as the damage became more evident. The council said it was willing to forgo these claims for latent damage to infrastructure that in many cases had not been determined, provided that a few regionally significant projects could be acknowledged. The major asset they were seeking to replace was the undercover seating capacity at the No. 1 Sportsground.

This is the only regional facility for national sporting events in the region, particularly cricket. Mr Speaker, you would be aware, as many others would be, that Newcastle was regularly hosting, with much better crowds than Sydney, a Sheffield Shield match each summer. Since the earthquake we have not been able to do that. It is important in regard to a national regional carnival, planned for the Hunter early next year, that repairs to the No. 1 Sportsground should be undertaken and undertaken quickly. A couple of lesser projects that were also included in the claim were partial funding for the community arts centre, the Civic Park retaining walls and facilities in Empire Park. The council asked the Government to recognise the equity argument and agree to a dollar-for-dollar contribution of \$1.2 million each from the State and Federal governments on the understanding council would not proceed with smaller claims for damage not yet apparent. Council would undertake to complete the sportsground project from its own funds. Unfortunately, the Premier has seen fit to continue delaying this request and the time has virtually been reached when it is not even worth trying to fix it. That is very sad to me because when the Premier and the Prime Minister came to town immediately after the earthquake, they did not put any economic or political constraints on the pledges they made on behalf of both their governments to look after Newcastle in the immediate aftermath of the earthquake tragedy. We have asked the Premier to meet this week with local members and the Newcastle council to try to sort the matter out. I call on the Premier to meet us and talk it out so we can get a resolution to that impasse - it should not keep on going. I want to discuss jobs. Most of us recognise that the greatest tragedy of the recession is in the loss of jobs.

Mr Causley: Keating caused it.

Mr MILLS: I thank the Minister for his interjection that Keating caused the recession. His Government has made a serious contribution to the loss of employment opportunities in New South Wales. Since the Government of which the Minister is a member came to office, about 50,000 fewer jobs exist in the New South Wales public sector and 16,000 of those jobs have been lost since May last year, that is, during the recession. That is why the Leader of the Opposition said two days ago that there was a credibility gap of breathtaking proportions when the Premier and the Minister for Natural Resources talked about jobs. I call it a credibility chasm. How much lower would

unemployment figures be if the Greiner Government were not such a heavy contributor to unemployment in the State. It is a disaster that a radical New Right, cold and dry conservative government, breathing brimstone and hypocrisy caused New South Wales to have the highest increase in unemployment of any State of Australia last year. It

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would be a further tragedy for New South Wales and the whole of Australia if the New South Wales Government's soulmates gain power in Canberra next year. Dr Hewson and Mr Reith have already promised that unemployment would increase as a result of their policies. Unemployment would increase, not least in the Federal public sector, because they have promised that \$10 billion would be cut from Federal spending. That would result in 200,000 jobs in Australia being lost under a Hewson-Reith government in Canberra.

Honourable members will recall that famous letter from Nick Greiner to public servants in New South Wales in February 1988 promising that no government employees would lose their jobs. That was a hoax. Already 50,000 jobs have been lost, and the number is increasing. That is particularly tragic for the young people of New South Wales. This year, for the first time in living memory, no apprentices are being trained at Cardiff railway maintenance centre. Last year 50 apprentices were trained. In the Hunter region within the next few years 450 jobs will be lost in the public sector, all of them skilled trade jobs, because of the threatened closure of the Cardiff and Broadmeadow maintenance centres of State Rail. I cannot understand the heartlessness and cynicism of these people in government that they would so affect the futures of many young Australians by opting out of the training program in State Rail and reducing the number of apprentices merely on economic grounds. This should be linked to the Government's indecision about replacing the ageing locomotive fleet for hauling coal in the Hunter. Judging by the announcement made by the Minister for Natural Resources yesterday, something will have to be done soon about replacing that fleet. Last year the Minister for Transport was even talking about importing old locomotives from the Northern Hemisphere to complement the system. Further economic wreckage to Australia would result if the replacement locomotives are not built in this country.

In the Hunter region public sector jobs are being lost from the Roads and Traffic Authority. Management reviews and restructuring occurred throughout the Christmas holiday period. The threat to staff is sapping their morale. They know that this Government's record means that more jobs will be lost from the RTA. Already 120 jobs have been lost in the engineering and cleaning sections of Newcastle Buses. The maintenance depot was closed and services in engineering and cleaning have been contracted out. A further downsizing of 40 clerical and administrative staff positions has taken place. Now there are absurd proposals to privatise Newcastle Buses, in whole or in part, by letting out various bus routes to tender. The people of the Hunter have come to expect the worst from this Government and it is anticipated that a few hundred more job losses will occur in Newcastle Buses and the State Transit Authority. Why will that happen? Because the Government has taken a decision based on economic doctrine. It is using its own fragile political position to punish the voters of the Hunter because they supported Labor last May. The Government does not intend to carry out experiments by selecting various routes to be put to tender in the Sydney metropolitan area. The difference between the Labor Party and the Liberal Party-National Party Government could not be more stark. Labor will base its decisions on efficiency, but it will never forget that the duty of government is to provide service to the people, whereas the Liberal Party decisions are based on these dry accounting formulae.

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

Mr MILLS: The Minister for Transport has not answered the serious questions raised by the honourable member for Newcastle, Mr Gaudry, on Tuesday of last week in this House. He asked why the Government has refused to allow the past three managers of Newcastle Buses to implement savings plans to which the trade union

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members had agreed. Those plans involved savings of \$2.9 million. On each occasion when those plans were about to be implemented the manager was shifted and the plans were shelved. Mr Regan and Mr Filewood went and the present acting manager has not been allowed to implement plans. The Government seems to want this service to wither on the vine. The Government bashes the unions and then whammo, there is privatisation of the routes. The Minister is blaming the unions. In this House last week the Minister blamed the aged people, the kids, the war veterans, the unemployed and other concession holders, because too many of them use the bus services.

Mr Hartcher: What about members of Parliament?

Mr MILLS: No, he did not blame members of Parliament, believe it or not. I wonder what concessions will be required of the tenderers. Will they be the same as the existing private bus services, where only half fares are granted by way of concession? The Department of Transport recently approved significant expansion of the private bus routes into the suburban and industrial areas already serviced by State Transit buses. Why has that been done by way of secret negotiation? We heard about it only after it was done. What tenders were called for these private bus routes? None. Where is the equity in that? There is a double standard, and it stinks.

Jobs are being lost in the Maritime Services Board. About 30 people in the Hunter Valley supernumary list have been warned that after 12 months on the list they will lose their jobs, and more than 40 other jobs are threatened. Why? A de facto privatisation occurred because the interest in the coal loader was sold off to private holders. We will soon have the position where the Maritime Services Board in the Hunter Valley will just be a real estate agency, nothing more. The Elcom mines are another area where large job losses are looming. The bids for sale closed last December, but we have not yet heard any information on what will happen. Some 60 workers are especially under threat and 30 have already taken voluntary early redundancy. A new company, ENC Management Limited, was formed recently from Elcom and Newcom collieries to provide geological, computing, engineering, accountancy, surveying and ordering services. That is likely to go after the sale of the mines. More very skilled workers will be out on the scrapheap. As well as the eight mines proposed to be sold, the Elcom office at Cardiff which is in my electorate, and the training centre at Newvale are also up for sale. Two mines were cut out of their contracts to supply coal to the power stations. That will lead to the very large job losses by the middle of this year. The closure of the regional office of the Department of Community Services, which was moved to Lismore, resulted in a job loss of 50 in the Hunter. That job loss, arising out of a restructuring, had other ramifications and extra burdens have been placed on the local councils because community groups, without a regional office of the Department of Community Services, have had to fall back on council welfare officers to get their ideas and some satisfaction. The lines of communication for all kinds of welfare and support agencies have been broken. [*Extension of time agreed to.*]

Cuts in the regional DOCS office are now costing the councils money - at a time when they have been pegged to a zero rate increase. Therefore, it is pleasing that yesterday the Minister announced the possibility of a big new project for coal-water mixture preparation on Kooragang Island. The technology has been well researched in Australia and Japan over many years. The latest technology has been researched over

probably six or seven years and it ought to work. We look forward to the project.

Mr Causley: Private enterprise.

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Mr MILLS: Terrific. That is the nature of our economy and we applaud the effort private enterprise makes in seeking partners in Japan to undertake value-added projects in Australia. We are delighted to see it. A Labor Government would have done all it could to help these new industries, as a Liberal Party-National Party Government has. Let us hope that the project comes off. The Premier said in the early part of his speech on the Address in Reply:

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.

I join in those remarks. However, I suspect that it was the last opening speech of this Parliament by the Sovereign as the Sovereign of the monarchy of Australia. I was happy to take my affirmation as a member of Parliament in this Chamber, including swearing loyalty to the Sovereign, her heirs and successors. I took that affirmation in the existing constitutional forms of this Parliament. The Leader of the Opposition, Mr Carr, said in the Assembly on 17th March:

The fact is that the Labor Party now, as throughout its history, stands for an independent Australia. We see that independence evolving until at the turn of the century it is possible for us, in accordance with our aspirations as a party, to ask the Australian people whether we should be a republic, whether Australia's independence should be rendered complete in a full constitutional sense.

I support that approach entirely. The constitutional forms of this place will change when the Australian republic comes, and people will decide that for themselves. Then, as now, I will be pleased to take my affirmation in accordance with the constitutional forms of the House. My prime loyalty is to the people who elected me, the people of Wollseley, New South Wales and Australia. The extravagant language in the motion of the Address in Reply is frankly a little of a joke. I think it is a verbal curtsy, if you like. But, like the physical curtsy, it really is not compulsory. It is not necessary. The words are archaic, inappropriate and grovelling - "loyal and dutiful subjects...we beg to assure...a momentous occasion for the people to have the Sovereign take part personally in the proceedings of government". That is over the top. If the Queen stayed long enough she would be embarrassed by this sort of thing. The Deputy Premier, Minister for Public Works and Minister for Roads extolled our British heritage. I put it to the House that we are a mature country. Our Westminster system is a heavily modified form of what operates at Westminster. That at Westminster will change again as the United Kingdom goes into Europe. The symbols of Great Britain are no longer enough to identify us to ourselves let alone to identify us to the rest of the world. The Pommy bit in the left hand corner of our flag will sooner or later go. It divides Australians. The Union Jack will also go from our State flag. I wonder why we need a State flag anyway. The honourable member for Coffs Harbour went over the top a couple of nights ago. He was talking about the Crimes Act, the Imperial Acts Application Act, the Constitution Act. He said:

Members of the upper House have thrown an oath made to the Parliament . . . back in the face of those who elected them.

He really is a goose. The people he was worried about were in the Chamber for the opening; it was the social function they boycotted. He said that the members in the lower House were not game to make such a statement publicly because they knew they would not be re-elected at the next election. They were in the House at the opening; so was I. He then went on to talk about treason. He said that doing that sort of thing would taint members with treason and they could be convicted of felony or an infamous crime.

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When there was an interjection about bringing back the Tower of London, he said that we should do so. The honourable member for Coffs Harbour should look carefully at his own electorate. It is increasingly multicultural. It is less anglophilic than he thinks. His grovelling remarks will lose him support.

Last night the redoubtable honourable member for Monaro said that a republic would mean a loss of our beautiful legal system. He said that there is something wrong with the President appointing Federal judges in the United States of America without somehow acknowledging that it is the political system that appoints judges in Australia. He said that army officers and police would lose their ranks because the crowns would come off their epaulets and their badges of rank. As an example he referred to blood on the hands of the French and Chilean republics. Goodness me, blood on the hands of the republics! He implies that there is no blood on the hands of monarchies. What about Henry VIII, Czar Alexander, Peter the Great, Vlad the Impaler, King Peter of Serbia, George III, who was on the throne in England when Australia was occupied. What about Kaiser Wilhelm this century - blood on his hands, as there was with Victoria of England, the Georges and the Edwards. The honourable member for Monaro adopts sycophantic and troglodytic attitudes - "Long may she reign over us" - and implies that the monarchy has no blood on its hands. I say monarchy is no better and no worse than a republic. It is the people in the system who have blood on their hands. Monarchies are not perfect; it is far from perfect when we have 99 black deaths in custody. "Long may she reign over us", said the honourable member for Coffs Harbour. In the Myall Lakes massacre last century 200 kooris were murdered by men in the Queen's uniform. That is blood on the hands of the monarchy. There is nothing sacred, there is nothing special, about monarchies. Violence is done in the Queen's name; violence is done in the people's name. We in Australia are a free people. To be free we must be free to choose our flag. We must be free to choose our form of government. And when the time comes we will choose. I quote from the Commonwealth Day Message from Her Majesty the Queen dated 9th March, because I think the Queen can talk a lot of sense. She said:

For too long our natural environment has been taken for granted. It is now only too evident that we have to take serious steps to make certain that we cause no further destruction nor permanently degrade the very natural resources on which we depend.

The living world is a God-given heritage and we have to be more responsible in our stewardship of it. We need air to breathe, water to drink and food to eat, but we must be careful - not selfish or greedy - about the way we exploit scarce natural resources and about the demands we make on the natural environment.

I commend those words of the Queen to this House in all of its deliberations. I want to add a few words to what I said the other day on a matter of public importance. I want more suggestions on what should be done about the advancement of justice for Aboriginal people and especially the tragically high number of Aborigines in gaol. We

should investigate the introduction of a young offenders Act designed to keep kids out of the courts. We should provide alternatives to gaol sentences for Aboriginal people, including expanded community work programs, rehabilitation programs and periodic detention. We should give Aboriginal people who are the victims of crime a say in how young Aboriginal offenders are treated by the criminal justice system. We should ensure that all police Aboriginal community liaison positions are filled. Many remain unfilled. We should appoint Aboriginal Land Council representatives to some sort of crime prevention council to find new ways of dealing with the problem. We should implement - and the Attorney General, Minister for Consumer Affairs and Minister for Arts told us that we have begun to implement - many of the recommendations of the black deaths in custody royal commission. We really must speedup our implementation of all of the recommendations that are relevant to New South Wales. We should re-establish the Department of Aboriginal Affairs and appoint a Minister for Aboriginal Affairs so that

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a higher profile can be given to the plight of the Aborigines. We need more Aboriginal health workers in areas of high need to facilitate the implementation of the recommendations of the national Aboriginal health strategy.

I draw the attention of the Minister for Health Services Management to the effect on my electorate of a recent review of staffing of the ambulance service in the Hunter region which found that staff numbers were down by 45. The eastern half of my electorate was adequately staffed but the western half was grossly undermanned. As a result, a high proportion of ambulance call-outs are staffed by one officer only. Single crewing, which is not acceptable in the Sydney area, is prevalent in the Hunter region. There are particular safety risks at night because there is no back-up when drugs need to be administered. Patients are unable to be monitored in the back of the ambulance. In relation to corporatisation, the Hunter Water Corporation has already seriously breached one of the undertakings given only a couple of months ago. One of the conditions of the operating licence was that charges were not to be increased during this financial year. Primary schools in my electorate have copped 39 per cent increase in water usage charges as a result of a change in their classification from non-residential to State Government. The usage charge has risen from 73c to \$1.01 per kilolitre. Permission for the increase has not been sought from Parliament, as was promised, and the breach should be debated in this House. The corporatisation mechanism is breaking down in that regard.

I wish to refer to bus shelters because I did not have time to do so late last year. Unfortunately, the responsibility for the provision of bus shelters is being left to local government, which is not showing the required initiatives. That responsibility should be taken over by the State Government. My electorate has virtually no bus shelters. Bus shelters should be provided near schools or in other places where children congregate. Advertisers would certainly be willing to pay the costs. That would be a good joint venture and could be done a statewide basis. The health care system in the Hunter region is in trouble because of the cold and calculating accounting procedures of the Greiner Government. It has forgotten that the delivery of health care services must be the objective of government. [*Time expired.*]

Mr LONGLEY (Pittwater) [10.1]: It is with a great deal of pride I speak in the Address-in-Reply debate on the Speech of Her Majesty the Queen of Australia on the occasion of the opening of the second session of the Fiftieth Parliament of New South Wales. Today is a significant day. New South Wales has the first and oldest Parliament in Australia and should give due recognition to the momentous events that have occurred in South Africa in the past day. In the referendum which has just been held, 68.7 per cent of a record turnout of 85.7 per cent of the white population voted "yes" to the continuation of the reform package. That is a significant event in South Africa's history.

It reflects the comments made by Her Majesty the Queen in her Address to the Parliament, when she said:

Events around the world in recent years have shown the strength of people's desire for the freedom to shape their own futures. We have all been witnesses to remarkable change as the people of many nations, with immense courage and determination, have rejected authoritarian rule and embraced democracy. The best guardian of freedom is democracy.

Those words truly reflected events that have taken place during the past several years and put the events in South Africa into a wider perspective. Newspapers have carried headlines such as "Whites bury apartheid" and "South Africa votes Yes to reform". From these recent events one gets a real sense of the direction in which the world is travelling. White South Africans have turned their backs on the injustices of apartheid by casting an overwhelming vote for reform in a landmark referendum. It is important to note that leaders in South Africa have been appropriately laudatory in their comments

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about the result of the referendum. It is appropriate to quote both President de Klerk and the President of the African National Congress. President de Klerk said:

Today will be written up in our history as one of the most fundamental turning point days in our country. Today we have closed the book on apartheid.

Mr Nelson Mandela, President of the African National Congress, said:

An overwhelming "yes" vote means that the process of democratising South Africa is definitely on course.

I believe - and I am sure all people around the world believe - that with that remarkable referendum result South Africa has turned its back on the iniquitous practice of apartheid. However, that should not deflect from an understanding of the very difficult task ahead. Great changes are still to occur in South Africa. Even though apartheid has been abolished there is still the very important task of bringing to fulfilment a true democracy in that nation. The links between Australia and South Africa go back to our very foundations. In the first year of white settlement in Australia in 1788 the then fledgling penal colony suffered famine conditions and near starvation. Where did the settlers turn for assistance? Interestingly, to South Africa. South Africa provided Australia with the assistance which was so desperately needed at that time.

New South Wales is the oldest Parliament in Australia, and was first to achieve democracy. In 1856 the franchise was established in New South Wales. It was not static even then. Democracy is not a static institution. Although initially granted only to the white male population, the franchise was subsequently extended to women and to blacks. Today, all citizens vote equally to elect their government and parliamentary representatives. It is that dynamic, evolutionary process which must now be undertaken in South Africa. Every member of Parliament in New South Wales - and, indeed, throughout Australia - will extend to South Africa best wishes in the difficult task ahead. It is significant that a very broad cross-section of the South African community supported the "yes" vote. It was not a trendy or left-wing element within the white population which supported the "yes" vote, but a full cross-section of the community. The white community in South Africa - as with any community - holds a wide range of political views.

One of the more interesting and significant aspects is that the South African business community supported fully the "yes" vote and campaigned against the "no" vote. That underlies the importance of not categorising fundamental issues of justice and equity into a political spectrum understanding. Issues of justice, democracy, equity and fairness transcend the political spectrum. We must be absolutely forthright in condemning those who do not support basic rights and freedoms, not for being part of the political spectrum - be it the extreme left or the extreme right - but for being against the best interests of society, which is not justified by any political ideology. As that process proceeds in South Africa it is significant that even voters in the conservative rural areas of the Orange Free State overturned earlier predictions by endorsing President de Klerk's initiatives to give the black majority their rightful participation in the political process. It is a great source of hope for South Africa that the cross-section of the white community supports this reform process. We hope and pray that this may be the last whites-only community vote, and that the entire South African community, white, coloured, black, whatever, will participate in future referenda and votes.

Though democracy is perhaps the highest political ideal to strive for, and a belief in democracy reflects the fundamental rights of human beings to justice and equity, the process does not stop there. Though democracy has been, and rightly so, the goal of many people in South Africa, it is a means to further ends. Democracy above all is a

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process which does not merely stop at justice and equity. Democracy for South Africa must be the means by which access to justice and a fair legal system and to the essential needs of life - food, clothing, shelter and education - is extended to the community. The high goal of democracy is ultimately a means of achieving the broader and deeper understanding of justice. We wish South Africa all the best in achieving and continuing that process. Having abolished apartheid we hope that South Africa will work towards establishing equity and the basic rights and needs of people. We in Australia - and indeed people from many nations - must recognise that the process cannot stop there. It is imperative that we take one step back to see the larger picture. It is appropriate that Her Majesty the Queen, in her Commonwealth Day message, spoke about global environmental issues confronting our planet. She said:

The earth is a gift to us all, whoever we are, wherever we live . . . we all share the task of ensuring that our world will remain fit for life and capable of sustaining us and those who will come after us.

The protection of the global environment is an issue of overriding importance which will be high on the agenda of nations in the decades ahead. Protecting the environment is now a universal goal, and it will be the theme of a United Nations conference in Rio de Janeiro this year. It is not without controversy. Developing nations argue that they cannot afford the cost of environmental clean-ups and cannot forgo development. This will be the real challenge of the twenty-first century. Whilst many nations over the past several years have embraced democracy - we have seen South Africa abandon its apartheid past and commence seriously the task of working towards democracy - we must realise that the future will demand of us a commitment to the global environment. Ultimately, this is the planet upon which we live and which we must protect.

The sensible solution of such issues will be extraordinarily difficult to attain. We must recognise that human beings need a certain level of development, but that development must not damage the long-term sustainability of our planet; nor should we forgo the great beauty of the natural environment which God has given us. The Queen's Commonwealth Day message was a salutary reminder of the bigger picture; one we would all do well to remember. On this day when we appropriately celebrate with South

Africa a resounding "yes" vote and when we agree with Her Majesty that the best guardian of freedom is democracy, let us remember that that freedom must be grounded in justice for all; the needs of all must be met. That freedom must also be kept in mind when exercising our wider responsibility for the environment of the planet on which we live. I commend the reply to the opening address of Her Majesty to this Parliament.

Dr REFSHAUGE (Marrickville - Deputy Leader of the Opposition) [10.18]: In the dying days of this minority Greiner-Murray-Windsor Government we see it driven by ideology and forcing the people of New South Wales towards the devastation of an American-style health care system. There is no doubt that anyone looking at the American health care system, apart from those in this ideologically blinkered dying minority Government and their Federal colleagues, would say that it is a disaster; it must be changed; it is the wrong way to go. Recently the Federal Leader of the Opposition visited the United States of America and said to people in Congress and on Congress Committees, "I want to bring the American health care system to Australia". The Americans thought it was a very clever joke by a savvy Australian who was really saying to the Yanks, "We all know you got it wrong". Dr Hewson, however, was serious. The American Republicans began to worry whether the Australian Leader of the Opposition had any idea about what was going on. In my conversations with senior members of the Bush administration entourage, when it visited Australia some months ago, one of the topics at the top of their agenda was their health care system. They said to me: "We have got it very wrong. We need to look at the Australian, Canadian and British health care systems to try to do better, because we cannot do worse". Recently the *Wall Street Journal* reported the case of a young American man in his early twenties who could not afford health care in the United States of America. That young man could not gain admission to hospital because it wanted cash up front - as the Port Macquarie Private Hospital also demands.

Mr Schultz: Do you go to public hospitals?

Dr REFSHAUGE: Yes, I do. The *Wall Street Journal* reported that this young man in his twenties could not afford to get into hospital, and as a result of his condition he died at home, leaving a family. That is the system that Dr Hewson wants to bring to Australia. How does that fit in with the New South Wales health system? The Government has proposed, although different messages are given by the Premier and the Minister for Health Services Management -

Mr Causley: At least they tell the truth.

Dr REFSHAUGE: I am not sure which is telling the truth. Yesterday the Premier was telling a very different story to that told by the Minister for Health Services Management, who said that the Government - being the Greiner-Murray temporary Government - wants to place \$3 billion to \$4 billion of our public health system under private control. What does that mean? First, it means that at Port Macquarie, Maitland, Moruya, Nepean, and Albury -

Mr Causley: You said Grafton the other day.

Dr REFSHAUGE: Not Grafton - graft and corruption, the hallmark of the Greiner-Murray Government. Coffs Harbour is also on the agenda, and we are now hearing that Gladesville is also possibly on the agenda in a modified form. Privatisation is not just occurring at one site but spreading throughout the New South Wales health system. What happens with privatisation? Let us examine the Port Macquarie

experience. The bed-day cost at Hasting hospital, according to the board, is \$600 to \$605, and the Minister agrees with that figure. The board says that the bed-day cost at a new privately run and controlled public hospital will be \$880 to \$890. Consequently, the taxpayers will be required to subsidise a private company by an amount of \$12 million per year every year for the next 20 years so that the company can pay dividends to its shareholders.

Mr Causley: Fee for service.

Dr REFSHAUGE: That is an extremely high fee.

Mr Schultz: Substantiate that with facts.

Dr REFSHAUGE: That is the fact. On top of that subsidy is a facility fee, not yet calculated, of about \$2 million to \$3 million per year. The subsidy will be of the order of \$15 million a year for 20 years - a total of \$300 million of taxpayers' money on top of normal running costs for a public hospital. The Government wants to take that route because it is strapped for cash for works. That hospital could have been easily outfitted and run for almost a year for \$100 million - the same amount as that spent by the Government on Eastern Creek.

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Mr Causley: \$49 million.

Dr REFSHAUGE: I am not concerned about how much the Government wants to lie about. The fact remains that it is taxpayers' money that the Government has spent in the wrong area. Hundreds of millions of dollars have been spent on the Government's consultant mates. Clemengers just got the lotteries again. It is marvellous how Greg Daniels, who did such a great job portraying a smirking Coalition leadership for the May 1991 campaign, is back again. The Government wants to bring back Greg Daniels, who will put the lotteries where they really need to be. I hope he does not put the lotteries where he put the Premier - in a terminal, state. The Government, in addition to wasteful subsidies using taxpayers' money, has lost its grip on planning and cost control. Every year bed-day costs will be renegotiated, and quality assurance and accountability will be lost. Privatisation of the health care system will produce those major disadvantages. For the people of Port Macquarie the terminal, minority Greiner-Murray Government, which supposedly believes in free enterprise and freedom of choice, has created a monopoly. Health Care of Australia already runs a private hospital at Port Macquarie. The Government may have sought competition but in accepting Health Care of Australia it created a monopoly and threw in a \$15 million subsidy from taxpayers' funds each year. Is the Government really pursuing liberalism or freedom of choice or giving the market a fair go when it creates private sector monopolies?

Capital expenditure is a problem in this State as in all other States. The Government should have seriously studied Labor's policies years ago rather than adopt them belatedly - though I congratulate the Government on doing that at long last. Years ago Labor released a health policy that provided that revenue from a casino would go into health works. Peter Collins, the Minister for Health at that time, said the Government did not want a blackjack-led recovery for the health system. But our favourite Chief Secretary proposed that casino money should go to health needs for five years. What a change! The Government has decided that Labor policy is worthwhile, that it works and should be introduced. Port Macquarie hospital would be completed if the Government

had adopted Labor Party policy years ago.

Mr Schultz: We know what your policies did.

Dr REFSHAUGE: The Government is introducing our policies and I am congratulating it on doing that. Another problem is that one might want to build at a faster rate than that. There is a whole range of developments that one might look at. There are alternative views. As the Minister said, if the Federal Government wants to give the State Government some money, it will take it. So would we. The Deputy Prime Minister has referred to infrastructure being paid for by the Federal Government, so why is the Minister not in Canberra getting this money? It would be part of the better cities program. It fits in beautifully with the principle of moving some of the major health institutions to growth areas. The Labor Party is not opposed to private sector involvement in infrastructure; it is opposed to the control of health care being given to private entrepreneurs. The private sector is open to enormous risk. If it goes down the tube, what will happen to the services it is supposed to provide? The Opposition is happy for the private sector to be part of building the system; it is not happy for the control, the running, the management and the provision of service to be given to the private sector. That must remain in public hands.

Let us take the example of the Port Macquarie hospital and whoever may be running it. The private hospital company may come to us in an election year - and Port Macquarie is a marginal electorate - and say: "You have been giving us \$890 a bed day for the past few years but we cannot run it on \$890. We need \$1,500 a bed day. If you do not give us that money, we will close beds". What Government would stand up to
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such blackmail by saying, "In an election year, in a marginal seat you cannot have any more money"? They will have us over a barrel; they will have an intravenous line to the Treasury; they will be sucking taxpayers' money out of Treasury to line their pockets, not to improve health services for the people of New South Wales. An examination of the plans that this Government has for the privatisation of the health care system leaves us in no doubt that New South Wales needs a change of Government. It is not surprising that yesterday the four non-aligned Independents said, "We do not like this direction". One of those Independents is a private general practitioner who has worked in both the public and private sectors, not only in Australia but also in the United Kingdom - hardly a person of radical tendencies. The Independents said further: "This must not go ahead. It is the wrong way to go". They have put the Government on notice that it follows this route at its peril. I urge every member of the Government to consider the interests of the people of New South Wales and whether they want to subject them to the spectre of an American-style health care system in which the rich get health care and the poor often die because they cannot get health care. This issue must be addressed in the Government party room and the decision must be reversed.

The hospital issue will probably dominate debate in this Parliament until the baton is changed. There is no doubt about that. But other important issues should be raised as well. I add my support to the comments of my colleague the honourable member for Wallsend with respect to Aboriginal affairs in this State at the moment. The Royal Commission into Aboriginal Deaths in Custody recommended that imprisonment should be used only as a sanction of last resort. That should be our guiding principle when addressing Aboriginal affairs, particularly Aboriginal incarceration. The number of Aborigine in goal has been too high for too long. No one can take any credit for the incarceration rate of Aborigines in New South Wales. Not only is the incarceration rate too high - dramatically higher than that of the white population on a per capita basis - but it has been increasing over the past few years, particularly in New South Wales. We

should not take comfort in that. We should be ashamed of it and look for ways to ameliorate the problem. The Attorney General is working on that. [*Extension of time agreed to.*]

I know that the Attorney General is giving consideration to implementing a range of recommendations. I welcome them. The number of Aborigine in gaol in New South Wales has increased by 80 per cent since 1987. That is absolutely atrocious. The rate for the rest of Australia is only 8.6 per cent - again, too high - but the New South Wales rate is 10 times that of the rest of Australia. Something is drastically wrong. New South Wales gaols hold 30 per cent of the imprisoned Aboriginal population. The Greiner Government has sought to hide the magnitude of the problem by arguing that the 300 additional Aborigines it has gaoled represents a rise of only 1.2 per cent. Why does the Government not at least say that though the figures are right, the situation is wrong and we need to fix it? I know there are good members in the Government who want to do something about this issue. Why does it fudge the figures? This is a tragedy, a disaster, and it needs to be changed.

Most Aborigines are first gaoled as juvenile offenders. That needs to be addressed. Honourable members can imagine what would be the situation if most prisoners were first gaoled as kids. They would have no hope from then. They would go to goal, mix with criminals, get a gaol culture, and become institutionalised, so that when they get out their whole concept of normality and how to behave in the community has been bastardised. In New South Wales, Aboriginal children are gaoled 25 times more often than non-Aboriginal children. Young Aborigines in custody are often sent to facilities that are long distances from their homes and families. What hope do they have

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of rehabilitation when that form of - dare I say it - apartheid, that form of family disruption, is in existence? Despite such isolation of young Aborigines in custody, the Government recently abandoned its plans to build an appropriate centre in Dubbo for children of the Central West. I urge the Government to reconsider that decision. I am not suggesting that more facilities be built, but if we have to have them, they should be provided where people are living. The Opposition has, as much as possible, maintained a bi-partisan approach to Aboriginal affairs, though we have had significant disagreement with the Government in some areas. It is important for us not to leave it to the Government; we must come up with policies of our own, in a bi-partisan spirit, in the hope that the Government will take some of them on board and implement them. Our policy, particularly in regard to juvenile crime, is to deal with the problems at their source.

We will introduce a modification of the young offenders program introduced in New Zealand. It is a style of justice to keep the kids out of court. It involves mediation with the offender, the arresting officers, the offender's family, the victim and an independent mediator. Together, they will work out an appropriate punishment and an appropriate solution and deal with the problems that led to the offence. The mediation might result in help with problems at school, getting a job, drug and alcohol counselling and restitution for the victim, which I believe is an important ingredient. If offenders understand what it is like from the victim's point of view, they are more likely to be rehabilitated than if they look at it from the point of view of their committing an offence, getting a penalty, and not understanding what it is like on the other side. I am hopeful that the introduction of this approach here will have a significant effect on all young offenders, not just Aboriginal offenders.

For the first time the Aboriginal community will have an opportunity to have direct and major input in determining just how young people are treated by the criminal

justice system and arriving at a solution which has a very strong Aboriginal component - a uniquely Aboriginal solution. I guarantee that if we do not follow this approach, we will continue to get it wrong. Aboriginal kids should not be turned into criminals for socioeconomic reasons. Because you are poor you should not get the raw end of the criminal justice system. In the adult jurisdiction a major problem is the lack of alternatives to gaol - for example, community work programs, rehabilitation programs and periodic detention. Labor has made a commitment to making those alternatives available in western New South Wales, an area which has the highest rate of arrest and incarceration of Aborigines. We are emphasising education and training during detention, and services and support for offenders to continue the programs after the release of the offenders. There is no point in having gaols as punishment only. That results in a brutalised society.

When people enter the system, for whatever reason, there should not be a revolving door operating so that they come back in later. Very little rehabilitation is occurring in gaols at the moment. We should consider providing rehabilitation before and after the incarceration. If we do that, we may make some claim to being a civilised society; if we do not, the barbarism that exists will continue, particularly from the perception of Aborigines. We need to do much more with regard to Aboriginal affairs. In government Labor would extend funding for land rights for an extra five years. We would hope to work with the land council to see whether the money could be spent on a range of options. Consultation as well as money is required to make the programs work. We will have a Minister for Aboriginal affairs. Rather than have a pseudo Minister for Aboriginal affairs, we will have a real Minister for Aboriginal affairs, one who has the authority to do things, not one who has to go to the Premier all the time to ask for permission to do something.

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Mr Moore: The Minister for Aboriginal affairs does not have to go to the Premier in our Government. The Premier is not schizoid.

Dr REFSHAUGE: You do not have one. The Premier is not Minister for Aboriginal affairs.

Mr Moore: He is. The Premier is Minister for Aboriginal affairs.

Dr REFSHAUGE: It has been wiped off his title. Check the *Government Gazette*. We will have a department of Aboriginal affairs and a Cabinet committee on Aboriginal affairs. In education, we will significantly increase the number of Aboriginal education assistants. We will provide extra teaching positions under the infant schools program. We will also maintain the Aboriginal Education Unit in the Department of School Education. The Aboriginal education policy will be implemented in all schools. Teacher education cadetships will be offered and promoted for Aborigines. We will provide extra staff for the Aboriginal Education Consultative Group. We will maintain police Aboriginal liaison officer positions and make sure that they are filled. Officers will be provided with appropriate facilities to do their jobs. Often they do not have cars and they are unable, especially in the bush, to meet the people they have to deal with.

In health, we will implement the recommendations of the national Aboriginal health strategy and provide support to the Council on Aboriginal Health. We also believe there needs to be greater promotion and support of the community controlled Aboriginal medical services, which have shown their ability to make dramatic change in the health status of Aborigines, particularly in Aboriginal infant health. These are the

imaginative policies that we believe will make a significant difference to brighten the abysmal future that Aboriginal people in New South Wales face. I hope that in the soon to occur transition of government - from the minority Greiner-Murray team to the strong and ever-growing Carr Labor Government we will be able to maintain the bipartisan approach. I feel there is good will.

Mr Chappell: As in the past.

Dr REFSHAUGE: On Aboriginal affairs, yes. That approach will stand this Parliament and its members in good stead. We will be able to make significant, worthwhile and lasting contributions to the advancement of Aboriginal people in this State. Until the figures dramatically change, none of us will be able to have real pride in the job we have been doing. I reiterate that the number of Aborigines in New South Wales gaols has increased by 80 per cent in the past four years. That trend must be reversed. I point to some of the other figures. The life expectancy of Aborigines in New South Wales is 20 years less than the life expectancy of whites. When a white child is born he has an expectation of 70 or 80 years of life - making an enormous contribution and giving enormous value in that time. That period is curtailed for an Aboriginal child to 55 to 60 years. That is the tragedy that we should remedy. The chances of an Aboriginal baby surviving its first year of life are about a third less than that of a white child. When we see the joy of birth and know what we are imposing on Aboriginal people by our often inappropriate actions - often well-intentioned but inappropriate - we know that we must do better. I believe that it is possible but it will not be easy. As I said, in government we will offer to maintain the bipartisan approach to Aboriginal affairs so that we can make a contribution. I hope that when we have finished our time in this Parliament Aborigines will have benefited significantly from the work we have been able to do together.

Debate adjourned on motion by Mrs Chikarovski.

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GOVERNMENT INSURANCE OFFICE (PRIVATISATION) AMENDMENT BILL

Second Reading

Debate resumed from 10th March.

Mr AMERY (Mount Druitt) [10.48]: I lead for the Opposition in the debate on this bill. Although the Opposition welcomes the opportunity to debate this issue by virtue of a bill rather than a disallowance motion, which was debated about two weeks ago, our attitude to the establishment of a building society under the conditions put before the House by the Minister remains the same. We oppose this bill. The bill proposes to allow GIO Life Limited to establish a permanent building society with a 100 per cent controlling interest in that society. The bill requires the society to comply with certain requirements which are set out in the explanatory note. They are that the society must have consented to the shareholding by GIO Life; GIO Life's policyholders are entitled to become members of the society; GIO Life must hold the shares of the society as assets of its statutory fund under the Life Insurance Act 1945 of the Commonwealth; and the society is prohibited from lending money to GIO Life or its associates. The next requirement is an important one for all non-bank financial institutions. At least 60 per cent of the society's loans must be for owner-occupied residential premises. The remaining requirements are that a majority of the board of the society must not be directors or employees of GIO Life or its associates; and that GIO Life will not be

entitled to transfer shares in the society without the approval of the Registrar of Permanent Building Societies. Limitations are imposed on the amount the society can have in any one investment.

Strong protections apply to all building societies in New South Wales. All options were considered in considering what course of action the Labor Opposition should take in relation to this bill. Those options were, first, to agree with the Government and support the bill; second, to try to find a way out for the Government by moving amendments that would somehow make this building society comply with national and State laws in a prescribed period of time. The final decision of the Opposition was to oppose the bill. The Opposition believes that to support this bill would put the Labor Party in the same irresponsible mess as the Government is in on this issue. To support this bill and the Government would make the Labor Party a party to the breaking of the financial institutions agreement signed by the Premier only last November. To support this bill would be to accept the oversimplistic view expressed by the Minister in his second reading speech. A little later I will analyse the contribution he made. When all the issues surrounding this proposal are considered, there is no way the Labor Opposition could agree with the Government on the guidelines the Minister has put before the House. If the bill is passed by this Parliament, it would be the first major step in weakening the strong prudential standards of New South Wales for non-bank financial institutions.

Mr Fraser: What a load of rot.

Mr AMERY: Before he makes interjections of that sort, the honourable member for Coffs Harbour should read not only the bill and some of the departmental briefing notes but also the agreement signed by the Premier a few months ago. I suggest that he should also read the Permanent Building Societies Act. New South Wales law restricts to 10 per cent the limit any one entity can have in a permanent building society. That is not something insular to this State. It is an acceptable standard and is the standard adopted in the financial institutions agreement signed by the Premier last year. It is the standard which is also being adopted in overseas countries. Recently the *Australian Financial Review* reported that the Korean Government has established a guideline which

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limits ownership in Korea's provincial banks to 10 per cent. As I have said, it is not a prudential standard which is insular to New South Wales. It is a standard which is accepted in Australia and is fast becoming a worldwide standard. Many of the Minister's statements in his second reading speech need to be questioned. In his reply he should answer the matters I intend to refer to in his reply. The Opposition looks forward to the Minister correcting some of the comments he made in his second reading speech or, at the very least, elaborating on some of the claims he made when introducing this bill. In his second reading speech on this bill the Minister said:

Without the amendment GIO Life would be prevented from having a relevant interest in more than 10 per cent of the fixed shares of a society. This would prevent the GIO from continuing with its current deposit taking and home lending operations . . .

My criticism of the Minister is not so much to refute his claim but to point out that the Minister did not provide the House, the Opposition or anyone else with any options. As I said in the debate on the disallowance motion, this is a take it or leave it proposition. The Minister could have provided options such as GIO Life raising funds by way of cash management accounts or insurance bonds. Further, the Minister has not provided to the House any other option such as the ability to lend money as other insurance companies

do. The Minister has claimed that if the bill is defeated, GIO Life will be prevented from lending money for home finance. Perhaps in his reply he could explain why the GIO, as a private company, will be different from any other life insurance company. Other life insurance companies, a number of which were surveyed by the Opposition, have clearly stated that they have for many years lent money for home building projects. The Government has no justification for claiming that GIO Life would be prevented from lending money for home building. That is not the case and the Minister should confirm that in his reply. As I have said, we have been given few options. No time frame has been set for the building society, if approved, to comply with the 10 per cent rule under the Permanent Building Societies Act. The Minister said also in his second reading speech:

In order to proceed with this matter, and permit full consideration of the issues, the Government has introduced this bill to allow the GIO to own 100 per cent of one building society .

As I said at the outset of my contribution, although the Opposition is thankful for that, it must be remembered that that is a retrospective statement. It has been made with hindsight. It must be remembered also that this bill was not the Government's preferred option when it decided to approve two 100 per cent owned building societies in New South Wales. The Government attempted to deal with this matter by sneaking it through in the *Government Gazette*. A regulation was inserted in the *Government Gazette* and the Government hoped that 15 sitting days would pass and an important decision, which would have approved two 100 per cent owned building societies that do not comply with the laws of New South Wales, would have passed unnoticed. That gazettal took place in the middle of The Entrance by-election campaign and virtually in the middle of the school holidays. Although the Opposition is thankful for the opportunity to debate this matter in the form of a bill, I should like to make it clear that this was not the Government's preferred option.

If GIO Life is allowed to have a 100 per cent holding in one building society, why should we not then allow every life insurance company, not merely GIO Life or MLC Life, which was mentioned in the regulation, or the National Roads and Motorists Association or any other large organisation in this State, to establish a 100 per cent

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owned building society? What is the reason for selecting GIO Life or any other building society or life insurance company? One person said to me, "What is wrong with that, why not have more building societies?" Frankly, I think everyone would welcome more building societies and financial institutions. However, if that proposition is accepted, why does New South Wales have the 10 per cent rule in the first place? Why has the 10 per cent rule on ownership been the standard in New South Wales for well over a decade? Why use the 10 per cent rule as one of the many major requirements for national standards? The Minister's arguments do not add up. While we are debating this bill today, legislation has been introduced in Queensland which will set that as a national guideline. The Australian Financial Institutions Commission Bill, which has been referred to as template legislation, has been presented to the Queensland Parliament by the Treasurer of Queensland, the Hon. K. DeLacy. These standards do not apply only in New South Wales. This legislation is designed to protect prudential standards throughout Australia.

In his second reading speech the Minister argued that, by virtue of legislation passed by the Parliament in 1985, it was the former Labor Government which permitted the GIO to establish a deposit-taking and lending role. He argued further that the proposed legislation merely preserves that facility. The Minister makes a good point.

However, there is one glaring omission from the Minister's argument when the former Labor Government introduced the legislation: the GIO was a government owned insurance company. Any deposits made by the public carried the government's guarantee. There was no necessity to apply prudential standards to protect the non government or private sector building societies, as set out in the Building Societies Act, because all funds when transferring from an insurance company to a deposit taking and lending institution were guaranteed. That was the ultimate prudential standard, as far as the Labor Government was concerned when it permitted the GIO to expand its operation.

That government guarantee will dramatically change when the Government Insurance Office is floated. The government guarantee will no longer exist when the GIO becomes a private instrumentality. It is important when the transfer from a government institution to a private institution is made that the government guarantee is transferred to private prudential standards. I believe that omission was not simply an oversight by the Minister. The Minister referred in the second reading speech to the need for a new building society when St George becomes a bank. He pointed out that there would be no building society based in Sydney when that transfer was effected. The Opposition can relate to that. Let honourable members be clear about where the Opposition stands on this issue. The Opposition does not object to a new building society, be it the GIO or any others. The Opposition says that any new building society must comply with existing New South Wales prudential standards and must comply with the Australian Financial Institutions Commission standards from 1st July, 1992. Clearly, if the Government allows the 100 per cent rule, the GIO Building Society does not meet that standard. It is black and white. The GIO Building Society will not meet that standard and the Government has not indicated to this House that it ever will meet that standard. In other States 100 per cent owned building societies will be given time to comply with the new standards. There is no guarantee in the proposed legislation, nor in the Minister's second reading speech, to suggest that at any time in the future, the GIO Building Society will comply with those national standards. The main reason for the Labor Party's opposition to this legislation can be found in the concluding section of the Minister's second reading speech:

Mr Speaker, there is absolutely nothing in this legislation that contradicts the financial agreement made between the States on 22nd November, 1991.

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The Minister said that in this House. Obviously, he has never read the agreement. This bill and everything proposed by the Government contradicts that agreement. I refer honourable members to a document entitled, "The State of New South Wales, the State of Victoria, the State of Queensland, the State of South Australia, the State of Western Australia, the State of Tasmania, the Northern Territory of Australia, the Australian Capital Territory Financial Institution's Agreement". The document is dated 22nd November, 1991. Paragraph 9, at page 26, under the heading "Ownership", reads:

Limit of 10 per cent on holding of permanent or withdrawable shares (or other securities as determined) in a Society by a person or their associates and this includes directors . . .

That guideline under the agreement is signed by the Premier. The best argument against the Minister's statement relates to the credibility of the New South Wales Government. Section 409, at page 15 of the agreement under the heading "Prohibition on Conflicting Legislation", reads:

A State will not submit legislation to its parliament nor take action for the making of

regulations which will, upon coming into force, conflict or negate the operation of the financial institutions legislation.

On page 36 of the agreement there appears the signature "Nick Greiner". On two occasions in the past two weeks this Government has breached that agreement - one, by introducing a regulation to enact two 100 per cent building societies into this State without a debate in Parliament - if it had not been detected - and legislation which proposes that a building society will operate in this State with a 100 per cent holding. The Australian Financial Institutions Commission has learned what State Government employees know and have known since the 1988 election: if Nick Greiner guarantees something in writing, take no notice of it. Imagine any employee of a public school, for example, who prior to the 1988 election received a letter from the Premier saying, "If you vote for us, we will guarantee you a job". They are unemployed now. The Australian financial institutions are receiving letters saying, "We will not introduce contradicting legislation". I will give the Premier some credit, he is consistent. The closing remarks of the Minister should also be questioned:

There is also nothing in this legislation that contradicts any existing legislation.

The Premier was obviously referring to New South Wales legislation.

[Interruption]

Let me go to the second one: he has already signed the agreement.

Mr ACTING-SPEAKER (Mr Chappell): Order! The debate in this Chamber will be conducted through the Chair and not across the table.

Mr AMERY: Let me hear your interjection on the next aspect. I will repeat what the Minister said:

Mr Speaker, there is also nothing in this legislation that contradicts any existing legislation.

Let us put aside the requirement in this Permanent Building Society Act which limits holdings to 10 per cent and consider the bill before the House. I turn to page 2, section 42A(1) which provides:

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The purpose of this section is to permit GIO Life Limited to hold up to 100 per cent of the shares in a single permanent building society under the Permanent Society's Act 1967, despite the restrictions imposed by that Act on shareholdings in a society.

The bill before the House clearly states that the bill will introduce a 100 per cent shareholding despite the restrictions imposed by existing legislation. The Minister should read the bill before making his speech. The bill clearly states that it is the intention to circumvent the provisions of existing legislation. That is quite contrary to what the Minister said in his second reading speech. The introduction of this bill shows that the Government has no respect for our long established prudential standards which have protected New South Wales from the types of financial collapses it have occurred in other States.

Mr Fraser: They are all Labor States.

Mr AMERY: That is irrelevant. I am saying -

Mr ACTING-SPEAKER: Order! The honourable member for Mount Druitt will address his remarks through the Chair.

Mr AMERY: The standards that have protected our financial institutions for decades were introduced by the Wran Government, and now other States are attempting to legislate for similar prudential standards. This debate shows that the Greiner Government is not a genuine participant in the Premier's agreement to have uniform control of non-banking financial institutions. It once again shows how worthless the Premier's signature is on anything that requires his guarantee.

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

Mr AMERY: The Government has not done its homework on the proposal to float the GIO. I refer honourable members to the Minister's second reading speech and to the contributions by members on the Government benches on the float of the GIO. Does any member recall in that package that the GIO, once it is a private life insurance company, will have a building society? Of course they did not. There was no reference to that. Reports of the proposed building society made headlines in the press only in January when the GIO decided retrospectively that it should have a controlling interest in 100 per cent of the fixed shares of a permanent building society. In its haste to float the GIO the Government has not done its homework. The financial institutions agreement was signed in November, the Government Insurance Office (Privatisation) Bill was introduced and was then amended when it was decided to provide for a building society. The Government should do its homework before it decides to float one of our State instrumentalities. For all those reasons and for many other reasons given by members of the Opposition during debate on the disallowance motion, this bill should be defeated. The reputation of our prudential standing should remain protected.

Mr J. H. MURRAY (Drummoyne) [11.12]: This legislation has a hidden agenda, which is to prop up the ailing finances of the Greiner Government, and more importantly, because the Budget strategy presented to this Parliament was based on the potential realisation of \$1.75 billion from the sale of the GIO. This legislation is being introduced because the Premier and the Minister for Sport, Recreation and Racing and Minister Assisting the Premier know that the only way they can sell the GIO is to sell it as a separate package - an insurance company and a building society. That is what the bill is about. It is about propping up a Government, which in its last gasping minutes, attempted to sell a major asset of the State but realised after advice that a separate

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entity - a building society - would have to be sold to realise the \$1.75 billion. To enable the Government to do that it had to introduce this legislation to circumvent Federal legislation. The Minister knows that. When the original bill was introduced there was discussion about the quantum that any individual or group could hold in terms of ownership of shares. At that time the Minister indicated that the Federal Government would be introducing legislation and that on 30th June the 10 per cent quantum provision would be applicable.

The Minister is now saying that the Government wants one organisation to have 100 per cent of the fixed shares. The Government wants to circumvent the law for the reason I gave. I was interested to read the Minister's comments that there is also a need for this building society to operate with the contraction of other building societies within

that field. He said that people living in Sydney would only have the choice of private sector banks from which to obtain the home loans. That is utter rot, as the Minister well knows. The co-operative housing groups in this State lend as much as the St George Building Society. The co-operative housing societies are major lenders. More importantly, they have tailored loans to suit first home buyers or to suit people who may want to borrow \$200,000 or \$300,000. Because they are government guaranteed, they are able to lend money at a cheaper rate. They do not have to pay insurance. An average co-operative loan would cost \$2,500 less than a building society loan, as proposed by the Minister, would be able to offer. It is not true to say that building societies have remained the only real alternative to banks for the provision of affordable home finance, particularly for first home buyers. The co-operatives are scattered all over Sydney, at St Mary's, Campsie, Blacktown, the centre of Sydney, the North Shore, and Rockdale. They have more branches than the GIO has. These societies are flourishing. They are offering loans at a cheaper rate than do permanent building societies. I was also interested to read the statement by the Minister that unless this legislation is passed, the sale of the GIO will fall over ipso facto. Instead of having a surplus of \$660 million - the Minister did not say that in his speech but that is what he implied - the Budget will have a deficit of about \$2 million. That is an horrendous deficit, but that is what it will be.

Mr Fraser: The honourable member cannot add up.

Mr J. H. MURRAY: I guarantee that what I am saying will have more veracity than the Premier when he introduces the Budget. There will be a Budget deficit to the tune of \$2 billion and a total Budget of \$18 billion. That is the sort of deficit we will face by 30th June, and one of the major reasons is that the Government will not realise \$1.75 billion for the sale of the GIO. The Minister would have us believe that the legislation must be rushed through in order to have the prospectus out in time for the sale of the GIO. The Minister has said that the final draft of the prospectus is almost complete; but if this legislation is not passed it will have to be rewritten. I agree with that. The GIO would have to separate its financial service arm from its organisational arm. That is true. The Minister said also:

Finally, it is obvious that given these considerations the privatisation would not be able to proceed by 30th June, 1992, and the float may need to be aborted.

It will not need to be aborted, but the fact of the matter is that the privatisation was never going to be able to proceed by 30th June. Honourable members need only look at what happened when the Commonwealth Bank underwent a partial float. It took six months to get that partial float through. The Minister would have us believe that we are going to get this GIO float up and running, that we are going to have the prospectus released and that people can examine the matter, write their cheques and the money will be in the Treasury by 30th June.

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The Minister for Sport, Recreation and Racing and Minister Assisting the Premier is competent and capable. He has tried to undertake that float and get that money into Treasury by 30th June, but he knows in his inner heart that it is too difficult. If he cannot do it, no-one else can. The Minister's second reading speech was hollow rhetoric. The crocodile tears were designed to influence a few of the Independents by saying that without this legislation, the Government's budget strategy will be in tatters, public servants will not be paid, Hansard will not be paid and, as a consequence, we must push it through. That is the hidden agenda. I believe that I have exposed that agenda.

No matter what happens, there is no way that that money will get to Treasury by that date, and the Government will face a deficit close to \$2 billion. The point of view put by the honourable member for Riverstone was dynamic; it was a complete vindication of the Opposition's stance on the bill. I would be very interested to hear the Minister's reply and his comments on the suggestion that this process must be expedited so that the Budget can have some semblance of balance by 30th June.

Mr DAVOREN (Lakemba) [11.22]: I support the honourable member for Mount Druitt in his opposition to the Government Insurance Office (Privatisation) Amendment Bill. With the forbearance of the House, I will give a short history of building societies in this State. Permanent building societies have been in existence in New South Wales for many years. The original Act of 1901, the Building and Co-operative Societies Act, enabled private individuals to hold shareholdings in permanent building societies. Illawarra Mutual is an example of a 1901-type society. They are gradually disappearing. In an endeavour to introduce checks and balances, the Permanent Building Societies Act 1967 was enacted, under which permanent building societies in New South Wales gained registration and the legislative right to continue their operations. The honourable member for Mount Druitt pointed out that 1967-type societies are also rapidly disappearing. St George Building Society, when it becomes a bank - and undoubtedly it will - will be the last of the big permanent building societies.

The 1967 Act authorised a mutual voting arrangement whereby decisions were made at a meeting of the shareholders, that is the depositors. That seemed to work very effectively, except in the case of United Permanent. The Minister at that time, Mr Debus, introduced amendments to prevent a recurrence of the events surrounding the takeover of United Permanent by the Royal Bank. United Permanent became the Royal Building Society. There were specific reasons for the enactment of the 1967 Act. The checks and balances it introduced were to preserve the prudential standards of the depositors' funds. They were tightened up by the Labor Government. As the honourable member for Mount Druitt rightly pointed out, that legislation became the prudential standard adopted almost in toto by the Australian Finance Insurance Corporation and recommended to the various States, specifically to Queensland, which is preparing legislation in this area. The 1967 Act contained provisions designed to prevent situations such as the Pyramid Building Society fiasco in Victoria occurring. Such a situation could not arise in New South Wales by virtue of the 1967 Act and because the Registrar of Permanent Building Societies, as part of his inspectorial duties, carries out an excellent examination of permanent building societies.

If it were possible for GIO Australia to be a 1901-type society, its sale value would be increased, because it would be an asset that no other society could have. I imagine that it would be possible for GIO to eventually sell such a building society to any prospective purchaser. It certainly would have advantages over any other building society registered under the 1967 Act. It appears to me that this bill is an attempt by the Government, certainly with the connivance of GIO, to gain for this society 1901 status by subterfuge. The legislation is quite explicit in that it exempts the proposed building society from the ramifications of the 1967 Act. Why has this bill been introduced now? Under the financial arrangements signed by all States Queensland will introduce model
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legislation no later than 31st March. If there were not such a rush to enact this legislation, I would have imagined that during this session the Government will introduce legislation similar to that approved in Queensland.

If GIO requires a controlling interest in a permanent building society, why should we not preserve prudential standards and wait until after uniform legislation has

been prepared which incorporates the ramifications of the financial institutions agreement that has been signed on behalf of the Government of New South Wales? I cannot understand why there is such a rush. Some secret agenda must require this to be done now. The building society should operate under the normal checks and balances. An argument put by GIO about the necessity for a building society is that it will enable it to invest its funds in a much better fashion and lend money for housing. I feel sure that any of the major insurers, such as National Mutual or Mutual Life and Citizens Company, would be delighted to lend money for housing, provided the applicant was able to meet repayments and meet collateral requirements. I cannot accept that the only way GIO can offer housing loans is through having a relevant interest in a building society. GIO has been successfully lending money for housing for some years, so why is such a change now necessary? I feel that the necessity for this change is that it will improve the sale value of GIO.

Because of the Government's financial mismanagement it has to look for every spare dollar. I have no problem with that, but why do it now? Why not wait until the enactment of uniform legislation to limit shareholding to 10 per cent and to introduce prudential requirements deemed necessary because of problems in Victoria? I draw the attention of honourable members to an article headed "Korea limits bank ownership" that appeared in the *Australian Financial Review* on 9th March. That article stated that the Korean Government is limiting individual shareholdings in banks and other financial institutions to no more than 15 per cent. Why has the Government not deemed that necessary with the GIO? Is it because of a secret plan or some other reason that we have not been told about? I will be delighted if the Minister in reply gives not a rubbishy explanation but the real reason why action is necessary at this time and it cannot wait until uniform legislation is nationally accepted and enacted. It is interesting to note that although a number of Opposition members have spoken on the bill, no Government member has. Can we assume that only the Minister is in favour of the measure?

The honourable member for Coffs Harbour, who seems to enjoy interjecting, might like to defend the Minister's proposition, for no Government speaker has supported it. The Opposition requests that the bill be delayed until the passing of uniform legislation, when the GIO can have a building society, though limited to the requirements of the signed agreement. The Premier signed that agreement on behalf of the Government, as have all the other Premiers on behalf of the other States. Yet New South Wales is seeking to circumvent it. I suggest that other agreements made by the Government should be viewed with alarm, because they do not mean much to the Government. For those reasons the Opposition opposes the proposed legislation. We request that the measure be stood over until the carriage of the uniform legislation and the necessary requirements are met.

Mr NEILLY (Cessnock) [11.35]: I oppose the Government Insurance Office (Privatisation) Amendment Bill because its intent is contrary to the spirit of proposed national uniform legislation. I believe that there should be checks and balances in the proposed legislation to ensure continuity should a GIO building society be established in New South Wales. I was brought up as a youngster in the Cessnock area, which was

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steeped in co-operative traditions. I can recall going each month to the school of arts to make Starr-Bowkett payments. I recall in the latter years the advent and development of the credit union movement, in which I participated. I can recall also the demise of the co-operative store movement. I remember the co-operative store of which I was a member, and making a deposit a few weeks before it went bust. But I had no regrets about that, because I put my money where my mouth was. I had a belief in the movement and I still essentially believe in co-operatives and what they stand for.

In the mid 1950s, just after I commenced work, I became a depositor with the RSL Permanent Building Society. After a few years that society was taken over and became part and parcel of the State Building Society. As events proved, it was little more than a vehicle to enable the State Bank to become a savings bank. Under the agreement between the State and the Commonwealth about the operations of the Commonwealth Bank, the State Bank could not operate as a savings bank within New South Wales. The building society movement was conveniently utilised by the State Bank. Once that agreement, after a court case, had been concluded between the State Bank and the Commonwealth Bank, the State Bank suddenly found that it had no use for its vehicle, the State Building Society. That building society was taken over by St George Building Society. Since 1957 I have been a member of one building society, though at various times it has had three different titles. St George Building Society is going the way of other building societies and is to become a bank. The Minister said that the advent of St George Building Society becoming a bank will leave the city of Sydney without a permanent building society.

Under the proposed legislation, what is to prevent a building society being created as a vehicle for the GIO to accommodate its needs in conjunction with privatisation? At a later stage, what will prevent that building society going the same way as St George Building Society and becoming a bank - again leaving Sydney without a permanent building society? I believe that the motivation in the legislation is to take that path, and no doubt that will enhance the marketability and value of the GIO. One response might be "What the hell, get the most we can for it", but the Government should be fair and open in its dealings with the people of the State with respect to investment in a GIO float. The Minister mentioned the difficulties that will face the GIO and its 20,000 depositors and those who have GIO borrowings of about \$2 billion.

Mr Souris: \$500 million.

Mr NEILLY: \$500 million is a significant sum. Those problems may be overcome by considering in another light the establishment of a building society under the proposed legislation. Why not comply with a national standard, let the GIO have its 10 per cent equity, and offer the remaining 90 per cent equity to those who have obtained funding through the GIO? Offer the GIO depositors the opportunity to become shareholders in a permanent building society which is proposed by the Government. An alternative path, perhaps of potentially greater evil, is to guarantee in the proposed legislation that such a permanent building society be established and remain in place for a stipulated period of 15 or 20 years. We should provide some certainty for the people of this State. The Minister is concerned because there is no Sydney based permanent building society.

The Minister made reference to the strategies of the Government Insurance Office. One of those strategies is the installation of a bigger and better computer. I

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wrote to the Minister recently regarding a letter which GIO sent to policyholders in February. The letter was not dated, other than "February". Most recipients received the letter only one week before new management fees were put in place by the Government Insurance Office. Those fees came into effect on 1st March. Reference was made in that letter to the new computerisation program of the Government Insurance Office, and the necessity to charge management fees to pay part of the cost of the computerisation program. It also mentioned that GIO would not charge entry fees in the future. That did not help those who had already paid entry fees. On top of their entry fee, they will be confronted with a 33.3 per cent increase in management fees. In anyone's language,

that is big bickies. Is this exercise about enhancing the sale value of the Government Insurance Office? Is it about having a bona fide building society or enhancing the sale of the Government Insurance Office and a prospective opportunity to allow the Government Insurance Office to have something which is readily convertible into a bank once it becomes privatised? I suggest that a number of other options could have been looked at.

Mr HATTON (South Coast) [11.42]: The purpose of the Government Insurance Office (Privatisation) Amendment Bill is to enable the Government Insurance Office to own 100 per cent of a building society. The bill is necessary because the regulation allowing GIO and MLC to wholly own building societies was disallowed. The owning of a building society is part of the GIO's strategy and will increase the return to the Government from the float. The bill compromises the integrity of the financial system. There is a 10 per cent limit on the concentration of ownership of building societies in New South Wales. The Building Society Act and the AFIC legislation was agreed to by all States and will be introduced by 1st July 1992. The uniform legislation will to some extent safeguard the limit requirement, and this bill is a means to allow the GIO to act prior to 1st July.

This legislation favours one institution over all others in New South Wales. When the GIO is in private hands, it will be very difficult to avoid the flow-on. How could other companies consistently be refused the same privilege? If the GIO wants to change the 10 per cent ownership rule, the Government should do so across the board and not selectively. I oppose that vigorously. I stand firmly on the principle which compelled me to move disallowance of the regulation. This Government talks about a level playing field, but was prepared to have two great big bumps in it and give special preference to MLC and GIO. However, when faced with the acid test, the Government abandoned MLC and favoured only GIO. The principle stands firm and I stand behind it. MLC has a building society registration in Victoria but operates in New South Wales and makes an important contribution to home lending. It has a high reputation and integrity. MLC wanted to move its base to New South Wales and had to comply with the fiduciary requirement of a maximum of 10 per cent shareholding being held by one group, company or buyer. As a result of this basic rule, which protected New South Wales from the Farrow Corporation and the Pyramid Building Society scandals of speculative investment which lost millions of dollars and severely crippled thousands of small investors, New South Wales emerged with its reputation intact - one of the few States to do so. I am here to safeguard that reputation and to stand behind that principle.

An important factor that allowed the shocking events to transpire in Victoria was that State's lack of a 10 per cent ownership rule. Consequently, the good name of building societies across the Commonwealth was tainted. This, together with massive bank and corporate failures, investment losses and corporate losses, caused grave concern. That concern spread across the Commonwealth. It cannot be isolated, although

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New South Wales retained a fairly high reputation because of its wise rules. Anyone who understands finance knows that it is a tightrope; it depends on public confidence. If that public confidence evaporates, the tightrope snaps and we are in terrible trouble. All States were concerned and they developed a national code. New South Wales worked with the other States in developing that national code. New South Wales was insulated with its 10 per cent principle, we held to that, and the investments of our shareholders were safe. However, as the national code is to come into place, the Government wants to give special preference to one group.

I uphold the principles in opposing this legislation but there are some worrying aspects of this Government's approach to regulation by the back door. In my view, the MLC has not come in the back door, but the GIO has to allow it to have a 100 per cent shareholding. As I understand it, the MLC has been working carefully for three years towards getting registration in New South Wales. The Government provided in the regulation for both the MLC and GIO, found it could not win with both, and dropped MLC like a hot potato. That left some people wondering what was wrong with MLC. That is unfair to MLC, because it had been working patiently for three years to overcome the 10 per cent rule, but to build in some safeguards. The Government acted with haste and insufficient depth in preparation.

The Minister reacted with shock and horror when I opposed the regulation. The printing presses were about to roll. The Government was about to put out the prospectus to sell GIO. When the Government lobbied the Independents and the Labor Party in depth, we were not told that this would happen. Did the Government know what it was doing? If it did not, it was acting irresponsibly and in haste. If it did know what it was doing, it acted furtively in the hope that its legislation would get through unchallenged. However, there was a fly in the ointment which severely upset the Government. It dropped MLC like a hot potato. If my information is reliable, GIO was prepared to break down the fiduciary standards, as well as ride on the back of MLC's three years' hard work. That three years' work included discussions, correspondence, legal opinions and negotiation with the Minister and the Registrar of Building Societies. It is all detailed. MLC examined the mechanisms which could allow it to invest \$400 million in housing in New South Wales. The great attraction for MLC and GIO, and for any other group involved in insurance, is the one-stop shop concept. If a company can tie up people with home loans, it might be able to sell them property insurance, life insurance or motor vehicle insurance. Being a one-stop shop is the name of the game. It is good business. There is nothing wrong with it. This was the great attraction for GIO.

This legislation excludes MLC. I have no worries about that. But I am saying that the legislation should not give GIO a walk up start. If it is good enough to give GIO a walk up start, how is it that MLC - which has a million policyholders in New South Wales, has a good track record and invests in housing - is to be dropped and GIO picked up? The answer is that we want to make a quid. We are forgetting about our principles in favour of making money, albeit for the taxpayers. I am in favour of making money for the taxpayers. MLC is being dropped like a hot potato. We are taking advantage of some of its work and dropping fiduciary standards as they affect housing. I shall come to that matter in a moment. Where does the principle go? So far as I am concerned the principle does not go. If my information is reliable, it was MLC that insisted on statutory fund ownership of the building society, arguably with a spread of ownership and with policyholders given the right to vote with a separate board. But that is where we parted company. I recognised that they had to have a veto in case of takeover. I said,

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"This is not really 10 per cent so I am sorry MLC, I cannot support you on that regulation." And I cannot support GIO. I must hold to that 10 per cent requirement. There was an attempt to keep at arm's-length the safeguards involved.

There was an insistence on lending 80 per cent of the funds on housing. It was this Government that broke the figure down to 60 per cent. Think about that. This is one of the big arguments being used by the Government. When I opposed the regulation it was disallowed. The Government dropped MLC and introduced this legislation for GIO only. But it threw the principles out the window. I should like the Minister to answer a few questions. Is the GIO statutory No. 1 fund to own the building society? How long has that statutory No. 1 fund been in place? How many policyholders has it?

How many funds has it under its management? We do not know who will buy GIO. We do not know to whom we are giving a walk up start. We do not know for whom we are breaking down the 10 per cent rule. We do know the track record of MLC. It has experience in this State. We are not prepared to do it for MLC - and I agree with that - and we should not do it for GIO either, because we do not know who will own it. We do not know the track record of who will own 100 per cent of the building society. I stand firmly behind the 10 per cent principle and I vigorously oppose this legislation.

Mr MARTIN (Port Stephens) [11.53]: My speech follows the fine contributions from members on this side of the House - the honourable member for South Coast, the shadow minister from Mount Druitt, the honourable member for Drummoyne, the honourable member for Lakemba, and the honourable member for Cessnock. They have made it very clear that we have serious feelings on the issue. One could not help agreeing with every word spoken by the honourable member for South Coast in his summing up of this legislation and the queries that members on this side of the Parliament have. He asked whether the form of the legislation was the intent of the Government or a result of incompetence by the Government. Had the discussions leading to this stage been more open, I am sure the legislation would have received a less heated reaction. We would have known whether the Government forgot or tried to slip it through.

I must declare my interest as a policyholder of the GIO. I have had numerous letters from the Premier this week. My constituents have complained about the many letters they have received from the Premier. The letters do not explain the matters that have been raised. The glossy one-page letter from the Premier tries to build his stocks with people about what is going on. There is no mention of a building society. The letter states, "The time has therefore come for GIO to be released from government ownership so that it can have the opportunity to grow into a large Australia-wide financial organisation". That is as close as the letter gets to any mention of building societies. The Government is trying to get around the laws of this State. That argument was well put by the shadow minister, the honourable member for Mount Druitt. Agreements have been signed by the incompetent Premier of this State, yet he has put forward the proposals we are considering today. That is why the alarm bells are ringing. The honourable member for South Coast picked up on the matter well and moved for disallowance of the regulation.

Where does the MLC fit into all this? The many questions must be answered clearly. This Parliament is not an executive arm of government that rams legislation through. It expresses the wishes of the people of this State, and those wishes have to be conveyed to those running the State. We are trying to uncover the facts and to ensure the people of the State that the financial arrangements are being made in their interests.

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In this case we have serious doubts. Conservatives tend to look backwards. The other night I heard one say that the country has gone to the dogs since they did away with convict labour. That is typical of their mentality. If this organisation is released from any government control, it will be able to operate as freely as it wants to - this is the privatisation message - the Government will have very little control and, therefore, the future is not clear for the people of this State. This debate is about the future and protecting the people, respecting the laws and those who have entrusted us to look after their assets, their future and the laws that enable them to live in this State. On page 3 of the bill, proposed new clause 42A(3)(f) states:

At least 60% of the amount loaned by the society must be loaned by way of primary loans.

That needs a very clear explanation from the Minister in his reply. Where do first mortgages and second mortgages fit in? Where does this fit into the financial status of lending moneys? At the moment the GIO has an ability to lend for housing and it is doing a lot of it. I represent the Hunter Valley, where the Greater Newcastle Permanent Building Society Limited and the Newcastle Permanent Building Society Limited are located. They are the last of the significant building societies in this State. I am sure they would not have been consulted about this legislation. I am sure there was very little consultation anywhere in this State about this move to try to balance Nicky's ruined Budget. I am concerned about the protection that is being afforded the people. We on this side of the House are responsible members. That is why we are asking questions. We are offended at the massive waste of money on videos, charts and advertising relating to privatisation. Many members of the public find it offensive. Parts of the legislation are poorly thought out. I am sure the people will respond appropriately when they have the opportunity.

Mr SOURIS (Upper Hunter - Minister for Sport, Recreation and Racing and Minister Assisting the Premier) [11.59], in reply: I thank the honourable member for Mount Druitt, the honourable member for South Coast, the honourable member for Drummoyne, the honourable member for Lakemba, the honourable member for Port Stephens and the honourable member for Cessnock for their contributions to the debate. The legislation is before the House because of the disallowance, with the Government's concurrence, of the regulation. The regulation related to two issues. In supporting the disallowance, the Government agreed that the two issues - the first relating to building societies generally, particularly the MLC, the second to the building society licence of the GIO - should be dealt with separately. The Government agreed also that the issue of the GIO's building society licence should be dealt with in the form of a bill rather than by regulation. After discussions with several Independent members and the honourable member for Mount Druitt, that has now been done. I am surprised that the Australian Labor Party, after encouraging me to separate the two issues, now completely opposes the legislation but suggests no amendments. It is clear that the Opposition had no intention of supporting the bill or attempting to understand the separate issues relating to the GIO and other building societies. The Opposition has not suggested any amendments which would make the bill more acceptable. It has simply indicated blanket opposition to the legislation.

The bill is not part of a grand plan or secret agenda; there is no deceit in it. At present the GIO is State owned and controlled by State legislation. It has no licences because under Federal arrangements the prudential activities of a State-owned authority or statutory organisation are not supervised by the Federal Government. Such an

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authority does not require Federal licensing. When the GIO is privatised, it will cease to be a State-owned organisation. It will have no licences or authority to continue its operations. The primary business of the GIO is life and general insurance. It has obtained a licence from the Federal Insurance Commissioner to continue life insurance business but is still negotiating for a general insurance licence. I am not suggesting it is encountering any problems but the process takes some months. The bill before the House deals with the GIO's home loan activities. The GIO can only conduct the sort of home loan activities generally associated with a savings bank or a building society by attracting individual depositors and disseminating that money for home loans. At present there are about 22,000 depositors and about \$5 million in home loans in the market-place. If the GIO wished to conduct general loan activities, it would not operate simply as a building society or a bank. It would operate as a finance company, which does not afford the same protection to customers that is provided by building societies.

As a result, the GIO would not be able to conduct that class of business in the same way as a building society. If the legislation is not passed, that class of business would need to be quarantined or separated from the GIO.

A crucial point to make is that it is an existing class of business, unlike the MLC which it is not an existing class of business. The bill will not create a new building society. It will enable the GIO to continue its building society style of business. It would be wrong to assume that as a result of this legislation separate offices called the GIO Building Society will spring up all over Sydney and throughout New South Wales. The proposed activities will continue to be conducted within the normal GIO branch structure. If that class of business needs to be quarantined or separated, the float of the GIO will be affected. The forced sale to another financial institution such as a bank, finance company, or building society, of that part of the GIO's business would disadvantage its present customers. It would be necessary for them to seek alternative places to deposit their funds. A forced sale would also disadvantage those with existing GIO home loans. They would be taken out of the GIO structure and placed with some other financial institution.

The grandfathering provisions of the proposed national financial institutions legislation which will probably come into force during the next financial year, are of more importance. The MLC will not be disadvantaged by those provisions in the same way as the GIO. The MLC has existing building society business in Victoria. Its interstate building society licence allows it to operate in New South Wales. That is the case also with other building societies. When the new national legislation is passed, the GIO will be completely disadvantaged because it will not have the advantage of being a licensed building society. Therefore it will not have the benefit of being grandfathered into the new national legislation. Existing interstate building societies will have that benefit. That is a clear distinction between, for example, the MLC and the GIO. There is no financial institutions legislation presently in existence. Last night the Queensland Parliament may well have passed its own legislation, but at the moment it is unproclaimed. In a sense that legislation is irrelevant because national legislation must be passed by all States. That will ultimately occur. For two reasons it is not possible for the GIO to quarantine this class of business until after the float and after the passage of the national financial institutions legislation. First, the GIO's problem will not be solved by the new financial institutions legislation. It does not have an existing building society licence business and, therefore, it will not be helped by the new national legislation. Second, there is no understanding about what should happen to the existing class of business - the borrowers and depositors. They cannot be placed out on a limb temporarily in the hope that, in the ensuing financial year, new national legislation will take account of the problem.

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The GIO is not a State building society in any State of Australia and, therefore, will not operate under that legislation. The GIO will be required to discontinue its activities. The program for the float would be seriously disadvantaged because to separate this class of business in the GIO would be a major event. Apart from the production of a prospectus, it would certainly involve a complete recasting of the balance-sheet and financial accounts of the GIO. That process would extend beyond 30th June. For the purposes of this prospectus the accounts which are being produced now, dated 31st December 1991, would become obsolete. Financial accounts cannot be older than six months. As at 30th June new accounts would need to be struck, and it would take at least the remainder of the calendar year to complete and implement the process. The float would need to be completely restructured. For a number of reasons this legislation

is absolutely vital for the GIO. First, the present class of business, borrowers and depositors, would be disadvantaged. There does not seem to be sufficient regard for the consequences that would apply in their case. Second, the GIO would be disadvantaged when the new national financial institutions legislation is enacted. Third, the float itself would be jeopardised by the delays and other processes which would occur as a result of the failure to pass this legislation. For the reasons I have outlined I commend the bill and urge all honourable members to support it.

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

The House divided.

[In Division]

Mr Whelan: On a point of order. Mr Speaker, I draw your attention to the fact that at the time you called for the division to be closed, the Minister was standing in the position of voting, not in accordance with the Government but in accordance with the Opposition. I ask that you direct him to resume his seat on the side of those opposing the Government's view.

Mr SPEAKER: Order! My attention has been drawn to the fact that when the bar fell the Minister for Sport, Recreation and Racing and Minister Assisting the Premier was standing on a side of the Chamber opposite to that on which he would usually stand to vote with the Government. In accordance with the standing orders, if pressed I would have to uphold the point of order and direct the Minister to take a seat on the side of the Chamber on which he was standing at the time that the doors were ordered to be closed. However, I caution honourable members against compelling me to uphold the point of order. If honourable members insist, I will be obliged to do so. I ask the honourable member for Ashfield to reconsider the matter.

Mr Souris: On the point of order. The only way a member is able to know that the time has expired is by listening to the noise of the bar and hearing your voice. When I did hear your voice I moved over into my position.

Mr SPEAKER: The clocks also show the time. Honourable members should be aware of these matters.

Mr Whelan: In view of the Minister's explanation, I withdraw my point of order.

Mr SPEAKER: Order! The division will proceed. This should be a salutary reminder to members of their obligation to ensure that they are on the correct side of the Chamber at the time the bar falls.

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Ayes, 44

Mr Armstrong
Mr Baird
Mr Blackmore
Mr Causley
Mr Chappell
Mrs Chikarovski

Mr Cochran
Mr Collins
Mr Cruickshank
Mr Downy
Mr Fahey
Mr Fraser
Mr Glachan
Mr Griffiths
Mr Hazzard

Mr Jeffery
Dr Kernohan
Mr Kerr
Mr Longley
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 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 Carr
Mr Clough
Mr Crittenden
Mr Doyle

Mr Face
Mr Gaudry
Mr Gibson
Mr Hatton
Mr Hunter

Mr Iemma
Mr Irwin
Mr Knight
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr McBride
Dr Macdonald
Mr Markham
Mr Martin
Mr Mills
Ms Moore
Mr Moss
Mr J. H. Murray
Mr Neilly

Mr Newman
Mr E. T. Page
Mr Price
Dr Refshauge
Mr Rogan
Mr Shedden
Mr Sullivan
Mr Thompson
Mr Whelan
Mr Yeadon
Mr Ziolkowski

Tellers,
Mr Davoren
Mr Rumble

Pairs

Mrs Cohen
Mr Greiner
Ms Machin
Mr Tink

Mr Beckroge
Mr McManus
Mr Nagle
Ms Nori

Question so resolved in the affirmative.

Motion agreed to.

Bill read a second time.

HER MAJESTY'S SPEECH: ADDRESS IN REPLY

Fourth Day's Debate

Debate resumed from an earlier hour.

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Mrs CHIKAROVSKI (Lane Cove) [12.20]: I am conscious of the honour of speaking to this historic Address in Reply to Her Majesty the Queen's Speech on the opening of the second session of the Fiftieth Parliament. This is only the second occasion on which members have been able to participate in such a debate. The Deputy Leader of the Opposition in his contribution to this debate spoke about the Deputy Premier's sentiments as if they were only the sentiments of another generation. I place on record that I was not even born on the previous occasion when Her Majesty addressed the New South Wales Parliament in February 1954, but I too respect and admire Her Majesty. I respect and admire the monarchy and in particular I respect the parliamentary institutions that Her Majesty represents.

I was delighted to have had the opportunity to meet Her Majesty and His Royal Highness and to share in a somewhat ecumenical moment when I introduced to Her Majesty the children of one of our Labor colleagues. In Her Majesty's Speech she said, "We have all been witnesses to remarkable change as the people of many nations, with immense courage and determination, have rejected authoritarian rule and embraced democracy". Her remarks are even more relevant today, when the white population of South Africa has overwhelmingly rejected the notion of apartheid and South Africa has moved into the twentieth century, to go forward into the twenty-first century with the rest of the world. Her Majesty said also that many countries around the world are facing difficult circumstances. That applies also to New South Wales and Australia.

My electorate of Lane Cove has not escaped the effects of this recession, the recession that has been forced upon us by the Federal colleagues of the New South Wales Labor Party. Unemployment is a reality on the North Shore. I know that Opposition members find that hard to believe, but in reality thousands of people on the lower North Shore are unemployed. This has affected thousands of families and children. Earlier this week I had the opportunity to present a cheque to the lower North Shore Family Support Service. The cheque will enable the service to employ a counsellor whose sole aim will be to advise, counsel and assist people where the primary income earners have lost their jobs in the past 12 months. I wish to thank all the volunteer groups and charity workers who have worked tirelessly in very trying circumstances.

Since I was elected there have been a number of major developments in my electorate. The first and foremost of these is the Gore Hill freeway. Last week, in the company of the Deputy Premier, Minister for Public Works and Minister for Roads, I inspected the freeway, which is nearing completion. It will be completed on time and it will be of great advantage to the North Shore generally and to my electorate specifically. The advantages of the new freeway are many. It will provide ready access to the city for the people of Lane Cove. It will be a 10-minute trip into the city. Those who want to bypass the city altogether will be able to access the southern and eastern side of the city. The eastern access will be via the new harbour tunnel. This will lead to less congestion in the city; and, as we are all aware, fewer cars in the city of Sydney is to the advantage everyone. The State Transit Authority is at the moment deciding on new timetables

which will provide an express bus service through Lane Cove to the city. It will be quicker to catch the bus into town than to catch the train. A pedestrian over-bridge will be built at Kimberley Avenue. It is the result of community consultation arising from a concern that, with the new freeway cutting off pedestrian access at Kimberley Avenue, people will be dodging cars when running across the road to get to the new bus stop. After considerable pressure from various community groups, the Roads and Traffic Authority has agreed to provide a pedestrian overbridge. I am hopeful that that will be built towards the end of next month.

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A number of projects designed to improve transportation have finally been completed. On the Hunters Hill side of the electorate, the Valencia Street wharf has recently been completed. It is a pontoon wharf, providing seating for people who are waiting for the ferry. It now has a non-slip surface, improved lighting and access for the disabled. On the northern side of the electorate, \$700,000 has been spent on updating Lindfield railway station. The revamping of the station includes the refurbishment of the ticket office in the concourse and the provision of all-weather canopies for the foot-bridge, stairs and both platforms. The platform surfaces and copings will be repaired, and the exterior of the station will be cleaned and brought up to standard. I am also pleased that the Minister for Transport has taken the red rattlers off the North Shore line. The new timetable has provided increased services in off-peak times.

[Debate interrupted.]

GOVERNMENT INSURANCE OFFICE (PRIVATISATION) AMENDMENT BILL

Third Reading

Mr Souris: Mr Speaker, at the conclusion of the last division, I neglected to attract your attention on my way to the back of the Chamber. I would like to move now that the Government Insurance Office (Privatisation) Amendment Bill be read a third time.

Mr SPEAKER: Order! Is leave granted?

Mr Amery: No.

Mr SPEAKER: Order! Leave is not granted.

HER MAJESTY'S SPEECH: ADDRESS IN REPLY

Fourth Day's Debate

[Debate resumed]

Mr SPEAKER: Order! The question is that the motion for the adoption of the Address in Reply be agreed to. Someone should take the call or I will put the question.

Mrs Chikarovski: I must admit that I am confused. May I continue?

Mr SPEAKER: Order! No, the member has completed her speech.

Mr PHILLIPS (Miranda - Minister for Health Services Management) [12.33]: I

was expecting to receive the call in this debate at some later hour. However, the Address-in-Reply debate gives me an opportunity to speak on the visit of Her Majesty to Sydney to celebrate the one hundred and fiftieth anniversary of Sydney and the opening of this Parliament. I am sure that honourable members, in spite of their views as to whether -

Mr J. H. Murray: On a point of order. Mr Speaker, I draw your attention to an earlier statement by the Minister for Sport, Recreation and Racing and Minister Assisting the Premier, who is at the table, seeking that you put the third reading to the House. I understand that you have not complied with that wish. I also understand that my colleague objected to that. I am wondering where the House stands at the moment.

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Mr SPEAKER: Order! The House is conducting the Address-in-Reply debate. The Minister for Health Services Management has the call.

Mr J. H. Murray: Further to the point of order.

Mr SPEAKER: Order! There is no point of order. I have answered the member's question. The Minister for Health Services Management has the call.

Mr J. H. Murray: Further to the point of order.

Mr SPEAKER: Order! If the honourable member for Drummoyne wants to discuss procedural matters, he can discuss them later. The Address-in-Reply debate is currently being conducted.

Mr PHILLIPS: I am sure that the vast majority of honourable members in both Houses, in spite of where they may stand on the question of whether we should have a Queen or become a republic, extended courtesies to Her Majesty and gave her the respect and welcome to which she is entitled for the excellent role she has carried out for over 40 years as Queen of England and Australia. She has been a fine leader of Commonwealth nations. This debate gives me the opportunity to speak on the development of health services in New South Wales. Since June last year I have had the privilege of being Minister for Health Services Management. I was thrown into the deep end, and I have enjoyed the responsibilities of that portfolio. Members come to this place to try to make a positive difference to the life of the people in New South Wales. I have found enormous satisfaction as Minister in trying to make a difference to the quality of life and health services offered to the people of this State. I look forward to fulfilling the responsibilities of that portfolio for as long as I physically can and for as long as my colleagues and the people of New South Wales allow me to do so. In my time as Minister the real challenge has been to address attitudinal problems within the community, the media, the Opposition and other members of the Parliament about what good health care means. When assessing the quality of health care services, people seem to concentrate on how big a hospital is, how many beds it has and how many patients are being treated by that hospital. During my term as Minister I have felt that my ability as a Minister will be measured by the number of extra hospitals that have been built, how big they are -

Mr J. H. Murray: You will be measured by how many plaques you have put up.

Mr PHILLIPS: How many plaques I have put up? As long as there are more beds and more people are being treated by hospitals than before, I will be seen as a good

Minister I find there to be something very perverse about that. At the end of my time as Minister, I will judge my success by whether there is a reduced need for people to go to hospital and whether people, having been to a hospital, regardless of where they live have access to the best health care, techniques, technology and medicines available. I believe that people do not want to stay in hospitals for long periods. Modern technology enables us to deliver a health system that reduces the length of stay of people in hospitals. We also want to ensure that our ageing population receives proper support at home and in the community, especially for patients leaving hospital, to reduce the need for institutionalisation. The Government and I as Minister believe that the vast majority of people do not want to leave or be thrown out of their homes and forced to live in institutions. Though some people may choose to go to into institutions, most do not want

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to take that course. Those people will be more inclined to stay at home if they can be cared for and supported in their homes. They are the prime objectives of the Government. At the end of my term as Minister, I want to be able to demonstrate a reduced need for people to go to and stay in hospital, and that they can get the best care and support at home. How do I deliver that? On attaining office in 1988, the Government inherited a health system that had been in crisis and major conflict for 12 years under the previous Labor administration which is now in Opposition, and deservedly so. Remember the doctors walking out for four years? Remember the extreme waiting lists, the pain and suffering?

Mr Downy: What happened at Sutherland Hospital?

Mr PHILLIPS: As the honourable member for Sutherland rightly asks, what happened at Sutherland Hospital? The previous Labor Government severely slashed that hospital's budget, wanted to take away its pathology section, and used a set-up report to sack the board. Sutherland Hospital was in chaos. What happened at Sutherland Hospital introduced me to health politics, and I have been interested in health politics ever since. The Government has restored Sutherland Hospital to its rightful place as one of the leading district hospitals in this city. Sutherland Hospital has a new pathology section, CT scanners, day care facilities for the children of staff, and a whole range of community health services working with the hospital and for the community. I give credit to the management of Sutherland Hospital and of the area health service for looking at their role and what is needed for the next 10 years. Other hospital managements should follow suit and not ask: "How big are we? How many beds do we have? Is everyone associated with the hospital earning sufficient income?". They should be looking at the role of their hospital and its community health services with regard to caring for our community. The honourable member for Bathurst obviously does not know Sutherland Hospital. That hospital is much better off than his Lithgow District Hospital. Does he want me to build it as a private hospital? When is he going to knock on my door and ask for the money.

Mr Clough: You reneged on the promise to build it.

Mr PHILLIPS: Absolute rubbish.

Mr Clough: You promised \$20 million but you reneged on that promise.

Mr PHILLIPS: The honourable member for Bathurst knows that after 12 years of the former Labor administration Lithgow was left with a disgraceful hospital. The honourable member is screaming at the Government, "Why is the Government not building it?". Not only is the honourable member not knocking on our door, he is saying

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

Mr PHILLIPS: - "you promised to build a hospital". The honourable member should come to see me and - just as the honourable member said to his local newspaper - we will find some private money for you to build Lithgow District Hospital -

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

Mr PHILLIPS: The honourable member should take that up with his local newspaper. I have not seen an apology by that newspaper for misquoting me three times in the same article.

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Mr SPEAKER: Order! I call the honourable member for Bathurst to order for the third time. I warn him that if he makes any further interjections, he will leave the Chamber forthwith.

Mr PHILLIPS: The attitude of the honourable member for Bathurst is a clear indication of the real problems in health care. The Government inherited a run-down health system and a capital works backlog worth more than \$2 billion. On attaining office the Government - to the credit of the Minister for Health at that time - embarked on a record building program in this State. He started a whole range of projects that the former Labor Government should have started. Those projects include St George Hospital, which was a teaching hospital in name only and was badly run down. Prior to the 1988 election, the honourable member for Kogarah described that hospital as being badly run down but he could get no response from his Labor government at that time to do anything about it, other than to make a last ditch stand to try to recover its electoral position.

The Government is investing \$200 million at St George Hospital, has already constructed a clinical services block, and has entered a joint venture with the private hospital on that site. Anyone who visits the St George Hospital will see a productive health service that is advanced in vision and is doing the job. St George Hospital, within a few short years of the Government coming to office, will become one of the leading teaching hospitals in this State and will be a credit to the people at Sutherland Hospital who have provided outstanding health care service. I have visited Liverpool Hospital a number of times. The former Labor Government made a last ditch stand before losing office and announced an intention to commence work on that hospital. In a recession the Government is ensuring that money - \$200 million - is kept pumped up to that hospital to enable construction to continue and to make it a fine teaching hospital. We will keep to that program and stand by it - in a Labor held seat - because people in that part of Sydney deserve access to top quality health care just like people anywhere else in Sydney.

A \$100 million project is under way at Nepean Hospital, and it is a hive of activity. Recently I visited that hospital and officially opened its fine neo-natal intensive care unit. That is but one of many projects currently in line at Nepean Hospital. The Nepean Hospital board is forward thinking and looking for all sorts of ways to get money into the hospital to provide health facilities. On the Central Coast, a major growth area which was severely neglected by the former Labor Government for 12 years, the Government has expanded Gosford hospital, which is about to open 120 additional beds.

At Wyong hospital 100 additional beds will be opened. That expansion will cost me and the Government and this State \$13 million per unit in recurrent funding. We have to find that money within the system because the Federal Government is not helping us. Further north we can talk about Lismore, Port Macquarie - where an innovative way has been developed to build a new hospital - and Coffs Harbour. The list goes on to include Moruya, Batemans Bay, Maitland; and there are problems to be sorted out at Shoalhaven for the honourable member for South Coast. The Government has embarked on a major building program and must face up to how that is to be done. Do we restructure the health system during a recession?

The capital funding that is available for health is committed for some years to come. Where will I get the money for projects which are on the list but for which there is no money? Where will I get the money for Coffs Harbour and District Hospital? Where will I get the money for Walgett District Hospital? I visited Walgett District Hospital not long ago. When I walked down the hallways the skirtings were falling off the walls because of white ants damage; the timber beams were gone and the roof was warped. That is disgraceful. I need \$8 million to refurbish that hospital. Where am I

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to get the money to do that? Where will I get the money to address the problems at Shoalhaven District Hospital? I visited that hospital some months ago. [*Extension of time agreed to.*]

The honourable member for South Coast has expressed concern to me about Shoalhaven District Hospital. I visited that hospital. It is under pressure, it is accommodated in Second World War buildings, and it is not providing the type of service we would like for that community. The honourable member for South Coast said to me, "Don't you dare look for ways of using money from the private sector to build hospitals" but, at the same time, he sent me a letter which said, "Please, will you start immediately stages 1A and 1B to solve my problem". Is he asking me to slow down the \$300 million children's hospital which we are building at Westmead, to slow down the Liverpool Hospital, and to send the money to him? Shoalhaven District Hospital is lower down the priority list. I need all of the means available to me to allow me to find the money.

Mr Speaker, you invited me to your electorate some time ago to look at Hawkesbury Hospital. I understand that that is the oldest hospital in the State. It is a disgrace. In physical terms it is the worst hospital in the State. But it tries to provide a health care system to a growing area. When I visited the hospital I found that when I walked upstairs the floor not only creaked but moved a few inches under my feet. Where am I to find the additional money to embark upon programs such as that? Where am I to find the money to address the women's specialty tertiary service problem that we have in this State? We have been trying to find a solution to the Royal Women's Hospital infrastructure that is falling down around its ears. The Benevolent Society has decided that it will concentrate on areas other than the management of hospitals. The Government has a commitment to the Royal Women's Hospital - one worth keeping - to ensure that a specialist hospital in Sydney concentrates on tertiary care for women. The Government will embark upon that program. Discussions are taking place to determine whether it would be best located at Royal Prince Alfred Hospital or the Prince of Wales Hospital. Where am I to find the money for that project?

I refer to the Prince of Wales Hospital and the Prince Henry Hospital. The Prince Henry Hospital is a fine site but it is dysfunctional. The layout is bad and the buildings are old. It is impossible to run it as an efficient hospital. The sight of patients being pushed from building to building in the open is not pleasant. That problem must be addressed. Half of the facilities at the Prince of Wales Hospital are in Second World

War humpies. That has to be addressed. Where am I to find the money to do it? The same applies with Prince Alfred Hospital. It is one of the finest hospitals in the world, but has significant infrastructure problems. Where am I to find the money to address that problem?

What is the problem with health funding? Why can we not find the money to fund health? There are a few problems. First, how much money should we spend on health? Australian States spend about 8 per cent of their gross domestic product on health. That rates in the middle range of Organisation for Economic Co-operation and Development countries. Australia has one of the finest health systems and longest life expectancy in the world. The United States of America spends more than 12 per cent of its wealth on health yet its system is not comparable with ours. The United States has some of the best medicine and hospital care available in the world, if people can afford it. But in the United States 35 million people are unable to afford health insurance and cannot get health care. Everybody in Australia is entitled to health care. Whatever the percentage of wealth that we spend on health care, we have an ethical responsibility to ensure that it is spent wisely and efficiently. For every health dollar that we waste, a dollar cannot be spent in treating someone properly.

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In New South Wales the health care budget is more than 25 per cent of the total Budget. The Greiner Government made a commitment when it came into government in 1988 - which it has fulfilled even in the recession - to ensure that there are no cuts to the total health budget. In fact, there has been real growth under this Government. I compare that record with that of the Federal Labor Government since 1985. In 1985 the Federal Labor Government provided 40 per cent of the State health budgets. Today it provides 34 per cent. The Federal Government has reduced its funding to New South Wales by 6 per cent. If I received the same level of funding that this State received in 1985, I would have an additional \$250 million to spend on health care this year. The New South Wales Government can clearly demonstrate that it is living up to its commitment to ensure that health care is a top priority, even during the recession. The Federal Government is failing to live up to its responsibility with respect to health care for the people of New South Wales. The question of funding becomes more complex. If the Government tops up the health budget each year and increase the funding in real terms, why are health services creaking? First, they are creaking because the population is increasing. There is natural growth in the number of people who need health care. Second, the population is ageing. Obviously, with an ageing population the dependence on health care is much higher than it would be with a younger population.

That increases the demand on health care services as well. Together, those factors amount to a natural increase each year of 2 per cent. On top of that, modern medicine enables the medical profession to do more things to more patients, to give them better care, and that increases the expectations of the community about the type of care they should receive. That increases the demand. On top of that again there is a redistribution of people in New South Wales. People are going to the growth areas in western Sydney, southwestern Sydney, the Central Coast, the North Coast and, to some extent, the South Coast. Those people are entitled to access to the same health care that people in Sydney get. We have to provide resources in the growth areas. When the Labor Party was in government for 12 years it failed to provide those resources effectively. Finding the money to provide those new resources also puts pressure on the system. This creates a structural problem: trying to release money internally to be used in the areas of greater demand. That is the conundrum of health care.

One thing that I can be sure of is that every dollar I try to shift in health care will affect an interest group, and to some extent a self-interest group. Many people depend on the health system for their livelihood. It is a major employer. It is the second largest business in Australia. The first is Telecom; the second is the New South Wales health system. It has assets of well over \$8 billion and 78,000 employees. It treats more than a million patients a year. It is a very large system. When the Government tries to use dollars more efficiently or shift them to areas of greater need there is a lot of opposition. This Government and the people of New South Wales have to come to grips with the problem. I will not shy away from my responsibility in that field. As I said at the beginning of this speech, I have received tremendous personal satisfaction from having the opportunity of doing the best I can to improve the health services of New South Wales. That is why I wanted to enter Parliament. I shall continue to work towards that end.

The honourable member for South Coast has been narrow-minded and, on this issue, arrogant. He has asked me for additional money to rebuild a hospital that is badly needed in his area. He has said that we should not be building, using private money, a hospital in Port Macquarie. All the vibes from and the work with the community suggest that the people there want that hospital, and we will continue to work towards it. Mr Hatton is the member for South Coast, not the member for Port Macquarie. The
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honourable member for Port Macquarie supports the project. The honourable member for South Coast would not like it if the honourable member for Port Macquarie stomped all over his turf and told him and his people what sort of hospital they should have and how it should be funded. Mr Speaker, I am sure you would not want the honourable member for South Coast to dictate to you what sort of hospital should replace the wonderful hospital in your electorate and how it should be funded. [*Time expired.*]

Debate adjourned on motion by Mr Davoren.

GOVERNMENT INSURANCE OFFICE (PRIVATISATION) AMENDMENT BILL

Mr SPEAKER: Order! The House did not conclude the bill. The Minister having been denied leave to deal with the third reading forthwith, I set down the consideration of the bill in the Committee of the Whole as an order of the day for tomorrow.

[*Mr Speaker left the chair at 1.5 p.m. The House resumed at 2.15 p.m.*]

MEMBER FOR PORT MACQUARIE: BABY BOY

Mr SPEAKER: Order! It is with great pleasure that I announce the birth of a son to the Chairman of Committees, the honourable member for Port Macquarie. This is the first occasion in the 136-year history of this House that such an event has occurred. I am sure all honourable members will want me to convey to the honourable member for Port Macquarie and her husband the congratulations and best wishes of the House, and I shall do so.

MATTER OF PUBLIC IMPORTANCE

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

QUESTIONS WITHOUT NOTICE

HUNTER PATHOLOGY SERVICES PRIVATISATION

Mr CARR: My question is directed to the Minister for Health Services Management. Yesterday afternoon did the Chief Executive Officer of the Hunter Area Health Service enter negotiations with Mayne Nickless for the privatisation of Hunter Pathology Services? Does this contradict the promise by the Government that no action would be taken until proper consideration of the report had been undertaken by the pathology task force? Will the Minister take notice of the resolution of this Parliament carried yesterday?

Mr PHILLIPS: This House should note one or two matters relating to continual contradictions from the Leader of the Opposition. Yesterday Government supporters spoke about how Opposition members were tremendously confused about the Opposition's policy towards, as they call it, the privatisation, of or the involvement of private sector funding in the health care system. Honourable members know that the honourable member for Bathurst wants private funding for a hospital that is needed at Lithgow. Honourable members know also that the Leader of the Opposition in the upper House,

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the Hon. Michael Egan, opposes the position of the Leader of the Opposition in this House in relation to trying to find private sector funding to assist in the health care system. The honourable member for South Coast, who moved the motion yesterday, is in a difficult position. As I revealed when I read from a letter written to me by the honourable member for South Coast, he has appealed to me to find funding to help finance the necessary expansion and provision of services at Shoalhaven hospital. At the same time he is trying to put handcuffs on the Government about where it finds that funding.

I repeat what I said yesterday. The Federal Government has consistently cut funding to health care services in New South Wales. I will not repeat all of the statistics, but in 1985 the Federal Government picked up 40 per cent of the health care budget. It now picks up 34 per cent. The difference in those figures represents an additional \$250 million to New South Wales. Yesterday speakers from the Government side reminded the House that since 1988 the Government has lived up to its commitments to increase health funding in real terms every year, in spite of the recession and Federal Government cutbacks. Let me deal with the Hunter region. The Government knows about the terrible position that confronted the health system in the Hunter region because of the sheer mismanagement of the previous chief executive officer and chairman of the board.

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

Mr PHILLIPS: Unfortunately, not long after I became the Minister, I was forced to dismiss them. The administrator I appointed, Dr Tim Smyth, has done an excellent job to get health services in that area back on track. The Hunter Area Health Service was losing \$30 million a year. The Government called for nominations for the position of chief executive officer.

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

Mr PHILLIPS: That person, who is one of the best up and coming health

administrators, has decided that he is willing to make his life in the Hunter and to take his family there. He accepted the appointment.

Dr Refshaug: On a point of order. The question asked whether Hunter Pathology Services will be privatised. Yesterday the Minister lost a similar debate. He will not win it today.

Mr SPEAKER: Order! The Deputy Leader of the Opposition is now debating the matter. No point of order is involved. Order! I call the honourable member for Kiama to order. I call the honourable member for Moorebank to order.

Mr J. H. Murray: On a point of order. Mr Speaker, on Tuesday when the Deputy Leader of the Opposition attempted to pass a newspaper clipping to the Minister, you ruled him out of order.

Mr SPEAKER: Order! The honourable member for Drummoyne knows that his point of order is frivolous.

Mr PHILLIPS: The Leader of the Opposition is having difficulty about his position on health care. A few years ago, in 1986, Ron Mulock, one of the most respected members of the former Government, when he was Minister for Health,
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established a private contract with the St John of God Hospital at Richmond. That contract is still in existence. Patients in that hospital still receive the treatment to which they are entitled - the same treatment they would receive in a public hospital.

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

Mr PHILLIPS: In 1986 there appeared in the *Illawarra Mercury* a wonderful headline in reference to the Leader of the Opposition, who was a Minister in the Government at that time. The article was headed:

"Ditch socialism", ALP Minister says

That was the Leader of the Opposition. The article reads:

Planning and Environment, Consumer Affairs Minister Mr Bob Carr, a philosopher of the right -

He is now the leader and obviously a friend of the left. The article continues:

- has upset the party's left with speeches suggesting the party drop its attachment to socialism.

We now have a situation where this Opposition is the only Opposition in Australia -

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

Mr PHILLIPS: Once again, I note the humour displayed by members of the Opposition as they try to come to grips with their difficulty, their confusion, as to how they are going to handle this issue. The Opposition is now saying, "We do not want the private sector funding the health care system. We do not want that. It has to be government funded or not at all. Only the Government can do it". That is the

Opposition's way. That is the commitment to health care on that side. The Government knows there is significant disagreement on the part of the Opposition. Why does the Government know there is significant disagreement? The answer is because this Government has embarked upon the biggest reconstruction program in New South Wales. In terms of the privatisation of pathology in the Hunter, I have not received a report from Tim Smyth but I would commend him because he is putting together a long-term strategy for the improvement of health care services in the Hunter. If he is endeavouring to find alternative means of funding, of running the system to ensure an increase in health care services in the Hunter, I commend his actions. The bottom line for this Government is to ensure that people have access to the best health care in the world - which is what the Labor Party did not deliver in the 12 years it was in office.

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

Mr PHILLIPS: I do not care whether I get the money from the Federal Government, I do not care whether I get the money from the Premier or Treasurer of the State Government, and I do not care whether I get the money from private enterprise; the bottom line is that I intend to improve the health care services of this State. The Opposition can remain as troglodytes and do nothing.

Mr SPEAKER: Order! I call the honourable member for Lake Macquarie to order.
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Later,

Mr PHILLIPS: I am advised by the Administrator of the Hunter Area Health Service that pathology services in the Hunter are provided inhouse by two publicly owned facilities, Hunter Pathology Services and Lower Hunter Pathology Services. These services are operated at a cost of \$13 million a year. The chief executive officer of the Hunter has asked the pathology services to explore ways of achieving efficiencies. Tim Smyth has had discussions with Hampsons Laboratory Services three weeks ago to explore ways in which pathology services can be streamlined and improved. Mr Smyth also met with Hampson's marketing manager yesterday. Mr Smyth is not aware of any relationship between Mayne Nickless and Hampsons Laboratories. Mr Smyth has indicated that he is not currently contracting out of some pathology services. However, he has not ruled it out as an option to be considered as part of the general review of productivity in pathology services. Obviously the chief executive officer of the Hunter, Mr Tim Smyth is undertaking correct management practices in trying to find ways of improving the system, gaining efficiencies, to ensure that the money realised is put back into improved health services for patients. Not to do so involves a question of ethics. It is unethical to waste money in health care. He is doing the correct job to make sure that he gets the money and puts it to treating patients.

WATER BOARD RIVER POLLUTION VIDEOS

Mr HARTCHER: My question without notice is addressed to the Minister for Housing. Has the Minister seen reports claiming that the Water Board was forced to withdraw a video tape on pollution in the Hawkesbury River system? Is the Minister aware of any instruction given to the board to withdraw the video or is it still in circulation?

Mr SCHIPP: I thank the honourable member for Gosford for helping me

expose the biggest liar who ever drew breath. The Cabinet made a decision this morning to nominate the Leader of the Opposition for the Guinness Book of Records as having told more lies in his four-year period as Leader of the Opposition than could ever be imagined - assisted, I might add, by the member for Blacktown who sneaks away and tells people she did not really mean what she said in the Parliament and asks, "go easy on me".

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

Mr SCHIPP: This is such a secret video that it was made available in May 1991 to the four television channels, which in the past 24 hours, have been totally conned by the Leader of the Opposition. If channels 2, 7, 9 and 10 had bothered to look in their libraries, they would have found that they had been given copies of this video in May 1991.

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

Mr SCHIPP: They were requested by the board to run special coverage using that particular video. They showed little interest at the time and did not do so. Channel 7, which was involved in the production of the video, did run its own version of that sequence of events.

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

Mr SCHIPP: That is the situation so far as the media is concerned. So far as the Water Board is concerned, it issued a document which is a list of videos available from the Water Board library -

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

Mr SCHIPP: On page 3 of that document appears the title "River running out of time," with a price listed as \$49.95.

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

Mr SCHIPP: That video is available through all offices of the Water Board, if people wish to purchase it.

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

Mr SCHIPP: When I took over responsibility for the Water Board from the Minister for the Environment he advised me that this video existed and spoke about a launch. I sought information from the -

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

Mr SCHIPP: I sought information from the Water Board and was told that more than 200 copies of the video were in circulation, relevant councils had received copies, the production team had copies and that it had been made available to libraries. I understand that the inter-library exchange service has this video listed and therefore it

would be available to every library throughout New South Wales. Therefore, the video has already been launched. When I asked if it was up to date, I was told it was not. Because of the vast sums of money being spent on this evolving environmental area the video requires continual updating.

[Interruption]

I will speak about your performance as Minister for Planning and Environment shortly. The Leader of the Opposition was the greatest sham to ever draw breath when he was responsible for that portfolio, and he knows it. He had no public consultation on any issues.

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

Mr SCHIPP: Under this Government, particularly as initiated by my predecessor in this portfolio, there has been more public consultation on sensitive environmental issues involving the Water Board than has been undertaken by any public authority in the history of Australia. That can be verified by the number of public forums that have been held with consultative bodies. It is all there on the record for anyone to read. The Leader of the Opposition is such a great liar that he put up a figure of \$400,000 for the two videos, "River Running Out of Time" and "Finding the

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Balance". The total cost for the two videos was \$166,000, so he was a long way short of the mark. In addition, the sum of \$8 million for public education on environmental matters will be forthcoming - and this is all on the public record - from the special environmental levy in the next five years.

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

Mr SCHIPP: This country is going through a period of great social change. If honourable members do not believe that desirable environmental benefits can be achieved by educating people to do the right thing, how would they achieve those benefits?

Mr SPEAKER: Order! I call the Leader of the Opposition to order. I call the honourable member for Wollongong to order for the second time.

Mr SCHIPP: If Opposition members are so bereft of policy and so shortsighted about public education on the environment, God help this State. The Government will not resile from carrying out its responsibilities and telling the people what they can do to clean up the environment. I will make a special offer on this video package, "River Running Out of Time" and "Finding the Balance", of \$49.95 for the two, which is a \$20 discount. However, I wager that there will not be a bun rush of Opposition members paying \$50 for the videos.

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

Mr SCHIPP: They are interested only in making cheap political capital.

Mr SPEAKER: Order! There is far too much interjection from the Opposition benches. Interjections intrude on the normal, orderly conduct of question time and I ask all members of the Opposition to co-operate. I call the honourable member for St Marys to order.

Mr SCHIPP: This is the cheapest and most devious Opposition that has ever been in this place.

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

Mr SCHIPP: In no way will the Government resile from the responsible approach that I have adopted, following on from my predecessor, of not intervening in the Water Board's environment programs. I can say unequivocally that there was never an instruction from me, and to my knowledge never an instruction from the Water Board, to withhold, withdraw or do anything to prevent the release of this video. The video has been advertised. As I said, it is available in every library via the inter-library exchange service. The Water Board environmental library has copies for hire or for purchase. The package was put together for that purpose. If the media does not wake up to the fact that it is being conned in absolute terms by a person who does not know when to tell the truth, I do not know what to make of the media's role in peddling this issue.

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

Mr SCHIPP: If the media had any honesty or integrity, it would have examined its own records and found that the video is available. In the past the media was enticed to use the video. Something is wrong with the system if the media continues to report
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on the activities of a person who is, I repeat, an absolute liar in respect of this and a whole range of other issues. It is about time that the media called on the Opposition to put forward its policies for debate. The Opposition has no policies and it knows it. When it is devoid of policies, all it does is lie, lie and lie.

LIVERPOOL HOSPITAL FUNDING

Dr REFSHAUGE: My question without notice is directed to the Minister for Health Services Management. Is the Minister aware of a Liverpool Hospital memorandum which states that enhancement funds for the hospital are being withheld, despite an increase of more than 16 per cent in admissions? What action will the Minister take to ensure that emergency services are restored and funds are made available to cope with increasing workloads?

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

Mr PHILLIPS: Of all the hospitals to inquire about, the Deputy Leader of the Opposition chose Liverpool Hospital. Liverpool Hospital is and for many years has been situated in a Labor stronghold. Throughout the 12 years of the former Labor Government's administration nothing was done for Liverpool Hospital. It was a disgrace. Even today the hospital comprises many old fibro and weatherboard buildings, as well as temporary buildings. The honourable member for South Coast suggested that the people of Port Macquarie should not have a new hospital; rather, that they should extend the present hospital by using temporary buildings. Liverpool Hospital has had temporary facilities for many years. In 1951 a temporary medical ward building was established. In 1957 two additional temporary medical wards were established, together with a residential medical officer unit, an electro-physiology ward and a linen services building. Perhaps one might have expected that the old Sydney Stadium, which was also a temporary building, would have been transferred to Liverpool Hospital. Since this Government came to office it has also been forced to use as an emergency measure

temporary buildings for some hospitals. The Government makes no apology for that, because it had no option.

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

Mr PHILLIPS: However, under this Government's administration they will be absolutely temporary.

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

Mr PHILLIPS: I also offer a challenge to the honourable member for South Coast. If he feels that temporary buildings are the solution, I am more than happy to discuss the matter with him and the people of Shoalhaven.

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

Mr PHILLIPS: Liverpool Hospital is being built by this Government in spite of the recession and Federal Government cutbacks in funding. The fact that it is in a Labor-held seat has made no difference to us.

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

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Mr PHILLIPS: The \$200 million investment will make that hospital a major teaching hospital. Liverpool is in one of the major growth areas of Sydney but one of the most underprivileged with regard to health care. Those working on this hospital are doing a great job. Obviously somebody from Liverpool Hospital wants to provide the Deputy Leader of the Opposition with some information, about which he informed us yesterday. I was interested to receive a report from the area health service. Neither the hospital nor the South Western Sydney Area Health Service was advised of the proposed action prior to the press release that stated that the casualty unit was to be shut down overnight. This has not been reported to the hospital or the area in dispute. There had been discussions with the Public Service Association concerning staff accommodation, rental charges, staffing in the emergency unit, the accumulation of rostered days off, and the appointment of a director of clinical services. This is typical of what is occurring. It has been said that the changes at Liverpool Hospital have not been made to make financial savings. The objective was to improve services within available funding, and that has been achieved. There has been no reduction in staff numbers of that shift. The appointment of a medical registrar at night has improved the overall night staffing situations. Somebody at that hospital has told the Leader of the Opposition - and it certainly was not the hospital or the area health service - of his or her concerns so that he or she can undermine confidence in the health system of New South Wales. Another piece of information has come forward today. I will be very interested to find out the facts of the situation. For the benefit of the Deputy Leader of the Opposition I shall relate an honourable member's joke that has been circulated recently about him.

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

Mr PHILLIPS: The joke is: what is the difference between the Deputy Leader of the Opposition and Fairlie Arrow? Fairlie Arrow has much more credibility.

VICTIMS COMPENSATION TRIBUNAL HEARING BACKLOG

Mr HAZZARD: I address my question without notice to the Attorney General, Minister for Consumer Affairs and Minister for Arts. Is the Government taking any action to reduce the backlog in claims for victims' compensation? If so, what sort of work is now being done by the Victims Compensation Tribunal?

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

Mr COLLINS: Since Cec Brahe, the new chairman of the Victims Compensation tribunal, took office in February 1991, there has been a phenomenal increase in the productivity of the Tribunal. At the start of Mr Brahe's appointment, 8,192 applications were pending at the tribunal. The backlog has been reduced to 2,600 applications, in other words, a reduction of 68 per cent in just over 13 months. The average time for the disposal of matters before the tribunal from receipt to completion is now six months. A positive ratio continues to be achieved between registrations and disposals. For example, during January this year, 332 cases were registered and 758 were disposed of. Similarly, in February, 339 cases were registered and 606 were completed. The tribunal has passed its target for this financial year, with pending applications falling below 3,000 during January 1992. The next target of 2,500 cases is expected to be reached by the end of this month. It is expected that for 1992-93 around 4,000 applications will be completed.

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Restructured procedures within the tribunal have also improved the preparation of case summaries, and country sittings have enabled victims to have their cases heard closer to their homes. During 1991 the tribunal conducted six country sittings: two at Newcastle, two at Wagga Wagga, and one each at Lismore and Dubbo. Since that time there has been a further sitting at Newcastle, and listings are being organised for future sittings at Lismore, Wagga Wagga, Dubbo and Newcastle. In addition to victims having their cases determined by the tribunal, they are able to appeal the tribunal's decision in the District Court. It is therefore possible that a further 250 to 400 appeal cases will be determined by the end of this financial year. Additional assistance has been provided to the tribunal by three retired magistrates. They are employed on a rotation basis, working three weeks on, one week off.

The Government is attempting to streamline bureaucratic delays and reduce red tape. We are introducing an assessor scheme which will enable cases to be settled prior to a tribunal hearing. The assessor scheme will also help simplify tribunal appeal procedures. In the majority of cases, it will include settlement negotiations with assessors followed by a hearing before the chairperson prior to the appeal. This will mean that the appeal will be limited to a minimal number of points. Currently approximately 10 per cent of cases lead to an appeal. This figure should drop back to 2 per cent with the introduction of an extra procedure - namely, assessors will endeavour to settle cases prior to the tribunal hearing.

The tribunal has been able to maintain productivity improvements despite the extent and unpredictability of claims. For example, the Victims Compensation Tribunal has received 130 applications for compensation to patients of the former Chelmsford Private Hospital. Honourable members will be interested to hear that the tribunal has

determined 31 applications by former patients for a total expenditure to date of just over \$1.1 million. The average award, including expenses, is \$36,000. Seven matters have been awarded the maximum compensation of \$50,000. The cases determined by the tribunal were test cases to consider whether an act of violence was established. In all cases determined, the tribunal held that the patient did not consent to the electro-convulsive therapy received, the lack of real consent being sufficient to constitute an assault and, accordingly, an act of violence was established.

Hearings in a majority of cases will not be required. The precise number of claims that may be lodged by former patients of Chelmsford is impossible to determine. Some 1,200 patients received electro-convulsive therapy at Chelmsford. The figure of 200 is the number of patients who volunteered to give evidence at the royal commission. The tribunal has however received claims from former patients who did not volunteer to give evidence. The tribunal is also receiving applications from relatives of former patients who have since died or committed suicide. The exact number of applications to be lodged is indeterminable at this stage. The Government has made significant inroads into reducing the backlog of cases before the tribunal. It is very well advanced in developing new services for victims of crimes. Accordingly, I thank the honourable member for his very important question.

PACKARD MOTOR COMPANY

Mr KNIGHT: My question without notice is addressed to the Attorney General, Minister for Consumer Affairs and Minister for Arts. Is he aware of allegations that the Packard Motor Company -

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

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Mr KNIGHT: - systematically used bugging equipment to eavesdrop conversations between staff and customers in offices of the Baulkham Hills dealership?

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

Mr KNIGHT: Will he investigate whether any breaches of the Listening Devices Act occurred and, if so, will he initiate criminal prosecutions where appropriate.

Mr COLLINS: The answer to the first question is no. The answer to the second question is, if the honourable member provides me with any information in his possession, I will refer it to the Minister for Police and Emergency Services.

CARMICHAEL REPORT ON VOCATIONAL TRAINING

Mr FRASER: My question without notice is directed to the Minister for Industrial Relations and Minister for Further Education, Training and Employment. Is the Minister aware of the report to the Federal Government on vocational training, known as the Carmichael report. Has he yet been advised of the implications for New South Wales of findings of that report?

Mr FAHEY: Last week the Employment and Skills Formation Council released its report proposing the Australian vocational certificate training system. That council is under the chairmanship of Laurie Carmichael, a former left-wing trade union leader.

The Government has not completed a full analysis of the findings of the report. However, there is much of interest in the document, and it is pleasing to note that in New South Wales a number of the recommended reforms are already under way. The report recommends a staged strategy for meeting Australia's training needs by the year 2001 through structural reform. The focus of the Carmichael report is on the growing convergence of work and training and the link between general and vocational education. A major aspect of the report is concerned with building up the vocational pathways in years 11 and 12 of school education by such measures as an integrated vocational year delivered jointly by school and technical and further education.

Mr Carmichael and his council are saying that it is not good enough merely to keep students at school in years 11 and 12 with the expectation that the academic curriculum will direct them towards university education. The cold stark reality is that the great bulk of students who go through to years 11 and 12 - and in 10 years their numbers have doubled - will not enter university or pursue an academic career or further education. They will go into the workplace through a skills process which is largely directed towards TAFE and other vocational education providers. The New South Wales Government is already committed to the provision of vocational education for youth in schools. New South Wales has the highest proportion - 14.3 per cent - of years 11 and 12 students enrolled in TAFE of all states in Australia - that is, one in seven students. It is interesting to compare those figures with the situations in the other States. In Victoria the percentage of students enrolled in TAFE is 1.6 per cent, in Queensland it is 2.7 per cent - well below the national average of 7.4 per cent.

New South Wales also has a much higher proportion of school-leavers enrolled in TAFE education than the national average - 27 per cent in New South Wales compared to 20 per cent for Australia as a whole. These outcomes, which have occurred in New South Wales in the past couple of years, did not happen by chance. They have come about by virtue of the restructuring and consolidation of the framework for training in this State, including streamlining of TAFE, opening up the training market by removing the

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monopoly from the TAFE system, and establishing the Vocational Education and Training Accreditation Board, which accredits courses for TAFE and various other independent, private or other vocational education institutions. Training opportunities are also enhanced through that process. Recently I informed the House that we have launched TAFE-Plus, the commercial arm of TAFE, which is aimed at providing individual and customised services to industry and the type of courses or training industry itself requires. That service directly involves TAFE with industry. A couple of years ago the establishment of the Industrial and Commercial Training Council to support the development of industry training advisory committees created a mechanism through which industry can advise governments and training providers of their needs.

We have a more flexible industrial relations environment in this State through legislation that will soon take effect. That is essential to the establishment of an enterprise-based approach to training arrangements, and that is exactly what Laurie Carmichael and his committee said was necessary to ensure the type of training that this State and Australia needs. We have also made good progress towards implementing competency-based approaches to vocational training. All of the curricula of the Australian traineeship systems are competency-based. All new vocational curricula in TAFE are competency-based. Existing courses in TAFE are being rewritten to adopt competency-based approaches. The release of the Carmichael report is significant in that it indicates clearly that the direction taken by the coalition Government in this State over the past few years is exactly what the rest of Australia needs. This report of a council headed by a former left-wing trade union leader shows that New South Wales is a shining

example to other Australian States and the rest of the world of what is necessary to become what the former Prime Minister described as the clever country and what the present Prime Minister has described as becoming the capable country. It is partly as a result of these reforms that New South Wales of all the States has the lowest proportion of teenagers unemployed. In February, as the Premier said recently, 14.5 per cent of New South Wales teenagers were unemployed - the lowest level of teenage unemployment in the country. In February, when the level of unemployment in New South Wales fell by 2 per cent, unemployment went up in Victoria in the same period by 5.5 per cent. That is a tragedy. The level of unemployment in New South Wales is not at an acceptable level but we know through such reports as the Carmichael report that the Government is on track and is leading the rest of the country. All governments in Australia, including Labor governments, accept that New South Wales is on the right path. But the intellectually and morally bereft New South Wales Opposition continues to live in the past and refuses to accept what the rest of Australia and the world knows to be right.

HEALTH SERVICES MANAGEMENT

Mr HATTON: I direct my question without notice to the Minister for Health Services Management. As building and long-term leases to Government of hospitals and other health buildings is a gilt-edged investment for private enterprise, why not simply involve private enterprise in the building and leasing of hospital buildings and leave the management and control of the public health system in public hands?

Mr SPEAKER: Order! I regret to advise the honourable member for South Coast that I have to rule his question out of order as it clearly seeks an opinion.

DAPTO RAIL ELECTRIFICATION

Mr SMITH: I direct my question without notice to the Minister for Transport. Has the Government promised to electrify the rail system to Dapto? If so, when will the Page 1452 works be carried out, what will be the cost, and what advantages are forecast for commuters on the New South Wales South Coast?

Mr BAIRD: The honourable member for Bega is an outstanding member who does a wonderful job for his electorate. It is interesting to note that not one question has been asked by Opposition members about rail electrification on the South Coast. The answer would show that the Government is performing well in this regard in safe South Coast Labor seats and other areas. The Government recognises electrification as an important project. The former Labor Government did nothing about it in the 12 years it was in office. The present Government had to pick up the pieces and rebuild the rail system. The total cost of the project is estimated to be \$10 million and is a further example of the Government getting on and doing things. The Minister for Health Services Management highlighted that commitment when he advised the House and the building of a hospital at Liverpool. The Government is about taking action where it needs to be taken. Today I can reveal that tenders have been awarded for major wiring works, station upgrading and car-parking works associated with the project. The successful bid came from the joint venturers, Barclay Mowlem Constructions Limited and GEC Alsthom Australia Limited, and it is hoped that work will be completed by the end of the year. The benefits to rail travellers in the Illawarra region will be enormous, and we look forward to congratulatory press releases from the honourable member for Wollongong, the honourable member for Illawarra, and the honourable member for Kiama, though I am sure they will not release any.

Mr Rumble: That money was supplied by the Federal Government.

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

Mr BAIRD: That funding was provided by the Federal and State governments but the New South Wales Government had to make a recommendation. It was left to this Government to prioritise, and it provided \$7 million for the project. The Federal Government has not promised that it will continue with the electrification but the State Government is determined to build the project. The Opposition did nothing, not even to apply to its mates in Canberra for funding.

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

Mr BAIRD: Where were the Opposition's letters supporting the Government's application for funding? The Opposition did not mention that. This Government has made it happen. The new trains that will run on the electrified service to Dapto will phase out the 16 diesels on the line that are almost 40 years old, as the honourable member for South Coast and the honourable member for Bega well know. The former Labor Government let them sit there on the line and did nothing about them. What a disgrace! They will be replaced by modern, double-deck, air-conditioned electric cars. Thousands of commuters from the Dapto area will be inconvenienced by this. The major projects involve the construction of a major substation and 16 kilometres of overhead wiring. Signalling will also be upgraded. There will be station improvements at Dapto, including platform extensions and a commuter carpark. In other words, the Government is providing a first-class rail service.

The Government is planning to extend the electrification further to Shellharbour and Kiama as the next stage of the program. I am sure that we would all look forward to the completion of the work at the South Coast. At the same time, the Government is
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pressing on with plans for new Explorer trains. They will be welcomed at the end of this year by the honourable member for Armidale, the honourable member for Tamworth and the honourable member for Monaro. The Explorer trains will be running a first-class service on the South Coast. Honourable members can look forward to those arriving in 1994. Today I have announced the contract for the electrification to Dapto. I look forward to the electrification and the new Explorer trains which will go on the South Coast service. The Government is making it happen. Those opposite had 12 years to do something about it. They did absolutely nothing.

PACKARD MOTOR COMPANY

Mr NEWMAN: I direct my question without notice to the Minister for Industrial Relations and Minister for Further Education, Training and Employment. Are officers of the Minister's department investigating alleged breaches of award conditions by the Packard Motor Company? Is the Minister aware of complaints to the Federal Department of Industrial Relations concerning this matter. Will the Minister co-operate fully with a Federal inquiry?

Mr FAHEY: This matter has been canvassed at some length in this House. I refer the honourable member for Cabramatta to *Hansard*. The answers to each of those three questions have been delivered by me in this House on previous occasions. I have indicated that there were investigations by the New South Wales department.

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

Mr FAHEY: I indicated that there were three complaints to the Federal Department of Industrial Relations. I am sure the honourable member for Cabramatta, if his Federal colleagues are speaking to him - we can never be too sure when it comes to members on the other side of the House - he may well get the information about those three complaints much better than I can. So far as co-operation is concerned, I have made it abundantly clear exactly where those files are: they are on the desk of the independent judicial body, the Industrial Commission of New South Wales. I simply say to whoever frames the questions - it was either of the two leaders of the party, "Null" or "Void" - that they should do some homework or read *Hansard* if they were not in the Chamber. All of those matters have been canvassed at length.

SMALL BUSINESS SERVICE

Mr SCHULTZ: My question without notice is directed to the Minister for State Development and Minister for Tourism. Is the Government doing anything to ensure that small business in the State's outback rural communities have access to professional advice from the Department of State Development? If so, what action has been taken?

Mr YABSLEY: I am very grateful to the honourable member for Burrinjuck for asking me that question. Members may be sure of one thing: it has been almost a year since there has been a question on State development or tourism from any of those morons who sit opposite - not a murmur, not a word. Where is the shadow minister? He is invisible. Who is the shadow Minister? I do not know. Who is the shadow Minister?

Mr SPEAKER: Order! There is far too much interjection from the Government benches.

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Mr YABSLEY: I did not ask where is he. I asked who is he. Not a word. What did the Minister for Industrial Relations and Minister for Further Education Training and Employment say? I am not sure which is which, "Null" or "Void". The shadow minister knows why I never get a question: because he is a little bit concerned that the answer might be a little too black and white; that is something he is worried about. The honourable member for Burrinjuck asked a question that is highly relevant to his electorate.

Mr SPEAKER: Order! The Minister for State Development and Minister for Tourism will direct his remarks to the Chair. I call the honourable member for Kogarah to order.

Mr YABSLEY: I really must take exception to the comments both from the honourable member for Kogarah and the honourable member for Riverstone and I ask them to withdraw their comments.

Mr SPEAKER: Order! The Minister has taken objection to the words uttered by those members and I ask them to withdraw them.

Mr Langton: On a point of order. If the Minister calls -

Mr SPEAKER: Order! The honourable member for Kogarah knows that there are no conditions on withdrawing offensive remarks.

Mr Langton: I will withdraw.

Mr J. J. Aquilina: I withdraw them. On a point of order. I take great exception to the terminology used by the Minister for State Development and Minister for Tourism, calling me and other members of the Opposition morons.

Mr SPEAKER: Order! At the risk of being seen to be partisan, I must call the attention of the member for Riverstone to well-established rulings of this House that a member may take objection only if offensive words are directed to that member. There is no capacity to seek withdrawal of a collective expression used to describe a group of members on either side of the House. I regret that I cannot accede to the request of the honourable member for Blacktown. The Minister for State Development has the call.

Mr J. J. Aquilina: On a point of order.

Mr SPEAKER: Order! I have ruled on the point of order.

Mr J. J. Aquilina: Mr Speaker -

Mr SPEAKER: Order! The member for Riverstone will resume his seat. I have ruled on the point of order. He gave no indication at the time that in fact there was a further point of order.

Mr J. J. Aquilina: I certainly did.

Mr SPEAKER: Order! I will hear the honourable member for Riverstone on a further point of order.

Mr J. J. Aquilina: On a further point of order. When I raised the previous point of order the honourable member for Gosford pointed at me and said, "You are the moron".

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Mr SPEAKER: Order! I ask the honourable member for Gosford to withdraw the remark.

Mr Hartcher: I withdraw.

Mr SPEAKER: Order! The exchanges in this Chamber over the past few minutes do little credit to members of this Chamber. I am sure those in the public gallery have reflected on that conduct with some distaste. I ask all honourable members - because it is a collective attitude - to bear in mind that the Chamber is under the scrutiny of the public, and members of this Parliament have a duty to members of the public to set an example. I ask them to refrain from such disorderly behaviour in this Chamber.

[Interruption from gallery]

Mr SPEAKER: Order!

Mr YABSLEY: That was clearly a very popular ruling, Mr Speaker. The honourable member for Burrinjuck asked a question which is relevant to rural New South Wales. It involves the establishment by the Department of Stte Development's Small Business Service of a satellite service in 13 centres around the State, including Nowra, Cooma, Griffith, Deniliquin, Glen Innes, Tamworth, Moree, Dubbo West Wyalong, Parkes, Bourke, Broken Hill and Murwillumbah to make sure that we can get to those parts of the State. As part of the pilot program there is a message about how to run businesses. The scheme is known as Enterprise Channel. It is basically a series of training workshops broadcast to those 13 rural centres and will present practical ideas in key areas of business management for the benefit of rural business owners. The Government believes that the interactive seminars, which are being conducted out of hours to improve accessibility, will prove invaluable in rural New South Wales - obviously in areas that members of the Government are interested in, concerned about, and where people often suffer as a result of being in a relatively remote part of the State.

The Small Business Service has been working with the satellite division of Optus Communications, the Small Business Development Corporation and the University of Technology centre for satellite education and has identified the 13 key areas that I mentioned. The seminars commenced earlier this week. Once demand has been established it is expected there will be many more reception points and workshops throughout New South Wales. The programs will cover topics from financial planning, planning for growth and change, and marketing to advertising. I have seen details of the information that would be provided through the workshops and I know that it is exceptionally practical advice. The workshops are simply designed to prepare small business people in the State to compete in the constantly changing business world by developing skills. We are very keen to make sure that the message about Enterprise Channel is heard throughout rural New South Wales. Government members will be very active in making sure that their constituents are aware of that Small Business Service to assist them to refine their small business skills. It is yet another initiative of the Greiner Government designed to enhance small business in New South Wales.

Mr SPEAKER: Order! The time for questions has expired.

Mr Whelan: On a point of order. Mr Speaker, I draw your attention to the Standing Order 79 amendments adopted by this House recently in relation to questions. Mr Speaker, you have entertained questions from Mr Carr, Mr Hartcher, Dr Refshauge,
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Mr Hazzard, Mr Knight, Mr Fraser, Mr Hatton, Mr Smith, Mr Newman and Mr Schultz. The sessional order refers not so much to 10 questions but answers to those questions. Mr Hatton's question was ruled out of order, and correctly so. The sessional order provides that question time shall conclude at the lapse of 45 minutes from the Speaker calling on questions or - these are the important words - "the answering of 10 questions, whichever is the latter". Only nine questions have been answered. One question remains to be answered.

Mr SPEAKER: Order! The matter was raised by the honourable member for Ashfield earlier. I have given it consideration. I believe there is a dichotomy between the standing order on which the matter is based and the wording of the sessional order, which I think expresses an intention contrary to that expressed in the original standing order. The Standing Orders and Procedure Committee has not met since the matter was raised and therefore I have not had the opportunity to seek its clarification on the matter. However, I accept the point made by the honourable member for Ashfield. Until such time as the matter has been resolved one way or the other I shall accept that the sessional order requires 10 questions to be answered.

WATER BOARD RIVER POLLUTION VIDEOS

Ms ALLAN: My question is to the Minister for Housing. In view of his answer in the House today, why were Water Board staff yesterday telling the public that copies of the video "River Running out of Time" had been recalled? Why were criticisms of the Government by Dr David Hughes and Keith Mullett, scientific manager of the Water Board, which appeared in the first video edited out of the second video, "Finding the Balance"?

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

Mr SCHIPP: I take my advice from the general manager of the Water Board, who has assured me that there is no - and has not been - instruction whatever in relation to the video. What staff of the Water Board tell the honourable member for Blacktown or anybody else is for them to answer for. I know what my part in the matter was. I believe the managing director of the Water Board absolutely in relation to his part. "Finding the Balance", is a subsequent video. Does the honourable member not understand that things are changing? Today 50 per cent fewer nutrients are going through the sewer plants than were going through 12 months ago - an absolute change. There are two videos. I made them available today as a package. There is no sanitisation, no deletion of anything whatsoever. One video, "Finding the Balance" is focused entirely on the Rouse Hill sector. The other is a general video based on the Hawkesbury-Nepean system. If the honourable member cannot follow that there has to be an ongoing role in bringing public information resources up to date, there is no hope for her.

ASSENT TO BILLS

Royal assent to the following bills reported:

Associations Incorporation (Amendment) Bill
Bills of Sale (Amendment) Bill
Conveyancing (Amendment) Bill
Criminal Legislation (Amendment) Bill
Driving Instructors Bill

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Fertilizers (Amendment) Bill
Growth Centres (Development Corporations) Amendment Bill
Holy Apostolic Catholic Assyrian Church of the East Property Trust Bill
Liens on Crops and Wool and Stock Mortgages (Amendment) Bill
Strata Titles (Leasehold Part Strata) Amendment Bill
Strata Titles (Part Strata) Amendment Bill

FIREARMS LEGISLATION (AMENDMENT) BILL

Bill received and read a first time.

PETITIONS

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**.

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**.

Canterbury Hospital

Petition praying that the House take action to ensure that the Canterbury Hospital is upgraded to allow it to satisfy the present and future health needs of the Canterbury area, received from **Mr Davoren**.

Duck Hunting

Petition praying that the House legislate to ban the annual duck hunting season to protect native waterfowl and New South Wales wetlands, 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**.

Schofields Aerodrome

Petition praying that Schofields aerodrome not be upgraded to operate seven days a week and that it not be used as a commercial aerodrome following the closure of HMAS Nirimba, received from **Mr J. J. Aquilina**.

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**.

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Newcastle Rail Services

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

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**.

Ingleburn and Macquarie Fields Police Stations

Petition praying that the House provide, as a matter of urgency, a permanent police station at Ingleburn and upgrade the existing police station at Macquarie Fields, received from **Mr Knowles**.

Walker Estates

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

SUPREME COURT ADMISSION APPLICATION OF Ms WENTWORTH

Ministerial Statement

Mr COLLINS: I wish to make a ministerial statement about the application of Ms Kate Wentworth to the Supreme Court for admission as a barrister. Honourable members will recall that this matter has been the subject of questions directed to me by the honourable member for South Coast. In 1991 Ms Wentworth made application to the Supreme Court for admission as a barrister. Subsequently the matter was referred to the Court of Appeal. Among the matters raised was an application by Ms Wentworth that the Bar Association be dismissed as a party to the proceedings and an application that all members of the Court of Appeal disqualify themselves from hearing the matter. The Court of Appeal dismissed Ms Wentworth's application to remove the Bar Association and remitted the matter to the Common Law Division of the Supreme Court where it ultimately came before His Honour Justice Campbell. In the meantime, Ms Wentworth sought and was granted special leave to appeal to the High Court against the decision of the Court of Appeal not to remove the Bar Association and related questions. On 6th March the High Court heard Ms Wentworth's appeal and has reserved its decision.

I turn now to my limited involvement as Attorney General in relation to Ms Wentworth's application. My involvement in the proceedings as Attorney General followed a request from His Honour Justice Badgery-Parker in the Common Law Division of the Supreme Court that I appear represented by counsel as amicus curiae, that is, a friend of the court. Alternatively His Honour requested that if so advised, I seek leave to intervene to assist the court on any matter involving the public interest and, in particular, the question of admission of someone who at the time had not met legal education requirements. Consequently I instructed counsel to represent me, as the court requested, as amicus curiae but for the limited purpose of making submissions about legal qualifications. No submissions were made by counsel representing me in the Court of Appeal in relation to the interlocutory matters raised there by Ms Wentworth.

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I am not at liberty to canvass submissions made before the High Court or the matters currently under consideration by the Supreme Court. It would be more than inappropriate for me to discuss them at this time. In any event, my role as amicus curiae limits my involvement in the proceedings to matters of public interest. Accordingly, it is appropriate for me to remain distant from questions relating to the merits of Ms Wentworth's application for admission or, for that matter, the merits of the opposition of the Bar Association to it. I suspect that the honourable member for South Coast misunderstands my position with respect to the Bar Association. I have no particular influence over the actions of the Bar Association. As Attorney General, I am certainly in no position to instruct its actions. I am an ex officio member of the Bar Council but that

has no relevance whatever to my role as amicus curiae, a friend of the court, in the proceedings relating to Ms Wentworth.

Similarly, my ex officio membership of the Bar Council gives me no right to direct that council or the association as to their attitude towards applications for admission or any submissions they see fit to make to the court. In addition, I have no claim to any of the documents generated by the Bar Association. I am invited to attend meetings of the Bar Council, and periodically I am able to attend such meetings. But I have no recollection of attending a meeting in which any matter relating to Ms Wentworth was voted upon, or indeed considered. The honourable member for South Coast has asked whether the opposition of the Bar Association to the admission to the bar of Ms Wentworth is in the public interest. Because these matters are now before both the High Court of Australia and the Supreme Court of New South Wales, I am limited in the extent to which I may reply. However, it is in the public interest for the court to have available to it whatever assistance it requires to carry out effectively its important role in admitting barristers. This assistance may include the joinder of an appropriate contradictor, that is, a party who may place before the court a point of view not otherwise available to it. Whether the Bar Association has a role in providing such assistance is a matter currently under consideration by the High Court, and I should say no more.

Mr WHELAN: Honourable members have just heard a classic example of the New South Wales Attorney General washing his hands of an important matter under the guise of making a ministerial statement. The admission of any person to the bar or the medical profession is a difficult matter, but any person, whether it be Ms Wentworth or anyone else, deserves the support of the law and of unrestricted and unreserved legal aid to pursue his or her case before the court. Certain matters remain outstanding. I refer particularly to the attitude of the Attorney General. The only way I can resolve what the Attorney General is doing is to conclude that he is washing his hands of what he regards as a difficult problem. It is clear that the Attorney General should provide to the Parliament all of the material in relation to the opposition of the Bar Council and the Bar Association to the admission of Ms Wentworth to the bar. That material should include the minutes of the Bar Council relating to this matter and any associated material held by the Bar Council.

Why does the first law officer of this State, as an ex officio member of the Bar Council, not tell the Parliament whether he has ever voted there on this matter? If he has, how and when did he vote? Did he consult with the New South Wales Bar Association and Ms Wentworth and advise her of his attitude? Did he advise the Parliament in March that he "supported the attitude which had been shown to date by the Bar Council"? Did he also advise the High Court through his counsel, the Solicitor-General, that he took no position as to the substantive merits of this particular case? Why does that contradict an answer given in Parliament on 5th March? The plain fact is that

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the Attorney General cannot keep washing his hands of matters involving members of the community merely because he runs into serious opposition. Whether people are seeking admission to the bar or the medical profession, they have a basic fundamental right, that is, the right to be heard in a court of law. Ms Wentworth has been involved in a series of cases. The publicity which has surrounded these cases may have created certain prejudice against her. Why does the first law officer of this State not go out of his way to assure the community that he is no longer washing his hands of this problem?

The Government and the Attorney General should understand that members of the community such as Ms Wentworth are deeply hurt because the Government is not

prepared to take a stand. Ms Wentworth has attempted to gain admission to the New South Wales bar. She has passed her examinations. What are the reasons for her exclusion? The Attorney General may say next that she is not the right colour. This is not the Victorian age. Discrimination has been removed. The Attorney General tells this House how drastically anti-discrimination legislation has been amended. At the same time he will do nothing to protect people's rights. Under the law there is no difference between the analogy of attempting to enter a particular profession, attempting to have children enrolled at a school, or attempting to enter a club. The days of discrimination are gone. If people are properly qualified, they are entitled to be admitted as solicitors or barristers. Is it not about time the Attorney General bit the bullet and told the Bar Council that the extravagant waste of costs must cease?

BUSINESS OF THE HOUSE

Matter of Public Importance: Suspension of Standing and Sessional Orders

Mr WHELAN (Ashfield) [3.30]: I seek leave to move the suspension of sessional orders to enable the mover, Mr Downy, and the Member for Blacktown, and the appropriate Government Minister to have 15 minutes to speak on the matter of public importance this afternoon, and the debate to be extended by an additional 10 minutes, and otherwise to confirm sessional orders relating to matters of public importance. The purpose of the suspension is to allow the honourable member for Blacktown to speak for 15 minutes on the matter of public importance.

Mr SPEAKER: Does the honourable member have the motion in writing?

Mr WHELAN: I shall hand it to the Clerk.

Leave granted.

WASTE STRATEGIES

Matter of Public Importance

Motion by Mr Whelan agreed to:

That so much of the Standing and Sessional Orders be suspended as would preclude the extension of debate on the Matter of Public Importance by 10 minutes this day to enable both the Minister for the Environment and the honourable member for Blacktown to speak for 15 minutes each.

Mr DOWNY (Sutherland) [3.37]: I move:

That this House notes, as a matter of public importance, the broad community debate on the future of waste minimisation, recycling and disposal and calls upon the Government to agree to establish a select committee into long term waste strategies to be dealt with in the proposed Government policy paper on the waste stream.

This motion consists of two parts. The first part calls on the House to note that there is at present, and has been for some time, a broad community debate on the future of waste management - particularly in the Sydney area. Second, it calls upon the Government to establish a joint select committee to look into the long-term waste strategies which are to

be dealt with in a soon to be released Government policy paper on waste management. The purpose of the select committee would be to examine broader social and political questions involved in waste minimisation, recycling and, of course, the least attractive option available, landfill disposal. The select committee could consider submissions from a broad range of interested parties, including local communities, councils, industry, government bodies and, of course, specialist environmental groups such as Friends of the Earth. My main motivation for moving this motion is not merely because the Waste Recycling and Processing Service - the former Waste Management Authority - has a proposal before the Sutherland Shire Council to extend the boundaries of the Lucas Heights waste depot, to construct a recycling plant, and to rehabilitate areas of land that have been alienated for landfill. Debate on the Lucas Heights Waste Depot extension proposal has aroused local community interest - an interest shared by other communities in the Sydney area - about what to do with the waste that communities produce.

[Interruption]

The honourable member for Londonderry should be quiet. It was his mob that started the ball rolling.

Mr SPEAKER: Order! Debate will proceed in an orderly manner.

Mr DOWNY: It has been demonstrated that there is a need for the community - not merely local and State governments - to get its act together on the issue of waste disposal. That is the purpose of this motion. Residents are opposed, and quite rightly, to the Lucas Heights proposal. Some of the reasons given by the Sutherland Shire Council in opposition to the proposal are quite spurious. However, some sound reasons have been advanced opposing the proposed Lucas Heights waste depot. I find it difficult to reconcile this proposed massive extension and to develop a recycling plant. It is proposed that the depot and recycling plant will be capable of handling more than one million tonnes of rubbish. When researching this issue I discovered that Germany has a similar recycling plant and only a small portion of waste goes to landfill. That plant handles no more than 100,000 tonnes of rubbish. This proposal, however, is for a giant depot. I am concerned also about the volume of traffic involved. Residents of Lucas Heights are sick and tired of the volume of traffic that uses Illawarra Road to gain access to the Lucas Heights waste depot. The environmental impact statement did not address the total volume of traffic that this proposal will generate.

Another concern is the compatibility of such a development in Lucas Heights. Lucas Heights has had a tip for a number of years but when it was opened by the Sutherland Shire Council the area was zoned semi-rural. In the past five or six years, there has been massive urbanisation of the area. The proposed development by the Waste Management Authority is totally incompatible with that urbanisation. The Government has acceded to my call for a commission of inquiry into the proposal that is currently before the Sutherland Shire Council. From a planning point of view, that is the best way to determine the application of the Waste Recycling and Processing Service. Everyone who has an interest in the matter will have an opportunity to put forward a submission to the inquiry, and that includes my colleagues, the Minister for Health Services Management, the honourable member for Cronulla, and me. Such an inquiry will not examine necessarily the broader issues. That is why I have called on the Government to establish a select committee to investigate long-term waste strategies that will be outlined in a soon to be released policy paper on the waste stream.

This particular document is most welcome, even though it is somewhat overdue. It also raises the question of why the Waste Recycling and Processing Service went ahead with its application prior to the release of the policy paper. That matter should be addressed. This Government and former governments have a lot to answer for with regard to waste disposal. At one of the information meetings I attended at Bangor I saw a graph that shows the increase in waste that has gone to landfill, particularly in the mid to late 1980. From 1983 to 1988 the amount of waste going to landfill increased from 1.9 million tonnes to more than 3 million tonnes - 73 per cent of that waste was going to Waste Management Authority regional depots. When the present Lucas Heights tip was approved in 1984, its proposed lifespan was 30 years. It was intended to service seven councils, but within one month of its opening the number increased to 23.

The Minister responsible at that time was the present Leader of the Opposition. As Minister for Planning and Environment he approved the tip and the increase in the number of councils servicing the tip. And he did all that through the backdoor. He did not bother to tell anyone of his decision. This megatip syndrome concept has failed dismally. No one has planned for this city's future waste management. In the past 10 years, and particularly in the last five years, people's attitudes towards waste management have also changed. Unfortunately these attitudes are not taken into account by authorities. Another failing of the centralised waste system that the Government inherited is that it depends on local government. After all, councils collect the waste and are responsible for getting rid of it. Last year when the Minister for the Environment announced that the Government should not own or build new tips, local government howled in protest. Local Government wanted the Government to be responsible for the waste. So far as it was concerned it was a case of out of sight out of mind. That attitude is no longer good enough in our society.

Mrs Lo Po': That is what we are saying.

Mr DOWNY: You might be saying it but if you examine -

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

Mr DOWNY: Recently Sutherland Shire Council announced that it had deferred the introduction of a weekly kerbside recycling scheme and set up a working party to investigate a holistic approach to waste management. In a recent edition of the *Leader* it was reported that Councillor Jenkins, the councillor-in-charge of the working party, said that the group would assess the situation having regard to long-term markets for recyclable materials as well as the possibility of establishing a recycling plant concentrating on composting in the shire. That is a commendable goal. However, I cannot see the difference between that proposal and the proposal put forward by the Waste Management Authority. However, at least Sutherland Shire Council and other councils in the Sydney metropolitan area are beginning to think about what to do with the waste that local communities generate, and for that they should be commended. It should be acknowledged also that the present Government has done much to come to grips with a problem that faces us all. The Government's recycling rebate scheme is working well. In the past 12 months the quantity of waste that went to landfill has been reduced by 22 per cent. The Minister for the Environment, through the Australian New Zealand Environment and Conservation Council, has committed the State Government to adopting a 50 per cent target reduction in waste going to landfill in the next decade. That also is commendable.

The opposition to the Lucas Heights proposal and other such proposals cannot be criticised on the basis of the NIMBY syndrome. There is far more to it than that.

The Premier, however, did acknowledge that the Government has to look for the best
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solution from an environmental standpoint. That statement was made in relation to the Lucas Heights depot, but it could be applied to the issue of waste disposal in general. There will always be those who try to make political capital out of an issue such as this without offering any real solution. The Stockrington proposal is one solution that has been put forward. It has been mooted by a number of people. Sutherland council has used it as an example of the sort of thing that could be done rather than what is proposed at Lucas Heights. I have no problems with the Stockrington proposal. On the surface it seems like a reasonable idea.

Mrs Lo Po': It is not reasonable for people in the Hunter.

Mr DOWNY: I was about to come to that.

Mrs Lo Po': I have said it for you.

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

Mr DOWNY: It has been said that the Stockrington proposal is about filling coalmines. That is not so. It is about establishing a landfill operation on a 1,500-hectare site. The Labor Shire President of Sutherland council wrote to Labor members in the Newcastle area asking them to support the proposal. Their reaction was the same as that expressed by the honourable member for Waratah in the 5th March edition of the *Newcastle Herald*. He was reported as having said that Sutherland Shire Council was trying to offload its problems on the Hunter Valley by calling for the Stockrington dump proposal to be looked at urgently. He then said that the Sutherland council acted rudely and was simply trying to put pressure on the Government to rush through the Stockrington proposal. It does not matter what is done; someone will oppose it. The whole point of having a joint select committee is to look at the issue and to come up with proposals on an apolitical and bipartisan basis; to look at the proposals in the waste management paper that the Government will be releasing in the next couple of weeks; and, over a period, to look at all issues related to waste management in the Sydney area. I hope that both sides of the House will support my proposal.

Ms ALLAN (Blacktown) [3.52]: Even though the wording of the brief motion before us today speaks of setting up a select committee, this is not what it is about. Perhaps we should call it the "Chris Downy (Interim Protection) Bill". The motion is designed to shore up the seat of the honourable member for Sutherland, which is currently on the electoral pendulum needing a swing of about 3 per cent against the Government for it to be lost. Recent Liberal Party polls in the Sutherland shire show that the honourable member for Sutherland would lose his seat at the present time because of community outrage about the proposal to extend the Lucas Heights tip. If this motion were really about the proposed Government policy paper on waste streams, we would not be debating this motion; we would be in our offices reading the document. A colleague of the honourable member for Sutherland and the Minister for the Environment, the Hon. S. B. Mutch, who is a member of the Legislative Council, said on Thursday, 5th March, that the document mentioned by the honourable member for Sutherland would be released by the Government in late March or early April. We are waiting with some enthusiasm to read that document. If the motion were about that document, we would not have to listen to the Hon. S. B. Mutch's desperate attempt to try to shore up Government support on this issue; we would actually be reading the document. If this motion were about setting up a select committee, the Government would be supporting

the notice of motion presented by the Opposition calling for a select committee to be established on this issue with very specific terms of reference.

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I look forward to the contribution in this debate of the honourable member for Manly. I am sure he will confirm that if an honourable member wants an issue to be dealt with by a select committee, one has to move a matter of public importance. That is what the honourable member for Manly sought to do on 4th March in this Chamber when, by way of a matter of public importance, he moved a motion seeking to set up a select committee to inquire into the operations of the Water Board. That motion was carried by the Parliament, just as I expect this motion will be carried today. Unfortunately, I suspect that what happened to the motion of the honourable member for Manly will happen to this motion - absolutely nothing. Despite the good intentions of the honourable member for Manly and the unanimous support of the Parliament for his motion moved on 4th March for a select committee on the Water Board, no such select committee has been set up. This matter was referred to in question time and has been discussed in the media over the past few days.

This motion is designed to ensure that the honourable member for Sutherland keeps his seat at the next election. I must congratulate the Government on having learnt something from its attempts to establish a megatip at Londonderry. It learnt from that struggle with the community of western Sydney and the subsequent defeat of the former member for Penrith, Guy Matheson, not to wait until the death of an election campaign, or until a debate on an issue has been raging in the local community for 18 months, to act. It now realises that the local member should be thrown into the fray much earlier. The honourable member for Sutherland, in a very hypocritical speech, has looked for culprits rather than at the Government, which is responsible for waste management in this State. He has sought to blame a group of public servants, the Waste Management Authority. He threw up his hands in horror and said that it was responsible.

Because polling in Sutherland indicates that the honourable member for Sutherland will lose his seat on this issue, the Government decided to push the honourable member forward in the Chamber today and at a number of public meetings in his electorate. It has said: "Go out, Chris, and bag the proposal. That is how you will save your seat. In the process, do not worry about casting any reflection on the Government. Only pick on the Waste Management Authority. Nobody cares about that authority in this State at the moment. It has already been chopped in two, part of its function going to the Environment Protection Authority; no one knows where the other part of its function will end up". Officers of the Waste Management Authority are very demoralised at present. I am optimistic that the Minister, in his contribution to this debate, will enlighten us about the future of that authority and the people who work there rather than let his backbench colleagues blame them for what is going on at Sutherland. The contribution of the honourable member for Sutherland shows that he is not interested in the issue at hand; he is certainly not interested in what the community at Sutherland feels. He is only interested in making sure that at the next election - and it will probably be sooner rather than later - in the heat of this debate he will not lose his seat. On 11th March the Government used question time to announce that there would be a commission of inquiry into the Lucas Heights rubbish tip. That was only a week ago. Since then the Government has realised that Sutherland shire is so intent on not extending the tip that not even a commission of inquiry will save the seat of the honourable member for Sutherland.

It is interesting to examine the reasons why the Government is proceeding with

this course of action to expand the Lucas Heights facility despite the overwhelming condemnation of the proposal. The Government has learnt from the Londonderry experience to wheel honourable coalition members out to bat early but it has not learnt enough yet to stop the proposal from proceeding. As time passes and momentum on this Page 1465

issue increases, and perhaps with the approach of an early election, the plug might be pulled on the proposal - perhaps at the beginning of an election campaign - to show the bona fides of the honourable member for Sutherland and the Minister for the Environment. Why is the State Government contemplating the expansion of the Lucas Heights tip in the face of good economic and environmental reasons against that proposal? I am proud that the Leader of the Opposition and Opposition members generally, as well as the Labor Party candidate who will stand against the honourable member for Sutherland at the next State election - Councillor Genieveve Rankin of the Sutherland Shire Council - have been so adamant in their opposition to the proposal.

We are not prepared to cop the real reason for this proposal being pushed so strongly by the Government, despite the whimperings of the honourable member for Sutherland. The Government, the Minister for the Environment and the honourable member for Sutherland in the short-term will not be allowed to give this proposal away. The real reason is that the Government is committed to privatisation - privatisation for its own sake. The evidence is already to be seen that the Government is desperate to privatise the Waste Management Authority in this State. Last December documents were leaked - and publicised widely at that time - which show that the Cabinet Office and other sections in the public service are responsible for the Government's campaign to privatise as many public authorities as quickly as possible. The reason for the extension of the Lucas Heights tip is that it will maximise the value of the Waste Management Authority so that when it is privatised it will attract an extra \$300 million on its purchase price. We have to have Lucas Heights not for environmental or waste management reasons - that is the last consideration of the Government - but to make the Waste Management Authority more attractive on the open market.

Six months ago the Government thought it was a good idea. At that time the Government did not realise that it would be swept away by the huge community-based campaign currently going on in that area to stop the proposal. The Government is becoming increasingly anxious because the political pendulum has swung further against the State Government since the May elections. A few months ago the Government thought it would win seats at a future State election to ensure its governing in its own right without the support of Independents. But since last May the Government has gone backwards and has lost one seat at a by-election. In the future, many other by-elections will occur, and the Government will lose them too. The Government is looking seriously at its backbench members to decide which are vulnerable. One of the most vulnerable Government members on community-based issues is the honourable member for Sutherland, hence this mickey mouse debate and lack of Government support for the establishment of a select committee to address all the important waste issues in this State. And those issues are considerable.

The Opposition does not want merely a select committee that will talk about how or why to enhance the value of the Lucas Heights depot to make the Waste Management Authority more productive or more financially lucrative on the open market so that it can be sold off to private enterprise, as the Government is seeking to do now. Though the Opposition is not going to oppose this almost meaningless proposition, it will continue to raise in the Parliament during the next few weeks the need to create a much more broadly based select committee with more broadly based objectives. We need a genuine debate about the future of waste management and the current operations of waste

authorities, private or public. In particular we want to involve the community and local government in the debate. Since at least May last year we have seen absolute chaos in waste management in this State. Responsibility for that can be sheeted home to the very sensitive Minister for the Environment, who during the last State election campaign, after Page 1466

consultation with the Cabinet, announced that the Londonderry tip was not going to proceed. I note that the honourable member for Penrith and the honourable member for Londonderry will participate in this debate on behalf of the Opposition. We will hear details of their experiences. This is a rerun, except this time the person most at risk is the honourable member for Sutherland, not the former member for Penrith.

Since May last year this State has not had a waste management policy. The Minister for the Environment threw up his hands in horror and said: "No Londonderry. Negative. I am not going to have anything more to do with waste management. I am going to abrogate my ministerial responsibilities. I am going to let the bureaucrats, local councils and some community groups, worry about this". Since that time we have heard barely a whimper from the Minister about waste management. Since that time many problems have surfaced that have not been addressed. Almost every second or third day I receive a deputation in my office from community groups a local council, a private waste consultant or contractor, and environmental groups, concerned about various tip proposals or the future of waste in their local areas. Presumably, if those bodies are beating a path to my door, they are beating a wider and deeper path to the door of the Minister for the Environment, though I do not know if he sees them.

A select committee is needed to give these people the opportunity to present views and strategies about the future of waste in New South Wales over the next decade or two, or three. After reasonable debate such a committee could make recommendations that could be taken up by the Government. But this Government is so bereft of waste management ideas that it has not been able to produce the waste discussion paper that has been promised for some time. A select committee looking at those issues could rationalise the current debate. All we see now are knee jerk reactions from desperate Government members who are worried about losing their seats - a Guy Matheson situation revisited. I do not think the honourable member for Sutherland thought this issue would catch up with him, but it has. If there is an election by May or June this year, the honourable member for Sutherland will be the first cab off the Government rank to lose his seat. Responsibility for that can be attributed to the Minister for the Environment, who has not been able to produce a decent waste management policy and strategy for this State. That is one of the worst indictments of the performance of the Minister in the four years that he has held the portfolio. That he can still appear so contemptuous continues to astound me. The Opposition will not be seeking to oppose this motion but will be pressing ahead with my previous notice of motion, which we believe is a far more suitable and intelligent way to solve the problems of waste management currently being experienced in this State.

Mr MOORE (Gordon - Minister for the Environment) [4.07]: I thank the honourable member for Sutherland for addressing the issues of waste disposal, minimisation and management. I too propose to deal with the issues rather than the question of a political campaign manual or electoral strategies. It is the intention of the Government to establish, prior to the conclusion of the Autumn sittings of the Parliament, a joint select committee comprising members of both Houses of the Parliament to deal with matters as outlined in the motion of the honourable member for Sutherland dealing with the hierarchy of waste in our society. Some time ago, in 1988 or early 1989, the Government formally adopted a hierarchy of waste management. The first element of that hierarchy of waste management, and the most important element, is to seek to avoid

the production of waste in the first instance. That involves both the elimination of unnecessary packaging and unnecessary consumption in the domestic waste streams, and encouraging industry to move towards what is known generically as cleaner production that uses less nasty material and produces less waste, whether it is of a hazardous or special waste category or a waste suitable to be put in for landfill.

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It is only after we have addressed the issue of waste minimisation - that is, reducing the absolute amount of waste produced in our society, preferably reducing the per capita levels of waste produced in our society - that we should turn to issues such as recycling and reuse. Then, and only then, should we turn to the question of disposal. To put recycling first or, even worse, disposal first, is taking a defeatist attitude to addressing the problems of the waste stream. In one regard, this is why I am concerned at the way the national strategy is proceeding. It is based on the reduction of the amount going into landfill by 50 per cent by the year 2000. This is a strategy with which I concur, but I believe that it does not take a sufficient look at waste minimisation and clean-up production.

In the past year or so the Government has adopted a council recycling rebate scheme, the first one operating in this country. It provides a subsidy to local government of \$17.50 per tonne for every tonne that is diverted from the waste stream and put into productive recycling or reuse. I am certainly pleased that most local government bodies in the greater Sydney area have adopted this process with alacrity. Indeed, the council for which the honourable member for Manly is an alderman has recently come in second or third in per capita recycling returns. There has been a 100 per cent increase in the amount of material recovered for recycling by local government in New South Wales in the past 12 months. The Government has paid councils in the area nearly \$2 million over that period of time - an idea not mentioned once by the honourable member for Blacktown, who is not prepared to give any credit for significant achievement.

A wide range of other measures need to be addressed. They fall generally into two categories, which the Government intends to implement over the next five or six months. The select committee that I propose to move for prior to the winter recess will have a role in assisting the Government fine tune and monitor those policy initiatives. The far more difficult array of issues which need to be addressed by a committee need to be representative not only of both sides of the House but of the upper House as well. I refer to the question of the long-term methods not only of disposing of waste, which is a shortsighted objective, but also of ensuring that waste is minimised and that the maximum ethical recovery is made of the beneficial components of the waste for either reuse or recycling.

I do not propose to deal at length with the matters raised by the honourable member for Blacktown in her notice of motion today which, I note in passing, was given after my colleague the honourable member for Sutherland made his intention known to the world to raise this matter today. I point out to those who will read the debate or who are listening to it that merely dealing with waste management, waste minimisation and recycling, as proposed by the honourable member for Blacktown, does not address one very fundamental point in the waste debate, that is, the debate about closing the loop. There is no point in simply removing more and more items from the waste stream for recycling if we, as a community, do not consume the products that are made from those wastes.

Recycling is seen by many, indeed implied in the motion of the honourable

member for Blacktown, to be an end rather than a means. At the risk of being accused of touting for industry, I wrote to all 175 local councils and all government consuming departments, including those within my administration - here I confess a failure - suggesting that a recycled plastic material made by a company in Melbourne called Sincar was worthy of examination for useful things such as park benches and picnic areas, for kerbing and speed humps in car parks and things of such nature. I am advised, despite my endeavours to create a market - indeed, in my former incarnation as Minister

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responsible for the Water Board, I had the Water Board construct a demonstration picnic area at the dam near Moss Vale to demonstrate that this material could be worked, was weatherproof, was attractive and useable - that there has been created no significant market created for this material in this State of New South Wales.

In other areas, such as recycled lubricating oils, we have the absurd position where my friend and colleague - using both words in the broadest sense - the Federal Minister for the Environment, Ros Kelly, told the Commonwealth car pool that she wanted to use recycled lubricating oil in her ministerial vehicle. They told her that they could do that but that they would have to take her new engine out and put in a reconditioned engine because the new engine warranty is void if recycled lubricating oil is used. What needs to be addressed, and will be a very important element of the Government's reference to a select committee, is the creation of markets for products made out of recycled items. That relates to markets for products made out of recycled plastics, paper and the normal organic components of the waste stream. A very important element that I know is of concern to the honourable member for Manly, and has been of concern to me and the Minister for Housing for some considerable time, is trying to provide beneficial waste stream mingling, if it is possible, for sewage sludge for soil conditioners and things of that nature. If there is no market for the products that are made, there is little point in our pursuing recycling and reuse as the second level of the hierarchy of waste management after we have squeezed every bit we can out of waste minimisation. The resistance that has been given in the past by some office equipment manufacturers, for example, to recycled paper - my office has been operating virtually exclusively on recycled paper products for four years without difficulty - is hard to understand. I hope that by dealing co-operatively with local councils on the issue of waste collection and waste disposal we will be able to deal with the question of how government can assist to create markets for products made out of recyclables so that there is economic viability for the very many businesses, big and small, in New South Wales which are prepared to take a chance and to become viable out of the recycling process.

I want to address the important issue of waste minimisation a little more. A number of companies have made significant contributions not only to the environment but also to their economic well-being by minimising the amount of waste they produce, particularly the amount of nasty waste they produce. This is an area of concern which I share with the honourable member for Londonderry. He and I would both wish, despite our disagreements on some other issues, that no wastes were produced of a class that requires disposal at the present time at the Londonderry facility. One of the ways that that can occur is by encouraging industry to clean up, if not to completely clean - which is a desirable end point - methods of production. In this regard, I particularly commend the 3M Corporation. In the late 1970s the 3M Corporation embarked on a clean production program for its company worldwide. It appointed a senior executive just below board level whose responsibility it is to save on production, minimise waste and save on production costs. The company counts only the first year dollars. If it saves \$10,000 on tipping fees or \$10,000 on production costs this year and every future year, it counts it only in the first year that it makes a saving. Since the early 1980s, the 3M Corporation has saved worldwide more than US\$400 million by adopting the concept of clean and

ethical production as the company's aim.

A similar company, S.C. Johnson and Sons, which is operating in Australia, has adopted a cleaner production attitude. It has saved significant amounts for itself and its consumers. Good environmental sense, waste minimisation particularly, demonstrates that Australia's national colours go together in an economic sense - green goes with gold
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with waste minimisation. It is sound environmental sense and it is sound economic sense. This Government is committed to our national colours in the waste area by trying to ensure - using economic incentives of our own to local councils and looking to the future for economic incentives to industries - waste minimisation and cleaner production. The Government is embarked on a significant program of ethical redistribution of money produced by polluters - people who generate waste and seek to dispose of it, to redistribute that money back to socially beneficial projects, to minimise waste, encourage the recovery of environmental values from the waste stream by either reuse or recycling and to do that in a fashion which will reduce the need for a blind dependence on landfill as a method of waste disposal.

I want to make it clear in my final remarks that the reason that the Government believes a select committee is the way to go on these matters is that consideration of the very broad short-term and long-term policy issues ought to be separated from the very important but nonetheless highly technical details relating to the present environmental impact statement from the Waste Management Authority for the Lucas Heights extension. I confirm to the honourable member for Sutherland that I will make a submission to the commission of inquiry in addition to that made by the Waste Management Authority to put government concerns, as opposed to operators' concerns, on that matter. I commend the concept of a select committee to the House. After all, as a number of honourable members have stressed in recent days, it is Parliament that is important in policy consideration, evolution and monitoring of the way government goes about things. It would be abrogating our responsibilities to devolve it to a commission of inquiry which, after all, is of limited accountability. Such accountability that it has is to the Executive Government and not to this Parliament. I would much rather have, if it is possible - which I think is difficult after the performance of the honourable member for Blacktown - a bipartisan position on these matters.

Mrs LO PO' (Penrith) [4.22]: When I heard the honourable member for Sutherland speak I did not think he was fair dinkum. Having heard the Minister, I am sure of it. I think the Minister is fair dinkum about setting up a select committee; I do not think the honourable member for Sutherland is. The position is exactly as described by the honourable member for Blacktown: the honourable member for Sutherland is being threatened in his electorate, and to ward off the threat he needs to put out press releases showing he has been active in the Parliament. This debate is the mechanism. As the honourable member for Sutherland knows, and as I know, debates on matters of public importance have no clout. The actions suggested by the honourable member for Blacktown would have had more clout. The Minister has proposed setting up a select committee. It makes one wonder whether Government members talk to each other.

Last March when the Government had to abandon the proposals for the Londonderry tip because of the community outcry it threw up its hands and said, "We are not in the business of waste management any more. In my community people asked whether this meant that if people stole examination papers, the Government would say that it is not in education; if somebody escaped from a gaol, the Government would say it would not be involved with gaols any more. It is a ludicrous position. Somebody has to orchestrate the major strategy for waste management in this State. In Penrith we have a

lot of very beautiful bushland. If there is no alternative, on Sunday afternoons people jump in their cars and dump their rubbish in my area. Years ago there was dumping all along the road on Saturday afternoons. Unless there is a strategy which allows people to know that there will be a definite place to dump their rubbish, roadside dumping will recur. I agree totally with the Minister about waste minimisation. However, all the waste will not disappear; something has to be left at the end. I cannot see a strategy in this Government for what will happen.

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My deep concern about the strategy of this Government is that with privatisation it will cost money to dump rubbish. Everybody knows that megabucks is in putrescible waste. There is not much money in non-putrescible waste. I believe the Minister wants to minimise waste, but if waste management is privatised the opposite will occur. It will be in the interest of private enterprise to maximise the waste because that will mean more money. There is a dilemma. I believe the Minister but I do not trust his Government. It is well known that he gets rolled frequently in Cabinet. He is probably the most environmentally sound Minister and the others just do not understand what he is on about. This Government has a real problem ahead of it. I want the honourable member for Sutherland to know that we have contacts with Sutherland council, we understand what is happening in the area in relation to Lucas Heights and we understand the pressure he is under. I warn him that my predecessor, Guy Matheson, tried to distance himself from the megatip. And he is not here today; I am. Communities are becoming very smart these days and they can understand when people are fair dinkum. I do not think the honourable member for Sutherland is fair dinkum. He is just trying to get himself out of a hole, to quote the honourable member for North Sydney, perhaps a black hole. This one will be a very high black hole - it will have dumping over the top of it.

The Londonderry tip was going to be 241 football fields in area, six storeys high and eight metres into the water-table - and all of this three kilometres from the Nepean River. No wonder the community of Sutherland does not trust the honourable member for Sutherland in view of what happened at Londonderry. It is sad that because we won in Londonderry, with the honourable member for Londonderry and the city council, Lucas Heights now has our problem. It seems that the Government has to have this hill of waste somewhere in the State. Because the western suburbs of Sydney have space they are sitting ducks. We have to develop a strategy to deal with the problem. I do not know what the Government has in mind. I have not read a recent strategy of the Government. I agree that minimisation is the way to go but I do not know what will be done with the final stream of waste and where it will be put. The Government has not told anyone where it will go. The Government will have to work very hard on the problem. I support the establishment of the committee but I ask the honourable member for Sutherland when it will be established, and who will be on it. I will be monitoring what he says. [*Time expired.*]

Dr MACDONALD (Manly) [4.27]: Mr Speaker, you may know that it has been said that life must be lived forward but that it can only be understood backwards. This debate is about trying to learn from the past and being constructive. I am very serious about this debate. I am sad that it has degenerated into a political slanging match, as these things often do. I am disappointed with the honourable member for Blacktown. My electorate and my local council have taken the matter very seriously. As the Minister for the Environment acknowledged, Manly council is now second in the league of successful councils. It has embarked on a pioneering minimisation strategy. Its initiatives have been received with some criticism within the community but this is an example of the need for local government to get serious about the issue. There are many

players - local government and State Government. Comments were made about the role of debates on matters of public importance. I should like to correct the honourable member for Blacktown: a matter of public importance on the establishment of a select committee on the Water Board was proposed by me. I have had follow-up from the Minister on that. It should go on record that he has agreed to consider the establishment of a select committee. The terms of reference and the constitution of that committee are still matters for debate.

Motions on matters of public importance give rise to vigorous debate. The motion moved yesterday may not result in a major change in policy on privatisation of hospitals, but motions on matters of public importance lead to important matters being
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raised and debated in Parliament. Let us not underestimate motions on matters of public importance. Their introduction was a good initiative of the Government. The honourable member for Blacktown failed to address the issues and spoke about the politics of why the motion was moved. I do not think she made a great contribution. I would like to have a select committee established and I do not care whether the Australian Labor Party or the coalition establish it. The fact that landfills will be full within six years is a crisis in itself. There has been a lack of strategy. I am not seeking to lay the blame for that at anyone's feet. The Lucas Heights tip has a crisis in that it is subject to a development application from the Waste Management Authority for expansion. The facility at Lucas Heights now accepts the waste of a large number of municipalities. The people of Sutherland have made approaches to me and other members of Parliament. Honourable members will remember the Londonderry tip crisis last year. After that crisis there was a degree of dummy spitting by the Minister in the sense that he seemed to want to rid himself of the responsibility. Those crises make up a jigsaw.

The issue has finally reached Parliament because of action by residents groups such as the Sutherland group. The environmental group Friends of the Earth has issued some good papers on this issue. Letters have been written to Ministers. The honourable member for Sutherland has now become heavily involved in the issue. The issue has built up to the point where it demands attention. I commend the Minister for the Environment for responding and signalling that a select committee will be established. This issue has followed a path from rejection to acceptance. I understand that the Lucas Heights issue will be specifically examined by a commission of inquiry. The parliamentary select committee must have well-defined terms of reference. That is critical. Unfortunately, the terms of the motion do not really satisfy me. The motion deals with establishing a select committee to examine long-term waste strategies to be dealt with in the proposed Government policy paper on the waste stream. That is a bit loose. The press release issued by the Minister incorporates both his remarks and those of the honourable member for Sutherland. The Minister talks about waste minimisation and landfill disposal, not merely recycling and disposal. That broad ambit of issues should be included in the terms of reference of the parliamentary select committee. The issues of privatisation, centralisation versus decentralisation, the role of wraps and what is to be done with the residue from waste minimisation must be examined. A good waste minimisation strategy has many advantages. They include reducing the landfill, recycling, conservation of resources and precycling. Many benefits flow from such a strategy. I support the motion for the establishment of a parliamentary select committee.
[Time expired.]

Mr GIBSON (Londonderry) [4.32]: On the surface I also support the idea of a committee. However, I disagree totally with the speakers from the other side of the House. After four years, this hypocritical Government, which changes its mind as often

as people change their underwear, has suddenly found that waste minimisation is the way to go. It is good to hear the Minister say that he supports cutting landfilling by 50 per cent over the next decade. The track record of the Government in relation to waste minimisation needs to be looked at. The two great ploys of the Government to minimise waste are trying to extend Lucas Heights and trying to build a megatip at Londonderry. I suppose Londonderry is the best example. The honourable member for Manly said that members were trying to score political points against each other. Let me tell honourable members about Londonderry and the attempts to score political points there.

Londonderry was not even on the short list of sites for the tip. The Waste Management Authority was the expert in the field. It had eight years to ascertain the best place in Sydney to build a megatip. That environmental genius, the Minister for
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Housing, jittery Joe, was the chairman of the urban development committee. He decided that he did not want the megatip at Scheyville, as had been recommended by the Waste Management Authority after eight years of investigation, because an affordable housing project was going in. That was two years ago and there is no affordable housing project there at the moment. One would be lucky to find a tent there. So it was decided that Londonderry was to get this tip. The Government is so caring about looking after the environment that it tried to force the tip on Londonderry without an environmental impact statement. No consultation took place with any community groups, councils or anyone else. If that is the way the Government is looking after waste in New South Wales, we are definitely on the wrong tram. As I said, the Government has had four years and has achieved only one thing.

The Londonderry tip proposal has been knocked on the head and the Minister has been beaten at every turn. The honourable member for Manly now says that people should not be scoring political points. A million tonnes of toxic waste is now brewing at Castlereagh. That started in the early 1970s and is the legacy of a Liberal Government. The Minister supports the view of the Waste Management Authority that the megatip should be at Londonderry but not on the banks of the Hawkesbury Nepean river system, where it was originally intended. An eight-metre high project will now be built over the whole of the one million tonnes of toxic waste. That will be turned into a so-called megatip. It will take garbage from all over Sydney. That is how the Government goes about minimising waste. No consultation has taken place. The Minister has found something in legislation that was passed in 1987 which provided that the land could be recontoured or landscaped. The Minister and the Waste Management Authority got together and said: "We will adhere to the legislation, we will use it for landscaping. It will take 20 years of dumping rubbish there to do it, but we will do it". They were beaten so far as the Londonderry tip proposal was concerned and they are now going to bring it through the backdoor and force the tip on the people of Londonderry in any event. We have a little surprise a bit further down the track for the Minister.

When the Government talks about waste minimisation, it should be talking about giving people incentives to minimise waste. Nissan has developed a process to remove paint from the plastic bumper bars of its cars so they can be recycled. Seventy per cent of the bottles of Down to Earth labelling, one of the Samuel Taylor group of companies, can be recycled. Pro-Pack Packaging has biodegradable space-filling packaging that disappears if it is left out in the weather. Water gets on it and it disappears because it is made from vegetable starch. They are the sorts of things the Government should be doing. The Government has done nothing in four years and Government speakers have the hide to talk about forming a committee to examine waste minimisation. [*Time expired.*]

Mr DOWNY (Sutherland) [4.37], in reply: I did not expect anything more but I am disappointed that the Labor Party should try to make a political issue out of this.

Mrs Lo Po': It is political.

Mr DOWNY: It is not political. Every speaker from this side of the House talked about the issues involved. The Opposition played politics, which is exactly what the Labor-controlled council in the Sutherland shire is doing. Opposition members are strutting the stage without coming up with any constructive solutions. It should be remembered that the honourable member for Penrith was on the board of the Waste Management Authority that approved the overtopping of Castlereagh.

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[Interruption]

Do not have the hide to tell me I am a hypocrite. You would be the biggest hypocrite in the place.

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

Mr DOWNY: The honourable member for Manly made the very good point that we must learn from the past. We have to take note of what has happened before so that we do not make the same mistakes again. That is most important. I congratulate the Minister upon agreeing to the formation of a joint select committee, though of course we have to discuss the terms of reference and get the committee started. Earlier today the honourable member for Blacktown asked why there is a need for two committees; what is the point of having a joint select committee to consider the Lucas Heights proposal and the Castlereagh proposal when - with regard particularly to the Lucas Heights proposal - we already have a commission of inquiry. Lucas Heights is a planning matter and has to be dealt with in that way by a commission of inquiry. It is a separate issue. I am talking about a joint standing committee to consider the whole matter of waste management; not just one particular instance.

The select committee could consider a range of issues. Germany at present has sorting plants and high-tech machinery which sifts through 100,000 tonnes of municipal rubbish every year, of which 60 per cent is recycled. Germany intends to construct 20 or 25 of those plants during the next five years. It has regulations aimed at reducing the amount of packaging - which makes up about one-third of the 40 million tonnes of garbage which the country produces each year. In Germany, Japanese firms no longer may dispose of piles of cartons, papers and styrofoam in which it has exported its electronic goods. That waste has to be returned to Japan, if no one else will take it. In 1993, regulations will come into force in Germany requiring shops to accept back all packaging, and in this regard 400 German firms have joined forces to set up a recycling system. Those firms hope to collect 80 per cent of the country's packaging and sort about 80 per cent of that for recycling.

Those are the issues that we in this country must come to grips with. Nobody has done that as yet, and that is the very issue that a joint select committee of this Parliament should look at. I am not interested in playing politics on this issue; I am interested in finding a solution and putting ideas into action, instead of engaging in a political debate; instead of holding public meetings where people get up on stage and criticise and are negative in their approach to these issues. New South Wales needs to

get away from short-term politics. The Government has raised this issue in this Parliament and there has been debate on it. The Labor Party does not appear to be interested in contributing in any way to any positive action. At least the Government is doing something. I commend the Minister for taking on board my suggestion. I believe that the establishment of this joint select committee will take place very soon.

Motion agreed to.

HER MAJESTY'S SPEECH: ADDRESS IN REPLY

Fourth Day's Date

Debate resumed from an earlier hour.

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Mr DAVOREN (Lakemba) [4.43]: New South Wales was honoured to have the second session of this the Fiftieth Parliament opened by her most gracious Majesty, the Queen. It was quite exciting, I am sure, for honourable members in both Houses to witness that ceremony. What a Parliament it is. One of my colleagues remarked that he considered himself extremely honoured to have been elected to the Fiftieth Parliament. I suppose the Fiftieth Parliament certainly means something but, as he said, honourable members may never see the like of this Parliament again in the history of the State. Arising from the particular composition of this Parliament, reforms have occurred which, I believe all honourable members would agree, are to the advantage of the Parliament, to democracy, and certainly to the members. There is greater opportunity, for example, for the introduction of private members' bills. Indeed, I have a private member's bill of which I first gave notice in 1990. Hopefully, it will now see the light of day and will be debated. That certainly is a step in the right direction. Judging by the number of private members' bills listed on the business paper, I believe all honourable members are delighted about that.

The Premier spoke in his speech of technical and further education. I do not believe we can stress the importance of TAFE any more than it has been already. TAFE is a marvellous institution, training people for the future, and it is extremely important that, when the recession is over and things begin to boom again, there is not a shortage of trained personnel. It is fine to have professional people, such as engineers and architects - that is most important - but unless we have trained craftsmen to implement the ideas of those people, nothing will happen. I am extremely pleased that things seem to be happening with TAFE although the TAFE college servicing my electorate, Bankstown College of Technical and Further Education, seems to have problems. On open day I went to the college to pay my respects to the new principal. When I explained to the receptionist the reason for my visit, she said: "That is delightful. I thought you were another one of the students complaining about the shortage of courses. I am very pleased that you have arrived to speak to the principal. I am sure Marlene Brill will be delighted to speak to you". Not enough is happening with TAFE. The Government should be pouring all available resources and money into technical and further education to provide for the future. Perhaps that may come about.

There has been a lot of talk about the recession. The Government seems to blame everything on the Prime Minister. Of course, that is not so. The recession is worldwide. Recently in a newspaper I read that Japan is quite concerned about the recessionary trend that appears to be worldwide. It is not fair simply to blame everything upon the Hon. P. J. Keating, because it was not his fault. A gentleman called Austin

Donnelly, a financial consultant and economist from Queensland, refers to this lovely word Goebbelisation. Honourable members will recall that Dr Goebbels was the propaganda minister for the Third Reich. He maintained that if you told a lie big enough, often enough, people would believe it. That is what is happening with the problems emanating from the recession. Dr Hewson is using that Goebbelisation tactic to try to sell his goods and services tax. These are the issues that this Government has always discussed; it adopts this Goebbelisation attitude to the utmost.

This State is in serious financial difficulty. It is the most heavily taxed State and its deficit is enormous. Honourable members will recall that shortly after the Greiner-Murray Government came to office it commissioned the Curran inquiry into the finances of the State. At that stage there was considerable talk about the unfunded liabilities of the State Superannuation Fund. The amount varied, ranging upwards to \$20 billion. I note that the Government no longer speaks about unfunded liabilities. If they existed and were as terrible as the Curran report alleged, nothing much has been done about them.

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I assume that the liabilities are still the same, though the Government no longer speaks about them. The problems that were found to exist by the Curran inquiry are still present. As I said, this State is in extreme financial trouble, though the Government now glosses over it. Prior to the last State election, allegations were made that the deficit totalled \$1.2 billion. Those allegations were denied by the Premier but subsequently the facts were revealed in the budget debate. It would have been interesting to see what the results of the election would have been had the truth been revealed by the Premier at that time.

The electorates of Lakemba and Bankstown have many traffic problems. These problems will be exacerbated once the F5 Freeway is completed. I have been informed that the official opening of the F5 Freeway is about two and a half years ahead of schedule, but nothing much is being done to solve the problems that will be caused when traffic merges on to King Georges Road. For more than five years the Roads and Traffic Authority has been stumbling along with Punchbowl Road, and the upgrading of that road is still incomplete. Once the freeway is opened traffic will merge on to that road also. Traffic travelling along the F5 will disperse into Moorefields Road, Canterbury Road and Punchbowl Road, yet the roadworks on Punchbowl Road are far from complete. I have given up writing to the Roads and Traffic Authority and the Deputy Premier, Minister for Public Works and Minister for Roads for an estimated time of completion. I have been told all sorts of stories, but Punchbowl Road is still not complete. Once the F5 Freeway is opened the traffic turmoil will become worse. Traffic on Canterbury Road is at its optimum. I am led to believe that the lanes on Canterbury Road handle more traffic volume than do the lanes on the Sydney Harbour Bridge, and that is bad enough. That problem should be addressed. Once the F5 Freeway is completed there will be increased traffic through Bexley in the electorate of my colleague the honourable member for Rockdale.

On a number of occasions I have spoken in this House about the problems experienced at Belmore railway station. I have probably bored honourable members witless, but nothing has been done to rectify those problems. An examination of the public transport system reveals that the State Rail Authority has more chiefs than indians. Tickets are rarely collected at railway stations. Commuters experience a variety of problems with CityRail, and I am sure that many of them believe it is not much good talking to Government members about the problem because they will not do anything about it. Apparently members on the Government benches believe the system is okay, but the number of complaints about the State Rail Authority that I receive are amazing.

Staff morale appears to be at an all-time low. Each morning on radio station 2UE the State Rail Authority spokesperson, who I am sure does not tell the whole truth, alleges that trains are running on time and that any problems emanate from vandalism. Certainly there are far more problems now than when the Labor Government was in office. The proposal by the Minister for Transport to implement radio transport or radio Baird on trains is ludicrous. Commuters often want to sit quietly in the train and read their newspapers. They certainly do not want to hear rock music and advertisements for privatisation. I hope the Minister for Transport will think twice about his proposal, but perhaps he is of the view that to have radio Baird blaring through all carriages would be marvellous.

Another problem faced by local government authorities in my area - Canterbury council and the Bankstown City Council - is the non-payment of rent by Sydney Electricity. Apparently statutory authorities are not compelled to pay rates. However, to his credit, last year the Minister for Planning and Minister for Energy in another place directed that they should pay rates. Legislation should be introduced to provide that

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statutory authorities pay the rates on premises that are used for commercial undertakings. The Natural Gas Company, the principal competitor of Sydney Electricity, pays rates, and therefore is suffering a commercial disadvantage. Some action should be taken to ensure that statutory authorities and government departments pay rates on their commercial undertakings. To its credit the Federal Government has directed that Telecom and Australia Post pay rates. I do not understand why Sydney Electricity should have a commercial advantage over its principal competitor, the Natural Gas Company. The matter of public importance that was debated earlier is indicative that the Government is running out of ideas. It has had four years to do something about waste management, but its only solution is to refer the matter to a committee. I remind honourable members that a camel was originally a horse designed by a committee.

We have to tackle the problem of getting rid of the garbage that is mounting up. To establish a task force or committee would be nonsensical unless it could quickly come up with some logical and economical solutions. One council in my area is currently paying about \$800,000 a year to dispose of its garbage at Lucas Heights. There was the "you beaut" idea of transporting garbage to the Hunter Valley where it would be used to fill coalmines. I am told that that will increase the cost five times. That cost of \$800,000 would become \$4 million. How would that council find the extra \$3.2 million to transport garbage to the Hunter Valley? We seem to be producing more and more garbage and the problem of waste must be faced by the Government. I suggested to someone in the marketing field that some effort should be made to insist that men's shirts, for instance, be packaged in a plain wrapper or bag rather than in a box and everything else that goes with that. I was told that in a trial run the same type of shirt was put, first, attractively wrapped in a box and, second, in a plain wrapper. The shirts in boxes were all purchased and the plainly packaged shirts were left. There must be some legislative action if we are to get rid of the rubbish. Recently I was in Adelaide, where the system of a deposit on bottles has been very effective in reducing garbage, yet no effort has been made to look at that system and how it could be introduced here. I am led to believe that bottles are not found on the streets in South Australia. The problem there has been solved.

The Government appears to be running out of ideas. It is well known that once a government starts to go bad it can only get worse. I ask honourable members whether they have ever heard of announcing in Senior Citizens' Week that senior citizens will not be allowed concessions to travel at certain peak periods on public transport, particularly on trains. The Government is shooting from the hip and not making decent decisions.

The Premier's contribution to the Address in Reply contained little of substance. It was full of rhetoric. The Opposition will wait to see exactly what he does rather than what he says he will do. It has been announced about seven times that a ferry service will operate on the Parramatta River, but we still have no ferry. [*Time expired.*]

Mr CRUICKSHANK (Murrumbidgee) [5.3]: It gives me great pleasure to speak in the Address-in-Reply debate on the occasion of the opening by the Queen of the second session of the Fiftieth Parliament, which we all attended. I was very proud that my family and I were part of the group that attended the opening. It is not very often that the Queen graces us with her presence. Since the visit of the Queen there has been much rhetoric on Australia becoming a republic. It seems to have died down now. I do not think the debate surrounding her visit has had any great relevance to the community. I will make brief reference to some of the facile and politically convenient statements made by the Prime Minister. I deplore the way in which the Prime Minister has used the visit of the Queen to spread red herrings across Australia. From his point of view, it was worth while because it has created a furore over nothing at all. There was no substance

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to what he said. In recent debate the Prime Minister did not mention that in 1983, when the Labor Party came to office, this country had a debt of \$27 billion. Today that debt is around \$180 billion. That is roughly an additional \$15 billion per year over the past 10 years. Who will pay for that debt? This Government has been trying to diminish the \$40 billion legacy of the Labor Party. The Liberal Party has been doing an exceptional job in repaying that debt. I do not believe that even one section of the community would vote for a republic. The result of a referendum on Australia becoming a republic would be similar to the surprising yes vote in South Africa in its widespread support. No significant section of the community would like to trade the Queen for some venal political hack appointed by the government of the day, which is exactly what we would have in a republic.

Mr Moss: Ask those in my multicultural electorate.

Mr CRUICKSHANK: I am glad that the honourable member mentions multiculturalism. Very few electorates of country Australia are similar to Murrumbidgee, which has a very multicultural population. I suggest that the Griffith-Narrandera-Leeton area -

Mr Nagle: Is it a Turkish area?

Mr CRUICKSHANK: We do not have a great deal of Turks in that area. We have one or two. At Christmas time many Turks come down for the onion picking. They do not always understand what we are talking about when we talk about the Queen, but there is no indication from that community that it would like to trade the Queen for the types of people who have led Australian Federal politics in the past 10 years. The Prime Minister is flogging a dead horse. He should leave it alone, because the Australian community would not accept a president in place of a prime minister. I am proud of the job that the Greiner-Murray Government has done in trying to rectify the economic woes of this State. Those woes were the result of the actions of previous governments. Honourable members would remember the hollow logs that they left - the developments such as Darling Harbour. How much do we owe on Darling Harbour at the moment? It is about \$500 million.

New South Wales was in a parlous state when we came to government. I am proud of the job that so many Ministers have done to rectify the problems of this State. We were the first State in the Commonwealth to assess our real problems. Our friends

on the opposite side know that they cannot say anything about the Liberal Government in New South Wales; they have only to look at the position of Labor-led States. They try to tell us that things are bad in New South Wales, but they do not mention the governments of Victoria, South Australia and Western Australia, which would flog anything that was not bolted down if they could get the right price for it. The privatisation of GIO Australia and Port Macquarie hospital is peanuts by comparison. Comment on this matter from the other side of the House is only rhetoric. If the Labor Party were confronted with such problems, it would take even more desperate measures. The Ministers of this Government have brought about the great changes necessary in New South Wales. By and large, the polls are beginning to show that the people of New South Wales know that we are on course.

The Government's financial responsibility is displayed by the manner in which economic changes are made. In country areas numerous railway lines have been closed down. That was not done by the Government to get up people's noses or because it seemed like a good idea at the time. It was done out of sheer, political necessity and for
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no other reason. Yes, those changes have hurt and will occur whether we like it or not. Things will be worse in the rest of Australia because other States are deeper in the hole than New South Wales, and that will be their lot. Should taxpayer's dollars be spent by the State Government on welfare activities? I and most of my colleagues believe that government does not belong in the private sector. Shortly after the coalition came to office in 1988 the Government Printing Office was closed. The Parliament now has its own printing office. The rest of the Government Printing Office was sold. All its employees gained employment in the private sector. The sale price of the Government Printing Office was about \$15 million. Its sale realises savings of more than \$30 million a year. The former Labor Government had been maintaining a welfare system at the expense of New South Wales taxpayers. We bit the bullet and did what we had to do.

Attitudes have changed not only in government and the work force but also in the trade union movement, a forerunner in supporting of regulation and without peer in its influence on government and for gaining legislative protection. The trade union movement knew what had to be done. The Government introduced those changes with the acquiescence of all parties. No one likes to lose power, least of all the trade union movement. The trade unions acquiesced in the sale of the Government Printing Office because they knew it had to go or nothing would be left for them. The recession has bitten deeply. The State Government cannot be blamed for that, but blame can be attributed to that man who has taken Australia to a \$180 billion deficit. That debt level has brought a change in community attitudes. A lot of hot air is wasted in this House and throughout New South Wales talking about what regulation and deregulation means. Unfortunately, people both inside and outside the Chamber are somewhat confused about those concepts. People in farming communities talk about deregulation of the Wheat Board, and it sounds calamitous. That is another issue. The Government is not talking about the importation of food stuffs or the dreadful system instituted by the Federal Government to drag down tariffs.

Most Government members would philosophically agree with dragging down tariffs. But tariffs cannot be dragged down at the same time that a cost structure is maintained in this country. I have great hopes for a future Federal government - now the Federal Opposition - and what it proposes for the removal of petrol taxes, which has been demanded for many years. People cannot be expected to accept an onslaught of cheap goods from the rest of the world that is sending our farmers broke under our present cost structure. Governments, and the Federal Government in particular, are thirsty for money - and who would not be with a \$180 billion debt. I draw attention to the activities of the

taxation office and the politicisation of many issues. We have to ask questions about the latest accusations and allegations made by the taxation office against politicians. We must ask those questions because the allegations are highly suspect. It is all part of the great tax gathering effort by the Federal Government. If that effort continues, the lowering of tariffs in this country will bring devastation and ruin to our farmers, primary producers and associated industries. The Prime Minister is trying to revisit the J-curve, which evaporated the first time it appeared, and will evaporate again. Many companies have left Australia and gone overseas where they get a decent break from governments and produce manufactured goods at a competitive level.

I want to talk about the nitty gritty and the guts of regulation, which I regret has been applied far too assiduously by Ministers in the Government. Regulation now is nowhere near as bad as under the previous Labor Government but the current ethos in New South Wales is still about inadequate deregulation. Potato growers in my area have fitted aeroplane tyres on their 10-ton trailers. Those tyres are powerful, sturdy and will support anything, but when growers haul their trailers on public roads they are booked

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for having bald tyres. We cannot continue to make regulations and expect the environment to fit them. Regulations should not be made merely because a section of the community goes to a Minister or the Government for what it wants, not what it needs. Protection at the expense of others is unnecessary. Those potato growers, in a further attempt at economy, hauled one trailer behind the other but they were booked for making a road train. The environment is expected to fit the regulation.

I appeal to the Government and to all politicians to acknowledge that sensible regulation is needed in the community. I thoroughly object to the instances quoted of cost-incurring regulations being used to try to modify people's behaviour to fit bureaucratic decisions about what is in the best interests of road users. Unfortunately, people within the bureaucracy have an agenda of their own. That fact was brought home to me recently when a young man wanted to start a quarry in our area. After much trouble we finally obtained permission for him to start the quarry. Subsequently I happened to be in the lands department office and asked in conversation, "How is Michael O'Mera's quarry going?" A person who apparently had been in some way responsible for the application said, "It is through but, my goodness, if I had had anything to do with it, it would not have got through". Some members of the bureaucracy, far more than we realise, have an agenda entirely different from that of the Government's agenda. Unless greater controls are placed on such activity, we will be subject to more regulation. That comes back to the politicians, and more importantly, to the Ministers.

For an example of changing ethos and attitudes we need look no further than what is happening with the Port Macquarie hospital. I am proud of the achievements of the Minister for Health Services Management with the health system in New South Wales. I would not like to lose anything from the Murrumbidgee electorate but in certain areas adjustments have to be made. Population shifts and demographic changes insist that economic changes occur. I believe that the actions of both health portfolios in this State will be for the betterment of New South Wales in the long run. Almost 50 years ago the father of the Leader of the House under the former Labor Government promised the people of Narrandera a new hospital. Today Narrandera has a brand new hospital just waiting for the Premier to open it on 1st June. That is a magnificent effort on the part of the Government. Another exciting initiative in country areas is distance education. I was not aware of how beneficial the scheme is until I had experience of it and became involved in it myself. Distance education is incredible in its utilisation of resources. Let me give an example. The area between West Wyalong and Urana, between Griffith and Temora, would be a higher school certificate desert if it were not for

the distance education program. Students have their individual computer, their individual set of headphones, electronic boards, pencils, overheads and a teacher. In Ardlethan there are about 10 HSC students; in Aria Park about 11; and in Barellan about five. Those students would not have the hope of the proverbial snowball of doing their HSC or being able to study the subjects they wanted to if their schools were not networked.

I have talked about the utilisation of assets. Though Barellan, Aria Park and Ardlethan are not overflowing with Japanese speakers, there is a Japanese language teacher in Urana and all those students can study the Japanese language if they desire. That would be an impossibility without distance education. There would be too few students to start with and teachers would not be available. Through networking, one teacher can cover a vast area. I take my hat off to the Minister for School Education and Youth Affairs and to the Hon. R. T. M. Bull for the work they have done in extending the distance education program which enables country children to receive a good, sound education. I am not talking about some time in the future. The benefits of distance

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education are already there to see. Last year's rural HSC results were satisfactory and on par with results in the rest of the State. The other aspect is that in these difficult times children have to be sent away to a boarding school if they are to be educated or they do not get an education. In these difficult times, that places an enormous strain on country families. Distance education has been of great benefit to them.

One of the other tremendous innovations from this Government for country people has been rural counselling. The traditions of Australian farming have always been that they continue on; there has never been a necessity for change. The policies of Prime Minister Keating, that gentleman I spoke about earlier, have placed considerable stresses and strains on the farming community. Many problems are unsolvable and there is no one to help. No one is particularly fond of banks at the moment. Rural counsellors have been provided by the Government to aid and assist farmers in difficulty. Perhaps we have not paid the attention we should have to the farming community with respect to accounting, money matters, and so on. Today, somebody is there to set them on the right path. If there is no path to set them on, if the situation has subsided so much that it is no longer viable, the rural counsellors can help them find alternatives. There are many other things which I could talk about - [*Time expired.*]

Mr MOSS (Canterbury) [5.23]: The Queen's Address at the opening of this session of Parliament was what I would have expected from a monarch. It was a non-controversial address. To the Queen's credit throughout her 40-year reign she has always endeavoured not to make controversial statements. However, subsequent speeches in this Address-in-Reply debate by the Premier and the Deputy Premier have certainly made up for the lack of controversy in the Queen's Speech. The address of the Premier, and particularly the Deputy Premier, were extremely controversial and lacked credibility. The Premier had his usual two bob each way. He agreed with the comments of the Queen when she referred to continuing economic uncertainty throughout the world. He spent much of his time blaming all of the economic woes of New South Wales on the Federal Government. He cannot have it both ways. He cannot say, "Yes, Your Majesty, we agree with this continuing economic crisis which is raging throughout the world" and then when dealing with the finances of New South Wales say, "It has nothing to do with the financial management of this State, with the financial management of the Government; it has nothing to do with the economic crisis throughout the world; it is the fault of the Federal Government". That is typical of this Premier. Clearly, the Premier says things to suit the occasion. He is certainly a man for all seasons.

The Deputy Premier's contribution was nothing more than an exercise in kowtowing. Had the Queen been sitting in the gallery of this Parliament I am sure she would have been highly embarrassed by his remarks. The Deputy Premier spoke of the Queen in a patronising way. We all know why the Deputy Premier spoke the way he did. Like most of his National Party colleagues, he is an arch reactionary and he is absolutely terrified at the prospect of this country becoming a republic in the near future. The Deputy Premier said that he sees no reason at all for us to deny our heritage. That is an obvious reaction. No one's heritage will be denied because at some time in the future the Head of State of this country will be an Australian person rather than an English-born monarch.

I was interested in the comments from those opposite about Mr Keating. I place on record my full support for the Prime Minister in this debate, particularly his comments with respect to this country being betrayed. He was right. The *Sun Herald* reported it correctly recently when it rightly pointed out that during the second World War, when the enemy was something like 50 kilometres off our shores, Australian troops

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were being sent 15,000 kilometres away to defend Singapore, which Churchill and the British knew could not be defended. Mr Keating had every right to talk about betrayal. He was correct. It has been said that the Labor members in this House are too scared to state their views on republicanism. We all know that a number of our colleagues in the upper House have come out quite strongly on the issue. I am the representative of the multicultural seat of Canterbury and have no qualms whatever in expressing my support for an Australian republic. In fact, the majority of my constituents are champing at the bit for the day to arrive. Some of them feel that the turn of the century is a little too long to wait for Australia to become a republic.

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

PRIVATE MEMBERS' STATEMENTS

DEATH OF GALLIPOLI VETERAN BILL GREENE

Mr TINK (Eastwood) [5.30]: Tonight I should like to do something perhaps a little unusual during private members' statements. I wish to pay a brief tribute to a former constituent of mine, Bill Greene, who died the other day at the age of 96. Bill was a Gallipoli veteran. Members who were members of the Forty-Ninth Parliament will recall that a number of Gallipoli veterans were present in the House for the seventy-fifth anniversary of Anzac Day and that Bill was among them. He was approached by officials of the Eastwood Returned Services League Club at the time the Commonwealth Government was seeking Gallipoli veterans to return to Gallipoli. At that time he was in good health and was seen to be a prime candidate for the trip. When he was approached by the Federal authorities he said that he was a little too busy, at the age of 95, to be contemplating going to Gallipoli. He decided to stay at home. It was a great honour for me to take him to attend special celebrations near the Hyde Park War Memorial which the late Governor, Sir David Martin, Lady Martin, the Premier and other dignitaries attended. Before the ceremony took place the Gallipoli veterans were gathered together at a hotel and the Governor spoke to them individually at some length. Bill had a marvellous talk with the late Sir David Martin.

Bill was an English migrant. He first went to Canada and arrived in Australia at the fairly tender age of 14 years. He worked in various capacities. He enrolled very

young in the First Australian Imperial Force and went to Gallipoli. As best I can tell he went to Gallipoli early in the campaign. Notwithstanding that he was what is now known as a medic, miraculously he managed to stay on the peninsula for virtually the full campaign without being wounded. He then went to France and was invalided out after being gassed. That did not prevent him from having a pretty robust career thereafter as a plumber in the Eastwood area. It was notable that even in Bill's last days shaking his hand was like putting one's hand in a vice. He had an extraordinary handshake, probably due to a lifetime of good, honest, manual toil. To my detriment, I have not had that except for a short three-month stint on Manly council. Not only his handshake was straight; everything else about him was too. He was a devout man in his own quiet way. In later years he was involved in senior citizens activities. He was instrumental, with a couple of others, in having the senior citizens hall at Eastwood built. All in all, he led an exemplary life.

I did not know him until his ninety-second year but I noticed that he was typical of many ex-servicemen who have seen very difficult service and all sorts of things that they prefer not to talk about. He was very quiet about what happened to him during the war but I think he always felt that he had a responsibility to do things on behalf of some of his colleagues who did not come back from Gallipoli, Flanders and elsewhere. He represented them on many occasions at functions he attended. At one end of the scale, he attended the Anzac Day ceremony at Eastwood Public School, where it is taken very seriously. Bill used to turn up and talk to the children. At the other end of the scale, he talked to Sir David and Lady Martin. Sir David was impressed by the way in which Bill represented many people who did not make it, not in any grandstanding fashion but in a very sincere and quiet way. I am happy that a memento of Bill that will remain is a marvellous photograph of him and Sir David Martin in conversation on the day I mentioned. It has been presented to the Eastwood RSL Club. I hope it will be a reminder to all in Eastwood of Gallipoli, what happened and what it means and - in relation to one individual - a damned good bloke. [*Time expired.*]

MUNGERIBAR FEEDLOT

Mr MARTIN (Port Stephens) [5.35]: My contribution involves a wide range of associated problems affecting the region near Narromine. Recently I have had continual complaints about feedlots. Yesterday the Narromine Shire Council for the second time rejected an application for a major expansion of a beef cattle feedlot in the Narromine area. The local community and the local council have opposed the proposal to increase the number of cattle in the Mungeribar feedlot. The site of the proposal is half way between Narromine and Trangie on the Macquarie flood plain. Imagine putting 20,000 head of cattle in a feedlot on a flood plain. The proposal is to increase the feedlot capacity from 3,000 to 30,000 cattle. The Minister for Agriculture and Rural Affairs has not stood by his own guidelines on this issue. He has threatened to take legal action in the Land and Environment Court to have the council's decision overturned. The Minister's own departmental guidelines state that development should not be permitted within a five kilometre radius of any dwellings. In this case it has been documented that if the 20,000 head proposal proceeds 12 homes will be within the 5 kilometre buffer zone. On the "7.30 Report" on 18th March, 1991, the Minister stated that no new feedlots would be granted licences if they did not conform to the department's guidelines. The proposed expanded feedlot is to be constructed in a low lying area and in a water course. I draw to the attention of the House a press release put out by the Minister on 22nd May, 1991, entitled "Feedlot guidelines will be adhered to". In the closing paragraph it states:

"It should be remembered that feedlot proponents have to satisfy the guidelines, the

Committee and in the final analysis the local community through local government," the Minister said.

That makes the position very clear. Yet now the Minister is seriously threatening to take the matter to the Land and Environment Court because the local council will not approve it. The reasons given by the council for rejecting the proposal are that the landholdings adjacent would be devalued and there is insufficient data to prove there will be no action on ground water. I shall return to that matter. There is dissatisfaction with the role of government departments in monitoring and resolving problems that may occur as a result of this development. It is not satisfactorily established that floodwaters would not impact on the development and it is not satisfactorily established what effect the development would have on rising ground water. The Minister has written in the most intimidating fashion to the shire president in these terms:

I have received legal advice that should Council not reverse its decision, the Crown may exercise its discretion to join the case, as it is entitled to do under Section 64 of the Land and Environment Court Act, 1979.

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The Minister goes on to say:

I will take the necessary steps to ensure that this occurs.

The Minister made the remarks I have quoted from his press release and then wrote a threatening letter. It is clear that on at least two grounds the five-kilometre distance will be totally disregarded. The Minister must stick to the rules and not make threats. Honourable members know about the serious problem with blue-green algae in the Narromine area last summer. Feedlots must be given an opportunity to operate effectively. Disasters must be addressed properly and honestly. If the guidelines are not adhered to, an uncontrollable mess will result. Feedlots will be the subject of a public backlash. The feedlot industry will then be in a worse position than it is in now. The economy of this State cannot afford that. The exercise at Dubbo when the Minister messed up while trying to fasttrack is another prime example.

Mr ARMSTRONG (Lachlan - Minister for Agriculture and Rural Affairs) [5.40]: The honourable member for Port Stephens has certain responsibilities to his constituents and to this Parliament. Above all, he has a responsibility to this State. Every member of this House, after having been elected, has certain basic responsibilities. Those responsibilities are to ensure that the State is not a loser as a result of his or her presence in this place, to assist the State to progress and develop, and to improve the standards of living, business, excellence and the reputation of the State of New South Wales. The honourable member for Port Stephens has taken a rather pathetic, cheap, backdoor, nitpicking political line in relation to an issue he does not understand. His record demonstrates that he does not understand it. His record of his years of service in the department certainly demonstrates that he did not understand it then. At a time when the Japanese and Korean beef markets are about to open up, and Australia is involved in a critical round of General Agreement on Tariffs and Trade talks being conducted by the Federal Labor Government, the honourable member for Port Stephens wants to undermine efforts of the Federal Government and to traduce Australia's reputation. Australia is seeking to assure Asia, particularly Korea and Japan, that it is in charge of a developing beef industry. Does he not want to promote confidence in investment in the processing and distribution of beef in this country?

The honourable member for Port Stephens and I may have our political jousts but I gave him credit for more intelligence than he has displayed. If he wants a headline every now and then, he should come and see me and I will help him to do something responsible instead of doing something absolutely ridiculous and designed to discredit the beef industry, New South Wales and Australia. I suggest that he should confine himself to issues of which he has some understanding. If he does not, I invite him to avail himself of briefings from the Feedlot Advisory Committee of the New South Wales Department of Agriculture. That committee comprises representatives of the New South Wales Farmers Association, the Cattlemen's Union, the Department of Conservation and Land Management, the Water Resources Commission, the Department of Local Government and the Department of Planning. Those representatives all agree that the proposal for the Narromine feedlot is satisfactory.

NATIONAL PARKS AND WILDLIFE SERVICE CATTLE ROUNDUP

Mr FRASER (Coffs Harbour) [5.43]: I draw the attention of the House to a problem that has arisen in the Dorrigo area of my electorate and in the electorate of my colleague the Minister for Natural Resources. Under the supervision of Mr Peter Evans, the head of the National Parks and Wildlife Service at Dorrigo, a cattle muster was
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recently held on National Parks and Wildlife Service land adjoining properties belonging to Mr Jeff Hickey, Mr McDougal, Mr Maskey and Mr Adams. That roundup netted 130 cattle belonging to those farmers. Four persons on horseback and one jet helicopter were used in the roundup, which took a fortnight. The fact that the cattle were rounded up from national parks is not the contentious issue. However, the owners of the stock were not given prior notification of the roundup. They were given no opportunity to remove any cattle they owned from the national park prior to the roundup.

Mr Jeff Hickey is an ill man. At the time of the roundup he was being treated in Armidale hospital for serious problems. Because he was not in the district at the time, he was not aware that his cattle had been rounded up. About \$7,000 worth of fines were imposed to secure the release of the cattle from the pound at Wild Cattle Creek. The unfortunate aspect is that all of these landholders had experienced a drought and could ill afford the fines of \$7,000. I suggest to the House that the National Parks and Wildlife Service went about this roundup in entirely the wrong manner. Prior notification should have been given. The farmers should have been given the opportunity to move the cattle back to their own properties at no cost.

As I understand it, farmers have a responsibility to fence properties adjoining national parks. Though that is an accepted fact and the laws of the land must be obeyed, the amount of money that was expended on the jet helicopter and the four persons who were employed to round up the cattle drive them to Wild Cattle Creek, a distance of about 30 kilometres, and take them to Grafton for poundage would have been better spent if the National Parks and Wildlife Service have offered the farmers some assistance in regard to fencing. These cattle have grazed in national parks for many years. They have kept the noxious weeds under control, kept feral animals out of the parks and reduced the danger of fire. A bushfire in the heavily wooded areas of a national park can damage not only the national park but also the farms in the surrounding area. Good feed is ruined. It is about time the National Parks and Wildlife Service came to an arrangement with the farmers whereby grazing could take place under controlled conditions, thereby keeping problems to a minimum. Alternatively, money could be spent on noxious weed control. Noxious weeds such as Parramatta grass and red lantana, which is dangerous to cattle, spread out of the national parks into the farms.

Representatives of the National Parks and Wildlife Service are always talking about endangered species of animals and the demise of certain species. Yet there is no program of which I am aware under which the National Parks and Wildlife Service actively partakes in the reduction of noxious weeds or feral animal control. It is past time that it accepted its responsibilities and spent some of its money on that sort of control instead of spending millions of dollars on rainforest centres. The National Parks and Wildlife Service should be looking after endangered species in a pro-active manner rather than a reactive manner. It is part of the responsibility of managers in the National Parks and Wildlife Service to look after native animals and not harass the farming community. If the service embarked on a program of consultation and co-operation with the farmers - instead of dividing the community the way it has on this issue - it would be able to solve many of the problems. I ask the House to note this problem.

F4 TOLLWAY TRAFFIC NOISE

Mr NAGLE (Auburn) [5.48]: I raise the matter of the F4 Tollway, which is currently being constructed at Silverwater. Traffic noise in the area was a problem even before construction of the tollway commenced.

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Mr Hartcher: And the honourable member for Auburn complained about the F3 Tollway when it was soundproofed.

Mr NAGLE: The honourable member for Gosford asks if I have complained about it. Indeed I have. I have written letter after letter to both the former Minister for Roads and the present Minister for Roads about the problem. It is interesting that the honourable member for Gosford should interject in that way. There is tar on that expressway from Concord Road to the border of the electorates of Strathfield and Auburn. It was good enough for the Government to tar the areas that would affect the member for Strathfield - who happens to be a member of the Government - but not to extend the tar into the Auburn area. The excuse given by the Minister's staff was that they were building up the road but did not intend to tar it. Of course, the two outside lanes have not been touched. They could have been tarred. I have written to the Minister time and again and discussed with his staff whether or not Auburn will get a "Great Wall of Greiner" similar to that on the Newcastle expressway. Will Silverwater residents get the same type of high walls as have been erected on the Newcastle expressway - which happens to be in the State seat of Ku-ring-gai, the Premier's electorate? That wall protects his constituents from the noise of traffic on the Newcastle expressway, but this Government has no concern for the people in the western suburbs.

The Minister for Transport guaranteed trees and noise reduction facilities, such as tarring. That guarantee was given by the current Minister for Transport in his former capacity as Minister for Roads. Since then I have been advised by letter that no trees will be planted in that area. Honourable members need only read the answer to the question asked by the honourable member for Parramatta of the Premier, Treasurer and Minister for Ethnic Affairs to know exactly what this Government is after - profit. Pat Smith and other concerned residents in the Silverwater area want to know why, after numerous assurances from the Deputy Premier, Minister for Public Works and Minister for Roads, the noise from the construction work is still occurring at 3 a.m. The Minister guaranteed there would be no construction work at that time, but it is continuing.

The residents want to know what is going on. Are they to get a "Great Wall of Greiner" in the area so that people living in Silverwater are not going to be kept awake all

night with the traffic stopping at the toll gates? They want to know what was the cost of building the "Great Wall of Greiner" on the Newcastle expressway and whether the Government will expend the same amount in the electorate of Auburn. The Minister and his staff have said there will be no similar wall. I refer honourable members to the answer to question 207. It says this:

The agreement entered into with Statewide Roads provides for the least toll to be charged over the shortest possible term before the road reverts to the ownership of the State. However, any profit that the company generates is dependent entirely upon the future traffic projections being achieved and the estimated construction/operating costs not being exceeded. These are the risks that the company is taking.

From the gross yearly revenue, deductions will need to be made for interest on the money borrowed to fund the work and for operating costs such as staffing, road maintenance and tax payments. For this type of commercial undertaking the profit expected by the company is considered realistic.

The people of Silverwater and the people of Auburn do not want their sleep disturbed; they do not want their environment disturbed because the Government does not have the courage to - [*Time expired.*]

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Mr W. T. J. MURRAY (Barwon - Deputy Premier, Minister for Public Works and Minister for Roads) [5.53]: I find it fascinating that we have a tollway that must not be built, according to the honourable member. The Federal Government is saying, "Please build more of them" and a State Government with its representative and spokesman on the Roads and Traffic Authority saying, "Yes, we want more tollways". The big Labor lie is permeating all the way through. They do not know where they are going.

Mr Nagle: On a point of order. The Minister knows that the policy of the shadow minister for transport is to do away with the toll.

Mr ACTING-SPEAKER (Mr Chappell): Order! That is a not point of order.

Mr Nagle: On a point of order. I wish to bring to your attention that you are the Acting-Speaker in this House. It is you who -

Mr ACTING-SPEAKER: Order! There is no point of order. The honourable member for Auburn will resume his seat.

Mr W. T. J. MURRAY: Not only that, he is not prepared to accept the rules and regulations that have been applied by his Commonwealth Government and by the New South Wales Government in respect to a decibel level of 63, which will be the noise limit on that particular road - as it is on all other roads. The honourable member referred to the noise barriers in the Hornsby area. I believe it is necessary that he know that the Federal Government would have to be the greatest pack of welschers of all time. The Federal Government approved the building of the road. That Government was supposed to pay for it. It approved the building of the road. The decibel level rose to 68-70 and had to be brought down to 63. The departmental officers agreed. There was to be \$6 million worth of tarring work on the walls, on noise barriers and on trees. To this day the Federal Government has not paid one cent. That type of thing is typical of the honourable member for Auburn and the operation he supports. He complains about

noise and when work is done and money spent by this Government on doing the job, he welshe. The decibel limit will be 63 and if he, or any of his -

Mr ACTING-SPEAKER: Order! I call the member for Auburn to order.

Mr W. T. J. MURRAY: If he or anybody else goes out to the highway to test the decibel level he will find it will be 63. The road will be constructed to that requirement.

Mr GRAHAM MIDDLETON CANCER FUND RAISING SWIM

Mr SMALL (Murray) [5.56]: I speak this evening to help promote Graham Middleton. He attended school at Deniliquin Intermediate School at the same time that I did. He is a real hero. Graham has taken on a tremendous challenge in attempting to swim from the start of the Murray River to the outfall of that river at the ocean near Adelaide. Graham's intention is to raise sufficient funds to assist kids with cancer. I commend his effort. Graham began his swim just above Corryong at Bingenong. He has covered 2,079 kilometres of the Murray River. That places him at Lock 2, just below Waikerie in South Australia and has 357 kilometres still to swim. To gain a place in the *Guinness Book of Records* Graham has to swim every day, usually 30 kilometres. Graham attends every function he possibly can in an endeavour to raise funds. He is a member of the Rotary club, and those clubs along the Murray River in South Australia,

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Victoria and New South Wales are helping to promote him. Graham has raised approximately \$60,000, which is about \$30 per kilometre. This is a very disappointing result. He is risking his life swimming the Murray River. Because of his tremendous effort one would hope he would raise something in the vicinity of \$500,000 for cancer research. I am anxious to help promote Graham's excellent work. The media is beginning to get behind him. Consequently, anything that can be done to encourage people to give funds for Graham's cause will be appreciated.

Australians generally are tremendous supporters of these fundraising events. People should be made aware of Graham's wonderful effort to raise funds for the organisation, Kids Against Cancer. In his youth Graham was a keen swimmer. He was heavily involved in the Riverina swimming competitions and was a member of the Deniliquin swimming club. His brother and I were classmates. His father, Dr Middleton, was a respected general practitioner. Recently, a new wing of the Deniliquin hospital was named after Dr Middleton and his associate, Dr Gorman. Graham's effort in swimming 2,079 kilometres of the Murray River, with only 357 kilometres to swim before he reaches the Murray River outfall near Adelaide has never been achieved before. It is a world first for anyone to swim the Murray River. Everyone is looking forward to when he finally reaches the ocean. I hope at that time Australians will open up their hearts and give generously to Graham for his unique achievement. Graham is a hero and he deserves a hero's welcome, in particular from those who suffer from cancer. Unfortunately by the time people discover they have cancer it is often too late to treat successfully. The funds raised by Graham's special effort will contribute significantly to cancer research.

Mr ARMSTRONG (Lachlan - Minister for Agriculture and Rural Affairs) [6.1]: I thank the honourable member for Murray for bringing to our attention this heroic action by Graham. I understand that one of the reasons the honourable member raised the issue was to have it recorded in *Hansard*. It is important that people who contribute above and beyond the call of normal duty are acknowledged. This is one of those occasions when I am sure all honourable members appreciate the statement of the honourable member for Murray. I ask the honourable member to extend the best wishes of this Parliament to his

constituent.

Private members' statements noted.

[Mr Acting-Speaker (Mr Chappell) left the chair at 6.2 p.m. The House resumed at 7.30 p.m.]

HER MAJESTY'S SPEECH: ADDRESS IN REPLY

Fourth Day's Debate

Debate resumed from an earlier hour.

Mr MOSS (Canterbury) [7.30]: As I was saying, I have no hesitation in stating my support for an Australian republic. I said also that I believe that the majority of my constituents would support an Australian republic. Many of them find it quite incredible that at this stage of Australia's development we maintain as our head of State an English-born monarch. Despite what some members opposite have said of members on this side of the House during this debate - namely, that although our upper House colleagues spoke in favour of an Australian republic we were too scared to do so - I want to make it quite clear that we are not afraid to speak out in support of an independent Australia. In doing

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so, I express that as my point of view, the view of my constituents and the view of my party. The Leader of the Labor Party, in his speech on the Address in Reply, put it aptly when he said that the Australian Labor Party stands for an independent Australia.

Much of the Premier's contribution to the Address in Reply dealt with privatisation. That is understandable when one considers the corporate approach of this Government to everything and anything. I want to make it quite clear that the Opposition is not opposed to privatisation. It never has been. Our stance on privatisation has always been proper and consistent. We welcome private sector involvement in government enterprises - and we have said that on many occasions - provided that the services to be offered to the private sector are better than those the Government can provide and also provided the taxpayer is not disadvantaged. The taxpayer can be disadvantaged in many ways: for example, when a government is not fully compensated for the takeover of a function by a private instrumentality. The taxpayer is also disadvantaged when the sale value of a government instrumentality is less than its retention value. This could happen in the case of GIO.

The advertising campaign on privatisation now being run by the Government is a gross misuse of public money. If the Government's privatisation program is such a good thing, why does the Government have to advertise at all? It is advertising because it knows that the public is sceptical about its policy and that the public does not trust it. How can the public trust a government which in the financial year 1989-90 said that it would retrieve \$900 million in asset sales but only achieved \$451 million; and then had the gall 12 months later - in the financial year 1990-91 - to say again that it would achieve \$900 million in asset sales, but retrieved only \$483 million? It is little wonder that people do not trust the financial management of this Government. The privatisation campaign is an incredible waste of a massive amount of money used to try to justify the actions of the Government and to convince people who remain unconvinced that this Government knows how to manage the financial affairs of New South Wales. I am very concerned at the latest round of court closures and I am pleased that the Minister for Justice is present. He is aware of my concern.

Mr Griffiths: You did not even write to me. You were not interested.

Mr MOSS: I have only asked -

Mr ACTING-SPEAKER (Mr Tink): Order! The Minister for Justice will cease interjecting and the honourable member for Canterbury will address the Chair.

Mr MOSS: It is true that I have not written to the Minister, but I have gone further than that. I have asked the Minister questions in this House on this issue, and I have not been at all satisfied with the paltry answers that I have received from him. It is a fact that amongst the latest round of court closures Campsie court, which is in my electorate, and Lidcombe court are to close. They are both local courts. Campsie and Lidcombe courts will be closed early next month and later that month the Minda Children's Court at Lidcombe and the Royleston Children's Court at Glebe will close. In 1989, 1,222 defendants were tried at Campsie court, making Campsie one of the busiest local courts in metropolitan Sydney. It has been rightly pointed out by the Mayor of Canterbury in local newspapers that Campsie court deals with its fair share of domestic violence cases. With the closure of this court, victims of domestic violence, usually wives and mothers, who need an apprehended violence order will have to travel by taxicab, if they can afford it, to Bankstown, Redfern or Burwood. I asked a question on Page 1489 this matter of the Minister on 6th March. I asked whether he was aware that his arbitrary decision to close Campsie and Lidcombe local courts would have disastrous effects on women seeking apprehended violence orders. The Minister has not answered my question yet.

Mr Griffiths: The answer is no.

Mr MOSS: I am glad that I have an answer now. I did not get an answer at the time. I can guarantee that the Minister did not know the meaning of an apprehended violence order. When I asked the question I happened to say AVO rather than apprehended violence order. I maintain that the Minister for Justice did not answer that aspect of the question because he did not know the meaning of AVO. Another vital service in an area like Campsie is that of the chamber magistrate, a service which is to be lost with the closure of Campsie court. When a local court closes, the functions associated with that venue close also. The electorate of Canterbury, particularly the suburb of Campsie, is largely a low-income area. People in that area do not necessarily see a solicitor whenever they need legal advice.

Mr Griffiths: Why not?

Mr MOSS: Simply because they cannot afford it. Formerly people would go to the local court and approach the chamber magistrate for advice - but with the closure of the court that advice is no longer available. On 6th March I asked the Minister also whether he was aware that his decision to close the Minda and Royleston Children's Courts would expose children to harmful criminals and prostitutes at the new Burwood Court complex. The Minister attempted to answer that aspect of my question. He pointed out that a lot of money, work and effort had gone into separating children and their parents from that type of person. That is not so, and I think the Minister actually misled the House on that issue. I believe that planning for the Burwood Court complex was well and truly under way before the Government decided to close those two children's courts. When the Government decided to close those courts, it went racing frantically to Burwood to see what sort of last-minute modifications could be made to that

complex to cater for two children's courts there. With the exception of a couple of interview rooms that are provided just for children, no other facilities whatsoever are available for children in the Burwood Court complex. It is so bad that the door of one of the children's courts is within spitting distance of the door of an adults' court.

Mrs Lo Po': That is terrible.

Mr MOSS: Yes, it is. Though it could be argued that there are separate registry counters for the children's court and the general court, any person can wander around the area or up to the children's court counter. Nothing is fenced off; the registry counters, though separate, do not offer any privacy. Separate toilet facilities do not appear to exist for children.

Mr Griffiths: You have never been there: I have been there three times.

Mr MOSS: As the Minister for Justice, so you should have been. I am glad the Minister has been there. Another matter that concerns me about the children's court at Burwood is the possibility of a breach of the Children (Criminal Proceedings) Act as a result of the children's court being locked in -

Mr Griffiths: Which section of that Act are you referring to?

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Mr MOSS: Section 11. [*Extension of time agreed to.*]

Section 11 of the Children (Criminal Proceedings) Act states that it is not permissible to publish or to broadcast children's names. The Opposition has been informed that children's names will have to be called out at Burwood Court, where children's courts have been located close to other courts. The Opposition has been told that the court officers will not have to call the names out loudly, they have to call out.

Mr Griffiths: Told by whom?

Mr MOSS: I have information to that effect.

Mr Griffiths: What are their names? Tell me. Name them.

Mr MOSS: It came from the staff at the Minister's court at Burwood. Not only has the Minister misled this House but it looks as if the law may be breached. People may get emotional, fight, hurl physical and verbal abuse at each other, cry or pass out and burly policemen hauling into courts hand-cuffed criminals with jumpers over their heads creates the sort of tense environment that young children should not be subjected to. Any experience like that becomes magnified in the eyes of a child. Children do not deserve that sort of exposure. The great majority of young people appear in the Children's Court for care proceedings rather than criminal action. Most children appearing in children's courts have not broken the law or done anything wrong and should not be subjected to the generally tense court environment. But that will happen at Burwood. Transferring the children's courts to Burwood was not part of the original plan. The Opposition believes it is a violation of children's rights to lock the juvenile court system into the Burwood complex. We believe that children's welfare requires children's courts to be isolated.

In 1989 the Government commenced closing a number of schools in this State.

Unfortunately the Hurlstone Park South Infants School in the Canterbury electorate was on the Government's first school closure hit list. That school has not operated for two and a half years. No sooner was it closed than the Government put the land and school buildings up for sale. The Opposition believes that the main intention of the Government has always been to sell off school sites. We knew that all the talk about rationalising education and streamlining the system was secondary to the Government's main intention, which was to embark upon a program of asset sales. The Government did try to sell off the Hurlstone Park South Infants School. But it could not, because the council made it difficult by saying that it would not approve any residential development on that site. The Government decided that it would step in over the Local Government Act and eventually approve its own residential development against the wishes of council. Fortunately the building trades group of unions imposed a demolition ban on that building, and as a result the building has not been sold. However, that most excellent public asset has remained vacant for two and a half years.

I am pleased that the Catholic Education Office intends to lease those premises for a period of two years. Although such a lease will prevent the school being reopened as an infants school during the period of the lease, at least the building will be used for educational purposes, and within the lease period the site cannot be sold. The school site will be a new location for the Benedict Community School, which was founded by the Marist Brothers about 15 years ago. I am told that the school offers an alternative program for years 9 and 10 students who are not succeeding in mainstream education. The program includes work experience and community service, and aims to increase self-

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esteem and responsibility. The school will have five staff members to care for 40 students from all over Sydney, irrespective of race, religion or sex. The use of the site for that type of educational purpose will not affect the exercise of green bans in any way. Though I and residents of Hurlstone Park will continue to campaign for the reopening of the school as an infants school, we are pleased at least to see that the site is being used as a school. It has been used not only for educational purposes but also for community purposes. That has been the main objection to the sale of the building. We feel that if the building is never to open again as an infants' school, it should be retained for community use. That is what it has been as an infants' school for the past 60 years. If the Government had its way, the site would have been sold to a developer more than two years ago. I am pleased to see that although at this time Hurlstone Park is without an infants' school, the Government has not got it all its own way.

Another matter that gravely concerns my electorate is the new rail timetable which came into force on 12th January, 1992. I would describe the new timetable as possibly the ultimate cutback for commuters on the Blacktown line. There have been cutbacks prior to this. For a start, some time ago, trains were abolished after midnight; bus services in my electorate have been slashed astronomically, some have been deleted altogether; a bus depot was closed in the Canterbury electorate about two years ago. The new timetable slashes peak hour services by up to 50 per cent. That is disastrous. Commuters do not have access to fast trains on the Bankstown line. They are now waiting twice as long to catch a train during peak hour. As a result of this, there are double the number of passengers in peak hour carriages.

As an example, between 8 a.m. and 9 a.m., the number of trains from Campsie station has been reduced from nine to six. Of these six trains, only two are fast trains - that is, through trains which stop at Campsie and then Sydenham. Previously four fast trains left Campsie during that time. Canterbury station is particularly disadvantaged by the new timetable. There are no fast trains from Canterbury between 8 a.m. and 9 a.m. In the past, eight trains left that station between 8 a.m. and 9 a.m., four of which were fast

trains. In other words, the service at Canterbury station has been cut in half during that crucial peak hour period in the morning. The services that were cut at Canterbury were all fast trains. Commuters leaving Canterbury station are particularly disadvantaged. Two other stations in my electorate, Hurlstone Park and Belmore, are also suffering. It must be realised that Canterbury station is based on a major bus terminus, so many people transfer from buses to trains. It is also on the border of the suburbs of Ashbury and Earlwood, neither of which have railway stations. Those two suburbs rely on Canterbury station, and it is a busy station. However, commuters now have no fast trains during the important peak hour periods and have only half the number of services that they had in the past.

The Bankstown line continues to have its fair share of red rattlers. Thanks to a massive protest about 18 months ago conducted by myself, the honourable member for Bankstown, the honourable member for Lakemba, the honourable member for Marrickville and the honourable member for Bass Hill at that time, all red rattlers were not transferred to the Bankstown line. In fact, other metropolitan lines in Sydney are also receiving red rattlers. However, it has been noted that when the new timetable was introduced, the red rattlers stopped servicing the North Shore line. In fact, the Minister for Transport got considerable publicity about this. What happened to the new timetable in the Canterbury-Bankstown region? The train services were cut in half. This new timetable amounts to a further breakdown in living standards. It indicates that this Government has an absolutely callous disregard for the workers in my electorate who rely on the public transport system to get to and from work.

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Mr CHAPPELL (Northern Tablelands) [7.53]: It was a great pleasure to participate in the opening of the Parliament by Her Majesty the Queen. Without traversing the ground of previous speakers, I express my great pleasure in having participated in that historic event. I was pleased to be associated with it as a member of Parliament. We live in most unsettled times, times of great challenge to Government and times in which many, perhaps most of the community, find themselves facing a very uncertain future. Times like this call for responsibility and a very clear sense of purpose in all of us, particularly those of us who share the onerous task of governing. That is where this Government stands out like a beacon to other governments in this country, indeed to other governments in the world. This is a responsible government. We have a very clear sense of purpose and will hold to it. One of the marks of responsible management that applies to government as much as anything else is the determination to do what must be done, when it has to be done, whether we like it or not. Nothing could encapsulate more clearly what this Government is about than that.

The endorsement of the responsible management of New South Wales by the Greiner-Murray Government by Moody's and by Standard and Poors, confirming our triple A-rating is the clearest and most objective validation of what we, the New South Wales Government are doing. New South Wales is a triple-A State, one of the very few such States or countries in the world with that rating. New South Wales has retained that status during a period of extraordinarily difficult economic circumstances, over which we as a State Government simply have had no control. The national recession has imposed enormous difficulties in financial management and controlling the budget deficit while fulfilling service commitments to the community. The fact that the triple-A credit rating was reaffirmed under the present conditions - with the State budget now more than a billion dollars in deficit, because of the extraordinary circumstances in which we find ourselves as a nation - means that this was not just a static endorsement of the policies of this Government but a contextual one. It shows that we are on the right track and that we

are heading in the right direction.

The triple-A credit rating recognises that the Government has been and is making the right decisions, the tough decisions, and is on track in implementing them by way of such things as corporatisation, privatisation, contracting out, and so many others. We are cutting infrastructure costs to business, paying off the State debt, and achieving great productivity gains and cost-efficiency to the benefit of every consumer of services provided by the State Government. The financial reforms being implemented by the government are based on the five principles of good management: the setting of clear and non-conflicting objectives; giving management the responsibility, authority and autonomy to undertake the necessary actions to achieve those objectives; independent performance monitoring and assessment to ensure proper accountability; provision of proper rewards and sanctions commensurate with performance results; and the establishment of competitive neutrality wherever appropriate and possible.

The turnaround in the performance of the State owned corporations and government trading enterprises has been remarkable. In the two years 1989-90 the Government's seven largest businesses reduced their employment by 18 per cent and boosted labour productivity by 25 per cent. In most cases, this was achieved along with an increase in output and services. By 1992-93 these agencies expect to have cut employment by 35 per cent and boosted productivity by 65 per cent. It is doubtful that any private sector firm will achieve such gains over this difficult period, notwithstanding perhaps that government trading enterprises probably had a little more fat about them to start with. For many years the general movement in the work force has been from the productive sector, the sector from which real wealth is generated, to the non-productive

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sector where that wealth is consumed. Of course, in the middle of those two are the great number of service industries and others which to various degrees contribute to or use up the wealth of the community. In short, we have been using as a nation and a State more wealth than we have been generating. This has been done throughout the length and breadth of Australia for so long that we are now in a very serious position indeed. That is why this Government is determined to restore the balance, to promote the resurgence of the productive sector and why the reining in of the runaway cost structure of government in providing services is so appropriate and commendable.

I have no doubt that in time to come - even more than now - the serious and genuine commentators will record with total justification the courageous and far-sighted achievements of this Government in financial administration and structural reform. The Government deserves recognition and approbation way beyond what it is currently enjoying, particularly because of the facile, short-term, quick-fix, populist sentiments being promoted in much of the media. The simple fact is that no quick fixes are available in this era of some of the most intractable economic and social problems this State has seen. As the Premier said, the Government will soon introduce legislation to establish an independent pricing tribunal to ensure appropriate and competitive pricing for government services. The pricing of water, power and transport services will reflect real cost structures according to the most efficient commercial practices which can be applied, and which this Government will apply.

I have long been an advocate of proper pricing of government services, particularly of public resources such as water and forest products. Only when real costs are reflected in the prices charged will the government of the day be able to say that it is properly managing the community's resources. Underpricing or overpricing ultimately creates the crises of imbalance which we and others have had to grapple with now for many years. In the industrial arena, enterprise bargaining is a clear example of what I

mean. The industrial award system of the past served a purpose for a time but it ultimately led to a set of circumstances which, along with overly protected capital and cosseted management, have brought our once proud status as one of the world's leading economies crashing down around us, to our great shame. The industrial laws this State introduced last year have again pointed us in the right direction. Of course, they are no panacea but without them we could not possibly hope to achieve the labour productivity and cost-efficiencies we have to achieve - and soon - under the dead weight of the old, discredited industrial regime.

Making the polluters pay for the mess they make, making criminals pay for the compensation of their victims, and compensation being paid from the proceeds of organised crime are all measures taken by this Government. They are all changes that this Government has had the will and the sense of purpose to implement. We are often chided by the Opposition for implementing the principle of user-pays. But, when you boil it all down, it is the fair way and the honest way. That is not to say that the Government does not look after the needy and make provision for the disadvantaged; what it means is that we simply know what the costs of providing a service are and what our community service obligation costs are as a separate item. For instance, the transport system is charged for all the costs of its running. The cost of subsidising student or pensioner concessions is charged to the social welfare system and not to the transport system. Then we know how much the transport system is costing and how much the social welfare system is costing. One is not fobbed off to the other. Governments in this country have been doing that far too long.

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Management of a modern government is about utilising all of those best practices that are available in management these days and making clearly identified and accountable decisions about the benefits that are being provided to the community. It is about full disclosure and full accountability and efficiency to the benefit of every member of the community. We have heard a lot during the last few days, in particular from the Opposition - both the official Opposition and the unofficial opposition - about private investment in the public health system. Every government in the world is faced with the dilemma of finding the capital to provide the full range of infrastructure the community deserves and which it expects. There is no way this Government, in line with other governments, can find the capital to build all the roads, bridges, schools, hospitals, water, sewerage and drainage schemes, welfare housing and other social infrastructure that we simply must have to meet the needs of a growing community. We have to have private investment in infrastructure, and why should we not? Why is there all this hypocritical, arrant and facile nonsense from the Opposition about a private hospital at Port Macquarie in which public health services can be and will be provided? Would Opposition members rather that the good people of Port Macquarie and many other communities around the State wait for another two years, five years or 10 years until public funds are available to build that new hospital? Do they not realise that the waiting list for new hospitals, refurbishment of existing hospitals, and the provision of all those health services that we all want to see will get longer and longer if we wait upon the availability of public funds?

The same applies to new roads, schools and all the other capital infrastructure needs. Labor governments everywhere know or are coming to the realisation that it is inevitable that private investment will be made in the whole range of public facilities and services. Where is the problem? There is no logical reason that contracts cannot be written that provide the public service, protect the public interest and allow the private sector to make a profit. Or is it that Opposition members think that this is all too good to

be true? Do they think there must be a trick somewhere? Are they so far out of date and out of touch that they do not recognise the solution to a problem when it is staring them in the face? The simple fact is that the Opposition is opposing for the sake of opposing. Even its own messages are inconsistent. While the Opposition Leader in this House is feigning horror at the prospect of a privately funded hospital his fellow Opposition Leader in another place is saying that the Australian Labor Party has to allow for private investment in public infrastructure. Which one is the real leader?

This is opposition for the sake of opposing. It is mean-minded hypocrisy - just another example of the big lie I spoke about in this Chamber last week. And all the while the Opposition's credibility crumbles away until there is nothing left, just the moral vacuum of the big lie. A further fact which is not lost on many of the more objective observers of this Government, and it will certainly be noted for generations to come, is that we are getting on with the job, despite the state of numbers in this House. It would be so easy for any government confronted with numbers such as they are in this place at the moment to wimp out of real commitment to change and progress. For instance, we could revert to our predecessors' habit of borrowing and spending to curry favour with the electorate at the expense of future generations. We could back off the rate of reform which is so necessary, even though painful, so that we do not upset some of the vested interest groups. But to the Government's eternal credit, and to the ultimate benefit of everyone in this State, and Australia as a whole, we will continue to press on to achieve worthwhile change and long-term community benefit. Some of the reforms in the forms and procedures of this Parliament demonstrate the extent of the changes the Government is prepared to implement, at its own cost in many instances, to achieve greater accountability to the people.

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Mr Mills: Tell the House about the \$8 billion increase in total liabilities.

Mr CHAPPELL: If the honourable member for Wallsend wants to make a second contribution to the debate, he should seek the call from the Acting-Speaker. Estimates committees, of which I was proud to be one of the first chairmen, were a first attempt to reassert the authority of the Parliament over the Executive Government. That process will be further developed when the committees deal with the 1992-93 Budget. Legislation committees provide an opportunity for significant input by members from both sides of the House in a genuine attempt to get right more significant legislation and to eliminate some of the party political nonsense which has characterised debate in this House in the past. The old order of the Opposition of the day opposing all legislation of substance introduced by the Government without any assessment of the merits is slowly being whittled away. Matters of public importance and greater opportunities for the introduction of private members' bills are other ways in which the Government is responding in a positive and genuine way to the process of parliamentary reform.

The Government must and will continue to seek more effective and efficient ways of running the business of government. That applies equally to the provision of revenue and capital. The Public Accounts Committee will soon embark on a major study of the financing options in the provision of infrastructure. That is one of the most ambitious projects the committee has ever undertaken. As Deputy Chairman of the Public Accounts Committee, I am excited by the challenge of the task the committee is embarking upon. I recognise that what is being sought by the committee in that study is being sought all around the world. One only has to consider the plight of unified Germany in trying to find the capital to quickly bring up to date facilities and services, particularly public infrastructure, in the former East Germany. Hundreds of billions of

dollars need to be found. That is a real problem in comparison with which our requirements are minor. Private investment must go hand-in-hand with public funding. Co-operative funding is another possibility. One small example of the great success of community co-operative funding is Yeoval Hospital in central western New South Wales. That is just a toe in the water. I believe that in the future, New South Wales will dive right into the pool of community funds which are, when properly organised, available for local infrastructure and development schemes. What could be better for any community than united self-help, the mutual benefit principle which underpins the co-operative movement? A similar success story is the provision in my electorate of a mobile breast cancer screening unit to serve the women of far northern inland New South Wales. That project resulted from a discussion in the Rotary Club in Glen Innes when a number of members identified a problem, found a solution and set about implementing it. [*Extension of time agreed to.*]

Within months several hundred thousand dollars had been raised. Forget the tough times, the cynics, the sceptics and the usual inertia that allows the Government to implement such programs. The communities of the far north implemented that program because it was needed and it was right. I am proud to say, having been involved both at the local end of the project and the Government end, that the Government came to the fore with funding for the ongoing running costs to match capital investment from the community. I expect that every member of this House, particularly those who have the privilege of serving a country electorate, could tell similar stories of community self-help. That spirit of community self-help is alive and well and living in our community. I believe it is more valid for local communities to get on with the provision of their own facilities and services than it is to sit back with a long face and a belly full of whinges waiting for the Government to do something.

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In my electorate, the New South Wales Traffic Education Centre in Armidale is a prime example of the benefits of the local community and the State Government working hand-in-hand to provide a major community facility. The Traffic Education Centre is the fruit of years of hard work and commitment at the local level by another group of people who saw a problem, identified a solution, and went to work to implement it. Again the Government was a willing partner with significant capital funding and ongoing support by way of using the educational services of the centre and commission consultancy work done by the staff of the centre. The nature of the consultancy arrangements needs to be more clearly determined so that traffic safety, driver education and similar matters can continue to be advanced in exactly the way required by the Government. I can see that there has not yet been a sufficient commitment by most State government departments and agencies to the education of their staff who drive as part of their normal duties in the best driving practices. Under occupational health and safety principles, all employers, including the Government, have a clear obligation to ensure that the best possible protection from risk is made provided for the staff.

Government agencies have a particular responsibility to set the standard and to ensure safe driving attitudes and skills in all forms of vehicle use. Car drivers, bus drivers, drivers of trucks and four-wheel drive vehicles, and drivers of special purpose and other vehicles will all benefit from the enhancement of safety consciousness, correct road use attitudes and driving skills. All of those things are delivered at the New South Wales Traffic Education Centre. As I have said, the Government should set the standard of staff involvement in such programs and encourage private sector employers to give their staff and even themselves the same privilege. At present the New South Wales Ambulance Service has a particular opportunity to take up training options at the centre.

Ambulance drivers in this State have had no ongoing structured training program. Yet they are responsible for the transportation of sick and injured people in the safest possible way, often under hazardous conditions, in vehicles which by their very nature cannot attain the highest standards of vehicle safety. I refer particularly to their being overweight and all the other problems inherent in ambulance vehicles. The record of ambulance drivers throughout the State is very good, but it can be better. They can be better trained and supported by specifically targeted education programs.

I call upon the Minister for Health Services Management to give a positive response to the proposal recently submitted to him by the Traffic Education Centre for ambulance driver training at the centre. I am anxious also to ensure that police, and fire brigade and emergency staff, particularly in the north of the State, should be directed to the Traffic Education Centre in Armidale for their traffic education and driver training programs. I thank the Minister for Conservation and Land Management for sending many of the staff from the Department of Conservation and Land Management to the centre to undertake a four-wheel driver training course. They spend much of their working lives off the beaten track and often had not been trained in the full capabilities of four-wheel drive vehicles. I thank the Deputy Premier, Minister for Public Works and Minister for Roads for his ongoing support for the centre. I look forward to early consultation of the consultancy brief to which I referred earlier so that the centre can carry on its work for the New South Wales Road Safety Bureau.

On 26th February I spoke in this place about the need for further investment, particularly by the Federal Government, in the great northern railway line which passes through my electorate. Unfortunately, the Federal Government, if I can mix the metaphors, missed the boat. When the Prime Minister made his economic statement a few weeks ago it became evident that the Federal Government had decided to spend much more money than was necessary to upgrade the great northern line on upgrading the

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coastal line without in any way approaching the additional capacity of tonnage that could be carried if the great northern line was used. If honourable members do not believe that, they should read the consultants' report which says exactly that. The simple fact is that the Federal Government has made an easy political judgment and is spending much more money to go the wrong way. I am not saying that the great northern line will not necessarily receive any benefit at all, but the benefit could be maximised if the inland route was used. That would ensure all-weather access from Brisbane to all of the other rail ports in Australia. That matter will not be allowed to rest. The honourable member for Tamworth, many others, and I will maintain the pressure until the great northern line is reactivated and fulfils its proper role in the transport infrastructure of this nation. It is too good an opportunity to miss. Any honourable member who wishes to follow up the details of it should try to obtain a copy of the Jacana consultants report. It will validate everything I am saying. It is the cheaper option. It does give better tonnage, and it would help to open up so much of the freight infrastructure in inland Australia. There is considerable development on the coast but there is a need for much more. However, this country does not survive only on 20 kilometres of coastline; it depends on the great western slopes and plains and on the tablelands country, such as I am privileged to represent.

The first significant debate in which I took part when I first joined Armidale City Council well over 20 years ago was the Armidale city highway bypass. Honourable members, even those opposite, will know that the New England Highway is a Federal highway. Its funding is the responsibility of the Federal Government. A highway bypass development has been in progress in that area for many years. There are five bridges sticking up - if I might refer to the song in "Fiddler on the Roof" - like that second

stairway going nowhere, just for show. There are five bridges sticking up in the air, going nowhere, just for show because there does not happen to be a road to link them up. One more bridge is needed. There is one missing link. This State Government is prepared to go ahead with the development as soon as it receives \$2.3 million owed to it by the Federal Government for the bridges which have already been built. The New South Wales Government has been putting its own money into a project which is the responsibility of the Federal Government, in advance, to keep the project moving. If the Federal Government would advance the money owed to the New South Wales Government the next part could be completed. All that would be needed then would be the construction of the roadway to complete the project.

The residents of the region have waited for well over 20 years for the project to be completed. The Federal Government, whose responsibility it is, has allowed it to develop to a certain stage, but it is simply not fulfilling its responsibilities. I would like to draw the attention of the House to a project in the western slopes town of Inverell, where Southern Cross Foods Pty Limited is proposing to build a multimillion dollar snack food company. That company has already received several levels of assistance in that regard from me, and, I am pleased to inform the House, from the State Government. That snack food company is designed ultimately to employ approximately 500 people. The significance of that to a town the size of Inverell - with a population of 10,000 - and in the present economic circumstances, needs no further explanation. That project will commence in the next few months with something of the order of 80 positions being created initially, increasing to more than 100 positions by the end of the first year. Within a three to five-year span that company is expected to employ approximately 500 people.

The former Minister for Local Government made it possible for the Inverell Shire Council to extend its loan borrowing capacity in order to give financial assistance to the scheme. Recently, the Minister for Tourism and State Development, Mr Michael Page 1498

Yabsley, was in the electorate to announce a \$500,000 assistance package, including relief from stamp duty and payroll tax concessions to enable the factory to get under way and into full operation in the shortest possible time. The project will produce real wealth in Australia. It will provide real jobs and make it possible for people in one small country town to get into the value adding of primary produce, locally grown produce, to sell not just on the national market but on the international market as well, thereby providing much-needed overseas income for this country which all honourable members will agree is needed. Another item of note in the past week has been the appointment of seven additional rural councillors, one of which will be based in Inverell. I called a public meeting just before Christmas to determine whether the electorate could put a submission to the Government. I am pleased to say that virtually all the councils participated in that. We made a submission and this week the electorate has been the recipient of one of the rural councillor positions.

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

Mr CHAPPELL: The value of such a position in a rural community, or a combination of rural communities may well be lost on some members of the Opposition because they do not know what happens out in the country. I can assure the House there are many people seriously financially disadvantaged at present, bearing great burdens because of the recession that we had to have, courtesy of the present Federal Government. The many projects taking place in country areas indicates the support which this Government is prepared to give by way of its decentralisation policies. They are of

extreme importance to local communities. They are projects which give joy to the heart of the local member, and I am proud that this Government has come willingly forward in the past few months in respect of several projects of great significance to tourism and industrial development. It is a shame that the Federal Government does not match that willingness with regard to at least the two Federal projects which I mentioned, which need funding from a Labor Government. It is not doing anything for the bush. It is squibbing out and we are carrying the can.

Mr McBRIDE (The Entrance) [8.23]: I am honoured to address this Chamber tonight. It is particularly pleasing that I have the opportunity to share this occasion with my family and some of my special friends who are in the gallery. Today is the culmination of an arduous two and a half year campaign - a campaign which began when I was issued the challenge by my friend and colleague the Federal member for Dobell, Michael Lee, to contest preselection to try to win the seat of The Entrance from the coalition. It was a campaign that exacted a toll on my family, so I wish to publicly thank them now: Barbara, my wife, without whose unselfish support I would not be here today; William, my son, who would have lost a few percentage points in the higher school certificate because of the campaign; Emma, my daughter, who enthusiastically joined the campaign deputising for her mother on many occasions; Nicholas, my son, who is now a campaign veteran; Edward, my son, another highly-valued member of the family campaign team; Leonard - or Leo as we call him - who continues to amuse me no matter how often I have to correct him; Aimee, the cute, polite, incredibly well-mannered little five-year-old no voter could resist - and did not; and Ignatius, the two-year-old who made those long days even longer by adding sleepless nights.

I also give special mention to my mother Elaine and my father William, who is now deceased, active ALP members for decades. My mother is here today. These were the people, my family and my friends, who imbued in me the spirit and will, the belief and the values, the philosophy and commitment to accept the challenge to represent The

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Entrance electorate. I now turn to lessons learnt from the 1991 and 1992 election campaigns. It was fitting that the electors of The Entrance had the first opportunity since 25th May last year - on behalf of all the people of New South Wales - to judge the performance of the Greiner Government. This was so because the poll of 25th May demonstrated that it was the rorting of the electoral rolls through the abolition of ticks and crosses which allowed the Government to limp back into office. It was also because The Entrance and the Central Coast was one of the regions in this State where the actions of the Greiner Government - in the key areas of administration, transport, education, jobs, and health care - had hurt most deeply. The electors of The Entrance had a clear choice. Were they better or worse off after another seven months of the Greiner Government mismanagement and wrong priorities? Their collective answer was clear and unequivocal. A 6.5 per cent swing to Labor confirmed and strengthened the message of 25th May, 1991. The result showed that Labor represents the hopes and aspirations of this great State, a State being held back by the policies of this Government. The Entrance by-election showed the great ability of the ALP for rejuvenation and regeneration.

I wish to record some of my own observations. The Entrance electorate is truly a microcosm of the voters of New South Wales. Let me elaborate. The area has one of the highest densities of aged and retired people in Australia, representing a broad cross-section of the community. While lawn bowling clubs are closing in inner Sydney, new greens are being planned in The Entrance electorate. Retirees of Sydney have been coming to the Central Coast for decades. Sometimes it seems that half of Sydney's residents have a retired relative or friend living on the Central Coast. More recently, as a result of the commitment by successive visionary members of the Wran Government to

major infrastructure in this region, such as the electrification of trains from Sydney to Newcastle, and a road construction program to build an expressway from Sydney to Newcastle, there has been an influx of young families to the region. This has produced a more balanced and diverse population mix. The area is no longer exclusively a retirement village for Sydney.

In 1991 the electorate was seen as a litmus test for the Carr-led Opposition. If there was no swing back to Labor, the New South Wales branch would be in the wilderness for a generation. Prior to the 25th May elections, local Liberal Party workers were predicting a further 6 per cent to 10 per cent swing to the coalition parties and a win in the neighbouring seat of Wyong, which was particularly vulnerable because of the retirement of that outstanding, colourful and tireless local Labor member, Harry Moore. The Entrance truly represented the spectrum of voters - from the poor to the wealthy, from the blue-collar workers to white-collar and professional groups, from local workers to city bound rail and vehicular commuters, from young mothers to grandmothers, from the disadvantaged to the indulged, from the employed to the self-employed, and from public housing to private housing. It is a truly well-mixed and blended community, an intelligent electorate not blindly committed to any political party. It is an electorate that will carefully and impartially assess the performance and policies of the Government and the Opposition, and is responsive to every area of government policy, services, taxes and charges.

On 25th May, 1991 - defying the experts including the increasingly irrelevant Malcolm Mackerras - there was a 3 per cent swing away from the Government. Had it not outlawed ticks and crosses, Bob Carr would now be Premier. The Entrance and New South Wales sent a message to the Greiner Government - a government of wrong priorities - that it was on the wrong track, out of touch and arrogant. The Premier thought differently. He thought the lesson of the campaign was that his policies were

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right - they only needed better selling. He announced that he would reshape his style. He would meet regularly with the general public so as to familiarise himself with the priorities of the community, and immediately launch a family relief package for battling families who were trying to cope with the increased taxes and charges imposed by his Government and the effects of the recession. Last week in this House, for example, we saw the *Daily Telegraph Mirror* headline "Cash boost for Families". The Premier has not heard the message and he has not delivered his promises.

Labor's strategy for the by-election was clear. The Premier was not listening to the people, the Government was not keeping its promises, and taxes and charges and government costs were continuing to increase above the consumer price index. Ordinary people and the community were still being ignored. It remained an arrogant, out of touch Government. Electors in The Entrance knew this to be true. Over the four years of the Greiner-Murray Government, average families in the electorate are up to \$1,400 a year worse off because of the Government's round upon round of record increases in taxes and charges. Examples abound in The Entrance of people hurt by this unfeeling and ideologically driven Government. For example, there is the young couple from Wyoming - Graeme, a police officer hurt by cuts in the service, and Karen, his unemployed high school teacher wife. The aged pensioner couple from Long Jetty, Robert and Helen; Robert was told that he would have to wait two years for a prostate operation in a Central Coast hospital. My own son had to wait 14 months for a hernia operation. Matthew, a technical college student from Bateau Bay attended TAFE for free before the Greiner Government came to office. Now he is paying \$460 for the same course. The battling couple, Michael and Alison from Berkeley Vale, are struggling to keep afloat - battling to pay a new round of car registration and electricity increases.

Debbie, a shift worker who commutes from Wamberal, cannot understand how the Government can justify fare increases for reduced services.

The Pacific Del Mar Estate in Tumby Valley has a community hall, which includes a pre-school facility opened over six months ago by the Minister in another place, but is still without a pre-school. We have the plaque dedicating the Minister's opening of the facility, but there is still no pre-school. Parents in Toowoomba Bay, Killarney Vale, and Lisarow - like Basil and Wanda - question the Government's compassion in forcing their primary schoolchildren into bigger and bigger composite classes. Davern and Rose and other old age pensioners throughout the electorate have lost their rail concessions. Children from Wyong and Narara are being educated in demountable classrooms at North Gosford while they wait for a high school to be built in Narara Valley. Then there is the casual TAFE teacher from the Ridgeway area who lost his job. The list goes on.

While on the topic of lost jobs let me mention the power station worker who was made redundant, the miner who does not know when he will be made redundant, the school cleaner, the government printer, the hospital nurse and the Roads and Traffic Authority labourer who have been made redundant. More than 50,000 public sector jobs have been axed under this Government's administration. There is no better way to assess the views, attitudes and feelings of an electorate than to actually meet people on their front doorstep - people like those I have mentioned already, people who have felt the blunt end of this Government's policies. They rallied against this Government and voted against its candidate on 18th January this year. The problem with this Government is that it is totally ideologically driven. It does not care how its policies impact on individuals. Only the bottom line of its balance-sheet counts - never its effect on ordinary people.

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Greiner's Ministers are also driven to improving the bottom line for their portfolios - that is how they get up the ladder - without any concern, or more importantly, compassion, for those people who are affected. An example of this mentality was the area assistance program, which was initiated by the Wran Government and was designed to redress the many problems in developing communities like the Central Coast. The program, which was reviewed by government consultant accountants, was rated as successful and cost effective. The program has been so successful that National Party members wanted it extended to the North Coast. On the Central Coast last year Wyong and Gosford councils shared less than half a million dollars. Over 30 community programs were assisted, including programs for disabled people and community groups such as sporting, recreation and youth, basic programs requesting grants as little as \$700. However last year the Government dropped the statewide program and, predictably, the community - people from all sides of the political spectrum - protested. It was a classic example of this Government making decisions based on costs without reference to the social implications. Thankfully The Entrance by-election was approaching and the decision was partially reversed, but there is still the suggestion that the program will not continue.

A more recent example of this arid managerialism was the attack only two weeks ago on travel concessions for the aged - ironically the week before Senior Citizens Week. This time the Government was removing war widow and pensioner concession fares on rail transport during peak holiday periods. However, once the issue was raised by the Leader of the Opposition the decision was again partially reversed. These examples typify the behaviour of this Government and underline why on 18th January the

constituents of The Entrance voted against it. It is a Government that just will not listen. The Government is ideologically driven, obsessed by its own image as a business manager, hypnotised by its own reflection and deaf to the concerns of the people of this State.

I believe it is appropriate to outline some areas of particular concern to me for the future of The Entrance electorate. Health and medical services should be provided on the basis of social justice and equity. It abhors me that the aged and disadvantaged are finding it increasingly difficult to obtain access to medical services. The Port Macquarie social experiment of replacing public health services by a private company I find particularly disturbing. The public education system should remain the responsibility of government. The Government should strive to provide the best possible education to the youth of our State and should unshackle itself from the budget-driven mentality stifling our public school system. In The Entrance Labor has pledged to reinstate the positions of 19 teachers axed by the Greiner Government. Every effort should be made to encourage environmentally compatible industry, the clean high-tech growth industries of the twenty-first century, to come to the Central Coast. Both Wyong and Gosford councils have actively pursued this goal, with recent major developments including Master Foods and Sanitarium manufacturing plants in the Berkeley Vale industrial area. Our area needs good well-paid jobs.

Roads, drainage and flooding problems should be equitably funded. This Government should honour its commitment to roadworks in the electorate - in particular traffic black spots such as the intersection of The Entrance Road and Ocean View Drive. Immediate steps should be taken to stop the suffering of Narara and Wyoming residents caused by severe and continual flooding in their areas. The environment and lifestyle of the electorate should be protected for the future of our children. This area is growing at the rate of 4.5 per cent per annum. This level of growth generates many demands on our environment, and it is important that developments in the electorate are not at the

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expense of our heritage. Families and pensioners should be given a break from the crippling effect of increases in State Government taxes and charges. Labor's proposed family relief bill will keep charges below increases in the consumer price index.

In conclusion, some special groups within the Labor movement deserve mention for their efforts in the 1991 campaign and, especially, in the 1992 by-election. Local party members and helpers are prepared to do all the hard work that often goes unrecognised. I thank Mick McMahon; Tom Lyons; Tony Wall; Betty Harrison; Ern Beattie; John Shanny; Jack Gates; Alan and Jack Jones; Tony Sheridan and family; Bronco Whyte; Ken and Peg Barry; Antony, Sidney and Margaret Geller; Val Keyse; Robyn and Dick Blattman; Norm Hanscombe; John Ainslie; Keith and Louise Bruest; Ian Granland; Phil Jacobs; Ken Long; Dermot Keane; Bill Glencourse; the Green family; Emily Sutton; Jack and Alice Higgs; Jack Matthews; Pam Bradshaw; Lorraine Kirwin; Jean O'Hare; and Sol Lewis, to name but a few. To mention individuals is not to diminish the contribution of the many others who also helped. My thanks and congratulations go to our case lawyer, John McCarthy Q.C. and to my party organisation, particularly Eric Roozendaal and Laurie Brown. It was their first engagement with the Michael Yabsley led election unit. The result for Michael Yabsley was on par with his performance when Minister responsible for prisons. I sincerely thank the union movement, the men and women of New South Wales galvanised into action by the calculated arrogance and attacks on their members by the Greiner Government.

To the staff of the office of Bob Carr - Bruce, Kris, Steve, Debbie, the two Jo's, Viola, Karen, Anna, Matthew and the deadly duo, Graeme and David, I congratulate them

on another successful campaign. I sincerely thank my colleague in this Parliament the honourable member for Wyong. Paul returned immediately on the announcement of the by-election from his family Christmas holiday and worked unceasingly on the campaign. I thank the shadow cabinet particularly and my caucus colleagues who campaigned with me over the eight months of the by-election campaign. No other party leader in the history of this party would have put more personal effort into the election of a candidate than my leader, Bob Carr. He would have personally doorknocked at 800 homes in the electorate. He campaigned almost every day of the by-election. He had the courage to put his reputation and his future on the outcome of The Entrance by-election. I thank and congratulate him. The result in The Entrance by-election was a victory for the Labor movement of New South Wales, a repudiation of the arrogance of the Greiner-led Government and an omen for the future of this limping, wounded and soon to expire Government.

Mr PHOTIOS (Ermington) [8.43]: I take this opportunity, with my colleagues in this House, to congratulate the honourable member for The Entrance on his maiden speech. I am pleased to reply to Her Majesty's address to the Parliament. I am sure all honourable members will agree that it was a historic occasion. It was one which I was proud to be a part of. I was particularly pleased to be presented by the Premier both to Her Majesty and His Royal Highness as a "vigorous and effective community-based member of Parliament". I was interested to hear the Premier's outline of the Government's program for New South Wales in 1992 in his Address-in-Reply speech. I am proud to identify myself with our Government's vision and commitment to the people of New South Wales. To my constituency in Ermington, I maintain my commitment of 1988. Today is four years to the day that the Greiner Government took office. I made a commitment in 1988 before being elected that I was there to listen to community needs, to act on community needs and to get results for the community. At the outset, I proclaimed my determination to be a community-based representative, and my commitment to that resolution stands without compromise.

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After four years in this House, I know that my efforts have been worth while. For those things which the community has felt are important, I have lobbied strongly and won. Even in difficult economic times, funding for community and health services in my electorate has been boosted, public transport networks and facilities have been vastly improved and major road projects have been initiated. I have learnt that it is impossible to style oneself as a community-based member of Parliament unless there is a mutually shared approach and respect of those represented. At no time have I felt a stronger sense of community in Ermington than this year. For my constituents, 1992 is the big trifecta. This year we celebrate 200 years of settlement at Ermington, 200 years of settlement at Dundas Valley, formerly Ponds Creek, and the bicentenary of the newly declared City of Ryde. On 15th February about 2,000 residents turned out to celebrate Ermington's bicentenary, with special guests being the Governor, His Excellency Rear Admiral Peter Sinclair and Mrs Sinclair. After a military parade from Ermington West Primary School to the Ermington community hall, the Governor unveiled a memorial plaque. This was followed by a sausage sizzle and birthday cake at Ermington shopping centre.

From the original Field of Mars settlement in 1792, when eight marines received land grants from Governor Philip, Ermington has developed as a close-knit residential community. This was seen clearly last year when the community fought together in response to a threat that their shopping centre was to be sold off, and with no feasible way for shopkeepers to buy their own shops. Thanks to our efforts and the personal support of the Premier, this was prevented and the centre was saved. I am delighted that I was

able to welcome the members of the Ermington Bicentenary Celebration Committee to the Premier's suite last night for a reception to thank them on behalf of the community for their efforts. Among the representatives were Senior Sergeant John Tallis and Sergeant John Hollis of Ermington police and Ms Heike Ohrmann, branch librarian at Ermington library, who organised the local history display for the celebrations.

Members of the Ermington Chamber of Commerce were also present, including the President, John Perry, and secretary, Bill Larkin, together with the Treasurer, Robert Murphy. The Premier together with John Perry presented Mr Bill Larkin with a plaque to commemorate their particular efforts in organising this important community event. The bicentenary of Dundas Valley, original called The Ponds Settlement, was celebrated just one week after the Ermington bicentenary with The Ponds Settlement bicentenary walk organised by local residents Mr Syd Thomas and Mrs Elizabeth Boesel. On Saturday 22nd February I joined with about 150 other residents for a fascinating walk through the Galaringi Botanic Parkland along the creek below Cox's Oval to the Rapanea Forest and on to the Sturt Street Reserve at Telopea. Galaringi Botanic Parkland is rapidly becoming an environmental jewel in the electorate, thanks to the continued efforts of local volunteers and, naturally, with some substantial support from the State Government. Congratulations are also due to the Dundas Valley Rugby Club, of which I am a member, which sponsored the bicentennial walk and celebrations on that occasion.

I turn to the bicentennial year for Ryde - the city of lifestyle technology, which appropriately has been recognised with city status granted by the Governor - an event which I strongly supported and actively encouraged. More than 10,000 residents attended the party and celebration, which included a re-enactment of the early settlement. Congratulations are most certainly due to the first mayor of the new City of Ryde, my friend and colleague Alderman Mick Lardelli and our hardworking general manager Mr Keith King, who has recently suffered from illness. I am sure all members wish him well in the future.

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The people of Ermington are suffering, even despite the celebrations, as a result of the recession that has been induced by the Federal Government's economic policies. But despite those federally-induced sufferings of the community, extra assistance has been provided, thanks to local community groups and the extra State Government funding made available in the last Budget. Having been closely involved with numerous groups in the electorate and having seen the results of their efforts, I have placed a high priority on obtaining additional funding where possible, and I am truly delighted with the results. In the past few weeks alone residents of the Ermington electorate have seen for themselves the Government's continuing commitment to community health and welfare. A few weeks ago the \$700,000 program of rebuilding and refurbishment to Ryde Hospital's emergency and outpatients clinic was completed. These improvements are in addition to the \$3.2 million program of improvements initiated at the hospital whilst I was the member for Ryde. These include of course the opening of a child care centre, a day surgery centre and a \$1.1 million orthopaedic and ophthalmic ward.

Last Saturday the Minister for Health and Community Services in another place opened a self-help therapy clinic for alcohol and drug addiction at St Edmund's Private Hospital at Eastwood. Also servicing residents in the electorate is the newly opened 24-hour dementia unit at St Catherine's Private Hospital, Eastwood, run by the Daughters of Charity. Funding for "Elaroo" was provided jointly by the hospital and by the Government under the home and community care program. I am pleased to announce this evening to honourable members that this weekend the Premier is coming out to the

electorate to open two new units at the Lottie Stewart Hospital in Dundas for the care of confused and disturbed elderly. The State Government has funded the units at a cost of \$2.4 million.

Community services simply cannot operate in the electorate without the dedication of local staff and volunteers. With most community service organisations, funding in these difficult economic times naturally is a constant concern. In recognition of difficult economic times, the State Government announced last year a \$10 million recession package to provide additional assistance for groups and individuals hit hard by the Federal Labor Government's recession. As a result, several groups in my electorate have received additional one-off funding, including \$36,000 emergency cash assistance. I look forward next week to visiting Telopea Family Resources and Dundas Community Aid to present cheques totalling a further \$22,000 as extra assistance being provided through the State Government's compassionate recession package. Ryde Family Support also is to receive extra funding of approximately \$9,000 to boost this year's funding of \$36,000. Last week I attended the annual general meeting of the organisation, with whom I share a very special attachment, now located in the Gladesville electorate, represented by my colleague Mr Petch. I was particularly pleased to learn of this further grant.

This weekend I will also be attending with the Premier the opening of Parramatta Lifeline's Irene Luth Centre at Carlingford in the Ermington electorate, previously in the Baulkham Hills electorate represented by the Acting-Speaker Mr Merton. The State Government has provided \$300,000 to enable the opening of this centre, which will provide accommodation for people in need. This is in addition to the \$74,000 in funding given to support Lifeline's telephone counselling service at Parramatta serving the Ermington electorate. A total of almost \$900,000 in the financial year 1991-92 has been allocated by the State Government for community assisted groups to help those in need in the electorate. This represents an increase of almost \$300,000 in grants to groups in the electorate that I was able to announce in the State Budget only last year. These include: \$200,000 for Dundas women's refuge; \$170,000 for Minnamurra-Burnside

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Homes at West Ryde; \$140,000 for Dalmar child and family care, Carlingford; \$40,000 for Robertson community centre day care, Carlingford; \$70,000 for Adele House drug crisis centre, Dundas; \$70,000 for Dundas community aid and information service programs, including the Neighbourhood Centre and the Dundas Area Youth Service.

Mr Schipp: Perhaps there should be an inquiry.

Mr PHOTIOS: As a member of the Public Accounts Committee, I can certainly rule out the suggestion by the Minister for Housing of an inquiry into how generous the Government has been to the people of the Ermington electorate. Grants also include \$9,000 for North Rocks-Carlingford Casual Child Care Centre, \$90,000 for the Telopea family support program, \$50,000 for Telopea family resources for adolescent parents support program, \$37,000 for the Ryde family support family outreach and support counselling service, and finally, representing only a small portion of that funding package, \$25,000 for the Christian Community Aid financial counselling service at West Ryde. Services for the aged have also been addressed in a very detailed fashion within the Ermington electorate. Because of the continuing efforts by the Minister for Housing for the aged and frail in the electorate, I am delighted that the Department of Housing has awarded \$910,410 for a contract to build 10 pensioner units at Carlingford. These are due to be completed in July and in fact are in addition to the \$3.6 million that the Minister gave in last year's budget to build 42 new Department of Housing units and houses in

Rydalmere and Dundas, assisted and always supported by me, in and outside public circles, in an effort to reduce of necessity the onerous and long suffering waiting lists in the Department of Housing arena.

The \$900,000 Ermington Community Centre currently under construction for the elderly people with dementia and other special needs is a joint Commonwealth, State and local government project of which I am particularly proud. Last year I visited the site to discuss the proposal with some of those who will benefit from its construction. They are singularly looking forward to its completion this year. More recently I had an opportunity to invite local residents to my annual Senior Citizens Week afternoon tea at Marsden High School - an event not unlike yours, Mr Acting-Speaker, in which we sponsored the senior citizens in our community in recognition of the enormous contribution they continue to make to the community at large.

Mr E. T. Page: Who paid?

Mr PHOTIOS: The question asked by the honourable member for Coogee "Who paid?" is a shocking indictment of him. The function was paid for by me and supported and sponsored by me. It is about time that members opposite showed some initiative by taking the opportunity to look after the needs of their constituents. They should show a little more foresight and personal generosity.

Mr ACTING-SPEAKER (Mr Merton): Order! The honourable member for Ermington will be heard in silence.

Mr PHOTIOS: I thank the students from the Ryde Catering College, Ermington Public School and Marsden High School for their support. As a result of the popularity of these past events we had a record turnout and a very enjoyable afternoon. I refer now to transport. It took more than 30 years for the first horse-drawn bus service from Ermington to Ryde station to become a motorised service in the earlier part of the century. Now, at the end of the century, it has taken just four years for this Government, a can do government, to instigate radical improvements to public transport

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in Ermington. Stations along the northwest line, passing along the border of the electorate, have changed dramatically, thanks to the ambitious upgrading program, costing more than \$3 million in my electorate alone. More recently, attention has been focused on the Carlingford line. Two years ago, a commuter club was launched at my initiative by the Minister for Transport to provide residents with an opportunity to express concerns and positive suggestions for bus timetable changes in the area. This has focused new attention on commuter issues. In recent times the commuter club has been revitalised, with responses to train timetable changes suggested for the Carlingford-Clyde line. As my constituents will know, I am absolutely determined to restore the morning through train to the city which was cancelled by recent changes and, better yet, to increase the number of through train services in the morning peak period. If I can, I will treble the services in recognition of the tremendous support that commuters have given to the commuter club to enhance the service. On 15th April we are having an on-site sausage sizzle for all commuters at Carlingford Station. I am confident that I will be able to announce on that day that our community based action has once again proved successful.

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

Mr PHOTIOS: I am delighted to announce that massive upgrading works are

also in the pipeline for the Carlingford-Clyde line. By June this year approximately \$800,000 will have been spent upgrading stations along this line. Included in the project will be improved car park and fencing for Carlingford Station; new canopies, seats, landscaping and a 30-space commuter car park area with security lighting and fencing for Dundas station; reconstruction of the station buildings and car park at Rydalmere station; security fencing at Camellia station - outside my electorate, but necessarily looked after me, given the inactivity of members south of the river; and new canopies at Clyde station. The canopies at Clyde will be particularly useful for commuters who use that station as an important interchange. A further \$1.4 million is to be spent within the next few months on upgrading the signalling system along this line to improve the reliability of trains. Another public transport success story for the electorate is the high speed ferry service for Parramatta, due to commence this year. I was with the Premier last week at Parramatta when he announced the successful tenderer for the \$5.64 million contract awarded in March of this year for dredging of the upper Parramatta River in preparation for the start of the Parramatta ferry service. [*Extension of time agreed to.*]

The RiverCat will take only 50 minutes to travel from Parramatta to the City. The service from Meadowbank will be reduced from 54 minutes to 30 minutes, almost halving the time. The ferry service along the Parramatta River will be faster than by train, or by road - almost faster than a speeding bullet. It will be the quickest way into town. It will improve public transport facilities, thanks to the Minister for Transport. Two RiverCats have been purchased at a cost of \$5.4 million and are currently being successfully trialled between Circular Quay and Meadowbank. Major road projects are continuing in my electorate. The \$17.5 million James Ruse Drive project is progressing on schedule. Because of the recession and a corresponding reduction in revenue from the 3 x 3 fuel levy, work on the Silverwater Road-Victoria Road extension has been temporarily slowed. Purchase of properties is nevertheless continuing at considerable cost. I have been assured that construction work on the project, though experiencing a temporary lull, will soon be reactivated. Turning to education, I have spoken before in this Chamber about my commitment to local schools.

Mr E. T. Page: On a point of order. Have the standing orders changed to allow members to read their speeches?

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Mr ACTING-SPEAKER: Order! I have noticed that members are using copious notes. I do not uphold the point of order.

Mr PHOTIOS: As a member of the Minister's advisory committee on school education and youth affairs, I have taken a particular interest in the effects of our Government's policies on local schools. As a result I have seen at first hand the enormous improvements made by our Government's commitment to invest in improving school facilities through the cyclical maintenance and capital works programs. In 1991-92, a record \$17.5 million has been allocated to operate State schools in the Ermington electorate. More than \$700,000 has been allocated for building and maintenance projects for schools in the electorate. This includes \$90,000 for the James Ruse Agricultural High School to replace gas lines; \$300,000 for Marsden High School for painting, building repairs and carpeting; \$140,000 for Rydalmere Public School for external repairs and painting; and \$180,000 for Yates Avenue Public School for external repairs and painting. The construction of the \$1.5 million multipurpose centre at Carlingford High School, due to be completed this year, is a remarkable achievement for the area. You, Mr Acting-Speaker, the honourable member for Eastwood and the honourable member for Northcott have shown a keen interest in this. Last year at the

school I attended the public meeting at which the project was called for.

I made strong representations to the Minister on the issue, and I am delighted with the rapid progress on construction. It is not only large-scale funding that is important to local schools. Last year I was successful in my representations to the Minister for Police and Emergency Services in gaining an additional assurance that a school crossing supervisor for Ermington Public School would be in place once the school crossing was installed. I also strongly supported the provision of \$16,000 under this year's sport, recreation and racing capital assistance grants to Dundas Public School to assist with the construction of a multipurpose sports court facility. Congratulations are due to the school parents and citizens association which raised the same amount to match the funding through various activities, including a very successful fete last year.

I refer to sport and recreation. This year \$27,000 has been allocated to the Parramatta City Council to build new amenities buildings at the Sir Thomas Mitchell reserve. In 1991 I lobbied strongly for the \$30,000 grant which was received for the project. I am hopeful that since almost \$60,000 has been provided by the State Government, the Parramatta Council will construct this facility as soon as possible. As a patron of the Ermington United Sports and Recreation Club, I worked with club members to successfully obtain the lease for the George Kendall Riverside Park tennis courts. As chairman of the government environment committee I cannot afford environmental concerns going unchecked in my own backyard. Therefore I am delighted that western Sydney is to be the pivotal part of the State Government's \$9 million pollution monitoring program for Sydney, the Illawarra and the lower Hunter. I was particularly pleased to attend the air quality summit and to close that address in my capacity as chairman of the committee. I was very surprised that although the honourable member for Blacktown, the shadow minister for the environment, accepted an invitation, she, and other members of the Labor Party, did not think the issue important enough to grace the conference with their attendance.

As part of the metropolitan air study, four air monitors will be installed in Sydney's west, with another two mobile units available for additional monitoring. There will also be \$1.5 million allocated for health studies in order to further investigate any possible links between health and air pollution. Continuing efforts at Darvall Park, Denistone, to stabilise and regenerate the area will be brought to fruition this year, at a
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cost of more than \$1 million, with further regeneration works by CityRail. In that regard, I would like to thank my friend and colleague, a leading environmentalist in my area, Mr Chris Farmer who, together with Mr David Thomas, has been liaising with the Water Board and CityRail to execute this project in an environmentally sensitive way. The Water Board, in particular, needs to be congratulated on its efforts in that regard.

As I mentioned previously, and as I have pointed out to the House before, the Galaringi Botanic Parkland continues to flourish with my support. The Minister for Housing will recall this project. It has been discussed previously in this House and he indicated his support for it. It is very important for the people, not only of Ermington and the northwest of Sydney, but for Sydney itself. I spoke in the House recently of the concerns of Ermington residents about mosquitoes. I not only initiated State Government involvement to assist local councils in their area of responsibility, I have found it necessary to enlist the support of the Federal Labor member for Parramatta to convince the Federal Minister for Defence about the need to eliminate mosquito breeding grounds on the Federal Department of Defence land across the river at Auburn. I look forward to an early and swift response from the Minister, the Federal Government and the Federal Labor member in that regard. I look forward to talking tomorrow to Brian Bury

on his program, as I have previously, on this important issue to my constituents. The latest reports suggest that Australia finally may be climbing out of the recession the Prime Minister said we had to have - or so the Prime Minister would have us believe. At least employment figures released by the Australian Bureau of Statistics in February show that New South Wales was once again the leading State, the first State to show any sign of coming out of the recession, with a fall of 0.05 per cent in employment in January.

Mr Iemma: Nothing to be proud of.

Mr PHOTIOS: The interjections support my conclusion that the Federal Government has nothing to be proud about in that regard. The triple-A credit rating of this State is enjoyed by only five States anywhere in the world. This demonstrates that once again New South Wales is leading the way in Australia's recovery, giving an example to members opposite who could be described as the Cuban element of the Australian Labor Party, the only element that does not support privatisation, which even the flagging forces of the Federal Labor Government embrace from time to time. However, for those worst affected by the national recession the Greiner Government's \$10 million recession supplement package has been a compassionate lifeline and I am pleased to have been instrumental in securing extra assistance through this package for those in Ermington who have great need for it. I offer my constituents in Ermington my congratulations in this our year of the triple bicentenary. I also place on record my thanks to many community leaders and many people in the street who have supported me in my program of continuing community action. I can assure them of my sincere determination to continue to work with and for them for many years to come and continue to deliver comprehensive responses and substantial financial and manpower support.

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

Mr PHOTIOS: I have set this out comprehensively today.

Mr E. T. PAGE (Coogee) [9.12]: Like other members on this side of the House I was rather intrigued at the rambling of the honourable member for Ermington when he was talking about his sincerity. It is obvious that he does not understand the meaning of Page 1509 the word. Sincerity is not a virtue, it is an attribute. Hitler, Mussolini and Stalin were sincere, but that does not mean they had any identification with social justice or a conscience; it just meant that they believed in something. The honourable member believes in things too, but most of them do not mean anything. His talking about sincerity shows that he knows very little about what life is all about. In the first stage of my dissertation tonight I wish to talk about the New South Wales telecommunications system. Many people believe that Eastern Creek is the greatest debacle this Government has been involved with, but shortly it will be shown that it runs a very poor second to the management of the telecommunications network. Mr Acting-Speaker, I am sure that you will be very well aware of this because you have some knowledge and some appreciation of the matter. The Minister for Housing does not. I refer initially to a press release by the Premier on 6th November, 1989 - some time ago. It is headed, "NSW Public Sector Telecommunication Network". It states:

A public sector telecommunications network is to be developed and managed in New South Wales by the Telepower consortium of OTC and Computer Power, according to Premier and Treasurer, Nick Greiner.

Telepower was selected, after a thorough and rigorous assessment, from a field of 60 preliminary proposals of which four were shortlisted.

It is claimed that part of the achievements of the exercise are that it will produce "productivity savings of at least \$25 million over 7 years". I am not sure now - I am sure that the Premier is not either - whether this means \$25 million each year for seven years or \$25 million over the seven-year period. Anyway, it is big bucks as far as he is concerned. The press release continues:

This benefit could be as high as \$1 billion -

It is a bit of a jump from \$25 million to \$1 billion, but he likes to talk in big figures. The press release continues:

- with the introduction of new technologies such as those involved in video conferencing, distance education, health delivery, and remote court hearings -

I suppose they have to be remote these days, because there are no country court houses:

- as well as services such as electronic payments and electronic transfer of documents . . .

It was a big deal back in November 1989. The next press release was more than 12 months later, on 13th December, 1990. It is headed: "New South Wales \$1 billion 10 year telecommunication network contract". It states:

The NSW Government will call open tenders early next year for the development of a private telecommunications network for the State's public sector, Premier of New South Wales, Nick Greiner, and Minister for Administrative Services, Robert Webster, announced today.

I guess nothing has changed. It was a tender 12 months previously. The press release continues:

"The recent Federal announcement that OTC will be wholly acquired by Telecom is not consistent with our desire to stimulate infrastructure development and the industry within NSW . . . It would be counterproductive for the Government to allow Telecom, in whatever guise, to continue to both manage and operate the Government's telecommunications.

We have therefore decided that Telecom will not be acceptable as a primary tenderer.

I will come back to this point later. Mr Acting-Speaker, I would like you to realise that
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what our Harvard graduate did at that time was to exclude from tendering the major telecommunication operator in Australia. He would not allow Telecom to tender. I think any reasonable person in that situation, even if he was not keen on Telecom, would have allowed Telecom to tender, for two reasons: first, to establish a price. Obviously Telecom is the major telecommunications operator in Australia and its price would have had some validity in the market-place. Second, in an area of operation which has dramatically changing technology it would have been a great benchmark against which to compare other tenders. I believe it was a fatal mistake arbitrarily, for ideological reasons, not to allow Telecom to tender. The press release goes on to state:

It is estimated that savings approaching 20% per annum of the current costs are possible with a reorganisation of the State's requirements and the aggregation of services to best meet the needs.

On the basis that the Government's bill was about \$100 million a year, we are now talking about a saving of \$20 million a year projected in this press release. There was a fair bit of comment in the press, in the *Australian Financial Review* and the *Australian*. With some disbelief the *Australian* stated:

Greiner pulls plug on \$1 billion OTC contract.

People in the press found it difficult to accept that Telecom had been arbitrarily excluded. The matter was reported in *Australian Communications* of October 1991. The heading is, "New South Wales Government Network - The Bids Are In (Again)". The subheading is "Many millions of dollars in lost savings poorer, the NSW is once again weighing up bids for its State-wide communications network". On 27th September, 1991, the Harvard graduate went to Melbourne to address management consultants. He was asked a question about the role of Telecom and how the New South Wales Government network would be organised. It is interesting to read the report in the *Australian Financial Review* of 10th October, 1991, by Joanne Gray. The heading is "Greiner decides to give new Telecom rival a head start". The article reads:

Despite a tender process under way for a New South Wales Government private telecommunications network, the Premier, Mr Greiner, says he is committed to supporting the new competitor to Telecom, to be chosen by the Federal Government.

In a recent speech in Melbourne to the Institute of Public Relations, Mr Greiner said that New South Wales had an obligation to help the competitor, to be named in a few months.

The New South Wales private network was "an opportunity for New South Wales to play a very important role in ensuring that the competition to Telecom gets to be viable as quickly as possible and as effectively as possible", he said.

That is a wink and a nod: "Okay, fellas, whoever gets the Federal Government guernsey as the second carrier has got the job in New South Wales". It is a fairly clear scenario: Telecom is out and the second carrier is in, and that is the way to run things. What has happened? The first press release to which I wish to refer is dated November 1989. The scenario opened when the Government came to office in 1988, four years ago. Before Telecom was excluded from the tendering process, it realised that the State Government was interested in setting up a private network. Telecom approached the Government and claimed it could organise what was virtually a private network within the Telecom system. While that was being investigated Telecom offered the Government a discount of \$20 million on its telephone bills across the State. That offer was made almost four years ago, so that is \$80 million. TelePower also has a case against the Government for costs incurred when it had the contract to investigate the private network. That is an additional \$10 million. At the moment New South Wales is no closer to a private

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network than it was four years ago. As I will indicate in a moment, New South Wales is actually further away from that network.

What is the present situation with regard to the second carrier? That contract has been let to a firm called Optus, which is now the official second carrier for telecommunications across Australia. What has Optus done? Having received the word that it would get the New South Wales contract, it has told the State Government it is no longer interested. It has pulled out of the contract. Telecom is out because the Government does not want it; Optus is out because it does not want to buy in. Who is

left? I suppose one could say it is the B team. One would not have too much confidence in the letting of this tender when the two major operators in the Commonwealth are no longer involved in the tender process. In his second reading speech the Minister said there would be a saving of about \$20 million a year on the operation of the private network, if it ever becomes operational. He said also that \$20 million would accrue to the State Government for the lease of infrastructure. Telecom and Optus will wish to use State Government facilities and the lease of those facilities will raise \$20 million a year for the State Government. On 29th November, 1991, Terry Winters, the Director of Optus Communications, wrote to Mr Gary Donald, the Director Telecommunications of the Commercial Services Group. Inter alia, Mr Winters said:

Optus will have the same powers as Telecom currently has to locate telecommunication facilities on property. Optus, like Telecom in the past, must compensate for any loss or damage caused, but Optus will not be required to pay commercial rent. Federal and State authorities are bound by the Act in the same way as private parties.

In another part of the letter, Mr Winters said:

As Optus has stressed during its negotiations with the Government -

That is the State Government:

- we would prefer not to rely on our statutory rights. This is particularly the case where Optus sees the opportunity to establish a wider mutually beneficial relationship. However, you will appreciate that Optus has little incentive to enter commercial arrangements where it would be making substantial payments over and above its statutory obligations.

Optus also believes that the overseas experience referred to by the Government representatives -

Your Government's representatives, Mr Acting-Speaker:

- is irrelevant to the Australian regulatory environment. New US and UK carriers did not have statutory rights of access to land, and could only obtain the necessary access through commercial purchase or lease on the open market.

I suggest that that makes the \$20 million a year look a little sick, with the New South Wales Government believing it could stand over Optus and charge some outrageous rent for facilities it believed should be available for Optus. It has been reported in the press that at some time in December the Federal Government wrote to the New South Wales Minister and pointed out that it appeared likely that the New South Wales Act was in contravention of Federal legislation. The Federal Government asked for an indication of what the State Government was all about. I understand the letter pointed out that there had been no formal negotiations with the Commonwealth about the New South Wales network and that the Federal Government would require some formal reply so it could review its own constitutional and legislative powers. As I understand it, to date that letter has not been answered. I foreshadowed this in a speech on 4th December. One certainly

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would not need to be Einstein to work out that any Federal Government would be concerned about what the State Government was trying to do. Over a long period of time the Federal Government had pursued a policy of introducing a competitor into the national communications network. Full consultation with the States had taken place. An Act was passed and a second carrier appointed. The State Government now wants to

set up its own network with a spaghetti land package deal to allegedly get all the property into one ownership, obviously to circumvent Federal legislation. [*Extension of time agreed to.*]

I foreshadowed this in my speech on 4th December but not because I have had any influence in regard to the matter. This letter reportedly came from the Federal Government querying the position of the State Government in regard to this particular Act. This Government, led by the great Harvard graduate, has set out to organise a State telecommunications system, to save \$20 million a year on its operation and to generate \$20 million a year through the leasing of infrastructure. The group which should be interested is the second carrier in competition with Telecom. Through inactivity, this State is \$90 million behind - an amount equal to that so far wasted on Eastern Creek. The \$20 million supposed to be generated from leasing equipment will not be available because Optus Communications quite rightly says, "We will use your facilities in accordance with the power given to us under Federal legislation, on the basis of actual cost. We will not be held hostage. We have statutory rights and we will use them". The Federal Government is saying, "It would appear that what you are doing is contrary to the Federal Act. The Federal Government has responsibility for the telecommunications system in Australia and no Federal Government will allow New South Wales to hijack the agenda and attempt to run what is a constitutional responsibility of the Federal Government". It is obvious that the whole strategy of the State Government is in a complete shambles. I am pleased to be able to say it now, because it is not obvious -

[*Interruption*]

They have said they do not understand me. I am pleased to be able to say it now so that Government members can all read it in *Hansard* and realise that I have told them what the real situation is; that their strategy is not worth a bumper and has cost this State \$90 million. I believe it is worthwhile to raise a matter of principle. It has application in other areas and it should be considered by members of the Government. I wrote to Mr Temby on 11th December about a speech in this House by the Chief Secretary and Minister for Administrative Services because she made reference to the fact that the Independent Commission Against Corruption had reviewed the tender process, including confidentiality requirements. I wrote that it would be easy to draw the inference that the complete content and associated procedures and processes had somehow been vetted by the ICAC when of course this could not be true. It would be advantageous for the Government members and the Minister to listen. I said there was no doubt that the organisation - that is the ICAC - would have no technical expertise and I believe it is wrong to make such a broad statement which can only compromise the integrity of the organisation. I received a letter from the ICAC advising that the Commercial Services Group had been requested to provide a reply on this. The reply from the Managing Director of the Commercial Services Group is rather interesting. The letter that accompanied it - written by Mr Temby - stated:

I think I can say with confidence that the commission's role has been misunderstood. I do not say that simply on the basis of the reaction of Mr Page and his reference to the matter in

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Parliament. In addition, a senior member of one of Sydney's large law firms made contact with me to query whether the commission was playing an extensive role, as has been reported to him.

Correspondence in regard to this matter is continuing. I wish to make the point with regard to the ICAC - and I believe that Mr Temby should advise Ministers of this Government in this regard: if the ICAC vets any processes in any legislation, it should

detail what actually has been vetted so that I and the senior members of legal firms referred to by Mr Temby are not misled into believing that, somehow or other, there has been extensive technical investigation by the Independent Commission Against Corruption that may undermine the great work of the ICAC when it investigates all sorts of problems in local councils on the North Coast and in other areas of State government operations.

Some accountants and economists are concerned about the direction of the finances of this Government. A decision has been made to sell off the GIO. The proceeds of sale will be used to make up the \$1.1 billion revenue shortfall. That might plug the hole this year but, on the basis that government budgets roll on from year to year, that \$1.1 billion deficit will still be there next year. Presumably the Government will attempt to sell the State Bank - for which, of course, it will not receive anything like \$1.1 million. After that there will not be much left to sell. The deficit will remain. It is a repeat of what happened in England where, after billions of dollars of asset sales, the budget is still in a mess and there are no replacement assets. If it was not so pathetic, it would be rather funny. For example, the Irish National Insurance Company was sold on the basis that governments should not have to run insurance companies. That insurance company was bought by a French insurance company - not a private company, but the French Nationalised Insurance Company. The Irish people, instead of insuring themselves with an Irish Government instrumentality, are insuring themselves with a French Government instrumentality.

When British Telecom was privatised the first thing it did was double the salaries of its executives. This Government did more than that with the salary of the chief executive of the State Bank. The salaries of senior executives in British Telecom were jacked up by a factor of two. It then restricted local call areas. People from outlying areas suddenly found they were paying STD rates for what they thought were local calls. It is ludicrous to compare local call rates in Britain to local call rates in New South Wales. A Sydney to Parramatta call is rated as local but in Britain a call over a distance from say, Macquarie Street to Ashfield and beyond would not be a local call. It would be regarded as an STD call. That was one of the disadvantages of privatising British Telecom. Some of Britain's water supplies have been sold to private French companies. The British now have dirty water. When I studied history at school, I learnt that one of the watershed in history was the provision of clean water. I read about pestilence, plague and disease in villages. In time it was discovered that if water supplies were clean, the incidence of disease was reduced. That was a leap forward for civilisation in Britain. But now, because of privatisation, Britain's water supply is dirty once again, yet Government members are saying that privatising these instrumentalities will benefit society. The basis of the privatisation campaign is to try to convince people that somehow it will benefit the community. In reality it is selling back to the community institutions it already owns. The aim is to sell them to groups which will not and cannot organise them officially. Profit pressure will ensure that services to the community will suffer greatly. It is a debate that I believe the Opposition will win handsomely, and when the election is held before the end of this year we will benefit.

Mr MORRIS (Blue Mountains) [9.42]: It gives me great pleasure to speak in the Address in Reply to Her Majesty's Speech. It was indeed a great pleasure for my
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wife, Annette, and me, as the member for Blue Mountains representing 39,600 constituents, to meet Her Majesty the Queen and His Royal Highness the Duke of Edinburgh. The occasion of Her Majesty's visit was a great triumph for the monarchy, which is certainly alive and well in this great country of ours. Our Prime Minister has shown his true colours. The difference between Mr Keating and Mr Hawke is great: Mr

Hawke is a statesman, the other gig is a barroom brawler. I welcomed the announcement by the Minister for Local Government and Minister for Cooperatives of a formal inquiry into the management and development activities of the Blue Mountains City Council. For almost a decade there have been allegations, claims and counter claims, and innuendos, which have resulted in a complete loss of faith in the council by ratepayers. These issues must be cleared up once and for all so that the council can get on with the job of local government without this cloud hanging over it. Though people are calling for the appointment of an administrator, I submit that as the current aldermen have been in office for a mere six months, they should be given a chance to prove themselves.

The people of the Blue Mountains are very hospitable. For about 20 years Mr Jack Spellacy, a 90-year old local resident, and Mr Bill Jensen, with the co-operation of the garden owners of Leura, have raised almost \$1 million for the local Blue Mountains District Anzac Memorial Hospital. I place on record thanks on behalf of the people of the Blue Mountains to the many garden lovers from all over Australia who visit our city for the garden festival in the spring. Last year more than \$150,000 was raised for a high dependency unit at the hospital. The festival attracts tourists from all over Australia and the world. This year people from Germany and America visited us. The festival boosts the local economy - as does the Fairmont Hotel, which, I am proud to report, won the most coveted award in Australia. The hotel is capably run by the manager, Ulrich Leinichen. Ulrich and his board of directors are most generous to the community. Blackheath is noted for the festival of longest standing in Australia, that is, the Rhododendron Festival. It was established long before the Jacaranda Festival at Grafton. This will be the festival's fortieth year. My predecessor, Harold Coates, assisted in obtaining the land for our beautiful rhododendron garden. The celebrations continue for a fortnight. There are church services and, of course, the rhododendron ball, which was attended by 2,800 people. Last year my wife and I had the pleasure of being presented to more than 40 young debutantes at that ball.

This year CityRail will spend about \$30 million on upgrading the rail track with the provision of concrete sleepers from Linden to the city. Stations will be upgraded, painted and refurbished. Automatic ticketing machines will be installed. The existing car parks will have lights installed. At present we are in the throes of building a \$2 million 100-car space parking facility at Springwood. The construction of the car park has created many jobs. The antiquated signalling system which causes many problems in wet weather, is to be renewed. This new signalling system should ensure that travelling time from the mountains to the city is cut by 14 minutes. I commend the Minister for Transport and his staff for the formation of CityRail. It is doing a great job. I pay tribute to the commuters who have been put to considerable inconvenience by the timetabling, the buses, the upgrading, and the lifting of the track. That inconvenience is almost at an end.

When this Government came to office the Woodford bends had been on the waiting list for repair for eight years. Through the imposition of the 3 x 3 petrol levy, the Deputy Premier, Minister for Public Works and Minister for Roads has been able to allocate \$28 million over a three-year period towards this project. The works are proceeding on schedule. The project is one of the great wonders of engineering. One
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of the fills is the highest in Australia and was constructed by the Roads and Traffic Authority using a new technique. An amount of \$10 million was allocated to seal the backlog of dirt roads in my electorate. When this Government came to office there were more than 400 dirt roads in my electorate. More than \$5 million of that allocation has been spent sealing the roads and the works are on schedule.

I was very proud when the Deputy Premier, Minister for Public Works and Minister for Roads visited my electorate and launched a highway plan of management - a first for New South Wales. There was public input and the Roads and Traffic Authority held more than eight meetings that were attended by up to 700 people. As a result a document has been prepared which details the proposed works for the highway in the next few years. A senior officer of the Roads and Traffic Authority suggested that much more money will be spent over the next 10 years. Building roads through the Blue Mountains is a difficult task. They extend from Penrith, which is 54 feet above sea level, to Mount Boyce, which is almost 4,000 feet above sea level. It costs about \$15,000 a kilometre to build roads through our mountainous terrain. I commend the Roads and Traffic Authority for the work it is doing in conjunction with those representing environmental interests. The Woodford bends will be a model for engineers to follow. Since the coalition came to office \$750,000 has been spent on the maternity unit of the Blue Mountains District Anzac Memorial Hospital. When we came to office, women of the district had to go elsewhere for maternity services. Services were an absolute disgrace. Of the order of 40 babies a year were were born in that hospital. Dr Laurie Bouchelle, the leading gynaecologist at that hospital, informs me that this year more than 440 babies have been born in the hospital.

Mr Schipp: It must be the cold winters.

Mr MORRIS: It must be. The maternity unit has been named the Marie Jensen Ward, after Bill Jensen's wife. She has done a tremendous amount of work over the past 30 years for the hospital. The high dependency unit, which cost \$650,000, and was opened by the Premier, has saved the lives of many people. I have received a thank you letter from a great Labor man, the Hon. Jim McClelland, who now lives in that area in retirement. When he suffered a heart attack he was taken to the hospital. He was very grateful that that facility was near to where he lives. We built an area health centre at Katoomba. It was opened by the Attorney General, Minister for Consumer Affairs and Minister for Arts. A lot of work has gone on into that building. A tremendous amount of money has been spent at Springwood on a smaller hospital. An ophthalmic surgery and a dental clinic have been provided at a cost of \$58,000. The kitchen facilities have been upgraded at a further cost of \$58,000. At this kitchen meals-on-wheels are prepared for the elderly in the lower mountains.

Capital works in education in the Blue Mountains is mind boggling. We have built a school hall at Hazelbrook at a cost of \$885,000. This school hall is located at the biggest primary school in the mountains. It is a magnificent building for that area, which has a population of 12,000. A school has been built and opened at Lawson. A school at Wentworth Falls is almost completed at a cost of \$3.5 million. It has a new hall also. A special education unit has also been built at North Katoomba. A special education unit has been built at Lawson at a cost of almost \$1 million. A new roof has been put on the Katoomba High School at a cost of almost \$1 million using a material called Spantec - a new-age technology material produced by a Brisbane firm. The new roof is a great achievement. Because of the frequent snows in the Blue Mountains we have had a lot of trouble with the roof over many years.

The Minister has just announced that three new schools halls will be built. One Page 1516 will be built at Blackheath - it was promised by the previous Government but never built. One will be built at North Katoomba, which is a very fast growing area. Many young people with families live there. It can be very cold in the mountains. According to the weather bureau, the area experiences icy winds and cold weather for 288 days of the year. Those involved in these projects have gone to Treasury for funding. There is also a plan

to build a technical and further education college at a cost of \$11 million. Land at Wentworth Falls has been purchased by the Minister for Industrial Relations and Minister for Further Education, Training and Employment at a cost of a little over \$1 million. The college will be ideally located near the Blue Mountains Grammar School. That will be a great teaching facility for the people of the Blue Mountains for years to come.

On law and order, at Katoomba a new police station has been built at a cost of \$4.3 million. It has almost a full complement of police - 60 officers. We have a licensing sergeant, a traffic patrol, quite a few detectives and a very good patrol commander, David Hinds. Not too much goes on in our district that David does not know about. We also have a very good patrol commander at Springwood, Mick Morton. Springwood has 60 police and two highway patrol cars. Thanks to the Deputy Premier, Minister for Public Works and Minister for Roads, this year we have had the lowest road toll in the mountains in recorded history. The Minister has seen fit to trial new approaches in the area. Last year only six people were killed. Many lives have been saved. The strength of the police force has been increased, with beat police having built up public relations, especially with the business community, and this is so important.

Tourism is the main industry of the upper mountains. It is a very picturesque area, as most honourable members know. The Minister for State Development and Minister for Tourism has seen fit to give \$25,000 to the local council on a dollar-for-dollar basis towards a drawing up of a plan of management. Last Friday I had the pleasure of going to the soft opening of the new hotel, Lillianfels, which was built in the Echo Point precinct at a cost of \$54 million. It is a five-star hotel with 80 rooms. It is managed by Ulrich Renner. It has created some 200 jobs for local people. Jobs, jobs, jobs! I feel very proud about the hotel because I, along with the former mayor, Ralph Williams, did a lot behind the scenes to help this project.

On the environment, my colleague the Minister for Housing came to the mountains for the launching of the second stage of the building of the sewerage tunnel, for which a new machine was brought out from the Andes in South America. The Minister and I had the pleasure of putting on hard hats to launch this machine into the great mountain. I am told by engineers that the sewerage tunnel will be the equivalent of one of the seven wonders of the world. We have not seen anything like this since the Snowy Mountain scheme. The project is well ahead of schedule. The Minister is almost ready to invite official tenders for the next stage, the final stage, which will link the sewerage tunnel to North Katoomba. I hope the Minister for Housing, some time in the winter months, will make this announcement. We are elated with the work that this machine is doing. It will put some 10 to 12 old treatment plants out of action and take sewage to Winmalee, where there is a state-of-the-art treatment plant. Water will be returned to creeks and rivers in pristine quality.

The building of the sewerage tunnel has created much work for local trucks which cart the pumice away. The pumice has been bought by the local council for fill for roadworks. It costs \$30 for a metre of fill to be transported to the mountains from the Nepean, Penrith or Lithgow. There are no quarries in the mountains, as they have all been closed. The Reid's Creek Dam supplies the upper mountain areas of Medlow

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Bath, Blackheath and Mount Victoria. A \$3 million filtration plant was designed and built there. The old water mains have been relined, and many of them have been renewed. A new reservoir has been built and some reservoirs have been roofed. This has involved a tremendous amount of work; \$154 million has been spent over five years. This year's expenditure will be \$43.5 million. I thank the Minister for Housing and the Water Board for their support. When I was running for office, the Minister for Housing

came to my electorate and worked very hard. I am very grateful for that. Under the Minister for the Environment the Blue Mountains National Park has been extended, and tracks and facilities have been upgraded. [*Extension of time agreed to.*]

I think the Minister for the Environment will be visiting the Blue Mountains very soon. Some of the works of great world artist Reiner Schuester that are now housed at the Fairmont will be housed in the newly completed Conservation Hut. That will be a real attraction for people visiting the mountains and is a wonderful achievement by the Government. Wentworth Falls Lake was built 80 to 90 years ago to fill the steamers that used to haul freight trains and passenger trains over the mountains. The lake was handed over to the Blue Mountains City Council. The lake was formed by an earth and clay dam that had been put in probably using horses and drays and men with picks and shovels. The lake had a bad core and the council saw fit to have a test done on it because their insurance company would not cover it: many houses are downstream and there was concern about that. I made representations to the Premier, who gave us about \$300,000 on a dollar-for-dollar basis with the council, to have the dam wall repaired. The lake is a tremendous aquatic area and an attraction for tourists.

I had the pleasure of attending the Australia Day naturalisation ceremony and saw 200 or 300 people take the oath to become citizens of our great country. Trout have been put into Wentworth Falls Lake. It is a wonderful boating area and children play there. We have also received \$50,000 from the Minister for Planning and Minister for Energy to put a walkway around the lake, and it is a very pretty area. Other Government achievements include the Lawson Community Hall and the mid-Mountains out-of-school-hours care facility. The Winmalee Community Hall and Blaxland Community Centre have each received \$150,000 on a dollar-for-dollar basis with the council. The mountains community transport has a new station wagon. More than \$1 million is granted annually to community services groups. We have received more than \$20,000 from the Government's recession package for grants to community groups assisting the needy. The Katoomba Family Support Service received an additional \$10,000; \$3,000 was granted to the St Vincent de Paul Society at Springwood; and \$6,000 was granted to the Springwood Neighbourhood Centre.

The Minister for Sport, Recreation and Racing and Minister Assisting the Premier has made sport and recreation grants. We have been able to help a number of groups in the mountains including the Lawson BMX club. I had great pleasure as patron of that club to see 400 to 500 children having a great time, assisted by the money we were able to grant that club. We have been able to help the Wentworth Falls tennis club by upgrading its facilities. The Mount Victoria Tennis Club and the Blue Mountains Pistol Club have also been assisted. The pistol club is a strong club and many police come from all over the area to keep up their pistol practice. The Lawson Tennis Club has also been assisted. At Hartley, where I live, within the greater Lithgow city area, more than \$1 million has been spent on upgrading the Cox's River road and other roads leading to the great farming areas in the Kanimbla Valley. The Deputy Premier, Minister for Public Works and Minister for Roads gave us money to rebuild a major bridge that had been washed away. That construction cost about \$650,000. The bridge is now in use for those farmers who formerly had to go the long way around, probably 30 or 40 miles, to bring their produce to markets.

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The mountains area is one of the prettiest in the world. The Government has been very mindful of the environment in the Blue Mountains. Government policy is to improve roads and rail services and to do many other things such as upgrading the

sewerage tunnel. The mountains are going ahead. Recently I had the pleasure of addressing a group of real estate agents who reported a record month for sales in the mountains. A small agency, run by a man and his wife, was writing about \$76,000 worth of commission per month. Property values in the mountains, as roads and train services improve, will leap ahead as they did in the Gosford area. Many people living in the mountains have many differing views. I guess that is what life is all about and it makes the world go round. Some people argue that the best course is to close up the mountains and not do anything at all. I do not agree with that view. I believe that we are all deeply aware of the environment but are driven by market signals. Other people, those called the Johnnies-come-lately, who have only been around for five or six years, want to reinvent the wheel and put new spokes in it. In 1952, just after the war years, we could sell 6,800 bed-nights in the mountains. On any one night, in those years, 6,800 beds were on the market. Now in the Blue Mountains area only 1,700 bed-nights are available. The mountains are advancing on the long journey to their former status.

I support the Eastern Creek Raceway. Special family packages have been arranged for people attending the 1992 Australian Motor Cycle Grand Prix. Because of present difficult financial times the Government has decided to provide special admission prices for families. General admission prices have been reduced by up to 50 per cent. Special concessions will apply for children and pensioners. Last year an adult with two children over four years old paid \$90 to attend the final day of the grand prix. This year cost will be about \$50. The grand prix will be the highlight of a very successful year for the Eastern Creek circuit. Members opposite do not understand the damage they do to themselves when they kick the Eastern Creek Raceway. Many people from across the spectrum go there for the racing. It is a great venue and has a great future. The raceway has been operating profitably since the Government took control in October last year. In the past three months more than 100,000 people have passed through the gates. The circuit is heavily booked until June for testing, practice motor cycle, car and drag racing events.

The Eastern Creek Raceway is already justifying the Government's confidence and is a valuable recreational asset to the people of the Blue Mountains and western Sydney. The raceway is already creating employment and attracting visitors and businesses to the area. I conclude my contribution by saying that I believe we are in very good hands with Nick Greiner and Wal Murray. They have been very generous to me and my constituents in the Blue Mountains. I know their leadership has changed direction from the buoyant times of the 1980s to the more sedate times of the 1990s. With that has come changes in our ethos and culture. But if we get Bob motorbike and his crew we will return to the 1950s. We will slip back 50 years. The choice is: Bob motorbike and his lies or Nick Greiner and his credibility.

Mr J. H. MURRAY (Drummoyne) [10.09]: Before coming in to the Chamber I read the Premier's Address-in-Reply speech. I was disturbed by the hide and gall of the Premier laying claim to such measures as constraints of budget expenditure and better efficiency within the Government. Reading the Premier's speech reminded me of the time Margaret Thatcher went to her doctor complaining of insomnia saying, "No matter what I do, I just cannot get to sleep at night". The doctor said, "Have you tried reading one of your speeches". I must say that the same thought impacted on me as I was reading the Premier's speech. But luckily at this time of night I have woken up and I am well able to get into the Government. I wish to read a small extract from the Premier's speech:

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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 . . . While the budget outlook for 1991-92 is completely on target on the expenditure side, as the House knows, revenues have collapsed . . .

Revenue this year is expected to be \$300 million less than was projected. In the next 20 minutes I will prove that we cannot believe one word that the Premier has said in this House. He made those utterances only last Thursday night. He said:

As the House knows, two international credit rating agencies, Moody's and Standard and Poors, have recently confirmed this State's triple-A rating.

I think that will be a short-term statement. I refer to the Government's financial performance. I have a government document put out by the Treasury. It outlines the public sector liabilities of New South Wales. There are two tables - 1987-88 and 1990-91 which show the amounts in millions of dollars. Total liabilities in 1990-91 are \$51.1 billion. The Premier has told us that he has been able to constrain expenditure and liabilities. When he became Premier, the figure was \$47 billion. He has told us that he has constrained these expenditures, yet this government document says they have gone up close to \$5 billion, an increase of 10 per cent. The bottom line is a 10 per cent growth in government expenditure. This document was put out by Don Nicholls of the Treasury. These figures have been calculated in 1990-91 dollars, not 1987-88 dollars. It would be even more if it were calculated in 1987-88 dollars. We have the first cap on this Premier coming into the House and telling us that he is an economic manager. He is a dud. He is no better than Woolcott Forbes when it comes to the bottom line.

We can go one step further and look at the New South Wales monthly financial statement for the public sector for 1st July to January 1992. On one side of those figures there is the Budget. The Government has not looked at this. It should listen because this will determine whether it is re-elected. When Government members walk out of this House their jaws will be down around their chastity belts. The bottom line says that there will be a Budget surplus of \$661 million. Let us look at the first seven months. I refer to the receipts side. The receipts side shows the major component - that is, taxes, fees and fines - and that the actuals are \$4.6 billion, whereas the Budget estimate is \$8.8 billion. There is a shortfall. The actuals for that seven months should not be \$4.6 billion but \$5.1 billion. The total receipts on the current account should be \$16.2 billion. The answer is \$8.3 billion. I am glad to see the honourable member for Strathfield understands what I am talking about. He knows what impact this will have on the nervous nellys. The figure should be \$9.4 billion. In other words, this figure shows that at this stage there will be a \$1 billion deficit in the current accounts. The Minister for Housing should listen to this because he will not have the money. These are lumpy figures because land tax previously came in under one system and now there are quarterly payments for land tax. That will make some sort of a difference.

It is \$1 billion, but I will cut that back to half a billion dollars. The Treasury document says that it is \$1 billion. If we look at the total - the capital and current combined - we have an estimated deficit of \$1.08 billion. These are published figures. After seven months, we have a \$1.3 billion deficit. The Government estimates are \$1.08 billion. I am not saying who is to blame; I am telling the Government the difficulties it will face and the difficulties that the Government, the economic managers, has got the State into. The key is that there is another figure of \$1.75 billion, which is the return on the GIO. I will walk through this House with my pants off if the Government gets

\$1.75 billion in the Treasury coffers before 30th June. That is how confident I am. More importantly, that is the most rubbery figure that has ever been produced in this Parliament. It is a rubbery figure because it includes - the honourable member for Strathfield might know - tax credits and reimbursements from the Federal Government.

Mr Schipp: That is right.

Mr J. H. MURRAY: I am glad the Minister knows that. The Prime Minister of Australia will not give the New South Wales Government a cent out of his Budget before 30th June. There is no way that the Federal Government - whether it is a Labor government or Liberal government - facing the deficit that it is, will come up with tax credits for this Government's slippery Treasury in order for it to balance its Budget. There is no way that will happen. The second ingredient is that the Government will not sell the GIO before 30th June. The Government knows that. I confess that I have never bought a share in my life. I know very little about shares, but I have a lot of friends who know all about shares.

Mr Jeffery: Are you going to buy some shares in GIO?

Mr J. H. MURRAY: No, that is not the question. There is no way that the Minister for Sport, Recreation and Racing and Minister Assisting the Premier or any whiz-bang merchant banker will be able to stitch the deal together to sell the GIO before 30th June. With respect to the North Coast, the South Coast and Wagga Wagga, the Government is looking at a budget deficit. I have backed a winner on this one. This State will face a budget deficit of about \$2 billion on 30th June - in a Budget of \$18 billion. The real problem is that Labor might be in government by then. Having looked at those figures, I will go grey between now and 30th June worrying about the future of this State, because of the incompetence and ineptitude of the Premier. When we asked him a question in December about how the \$660 million surplus would stand up he said that it would be perfect, no problem. A week after The Entrance by-election he came into the House and said: "I am sorry. I made a mistake. We are going to be \$300 million worse off than I thought we would be". On Thursday he did not say that we would be \$300 million worse off; he said we would be more than \$300 million worse off. If \$1.7 billion is added to \$300 million the result is \$2 billion. We will be something like half a billion worse off and if the GIO is not sold the deficit will be \$2 billion. The Government will have to face the biggest deficit in the history of this State other than in 1932.

We have seen the experts try to sell the Commonwealth Bank. It took six months to achieve a partial sale of the Commonwealth Bank. The best brains in Australia were devoted to a partial float of the Commonwealth Bank. The Government is going to try to sell the GIO in two and a half months. There is no hope of doing that. Part of the three-year strategy is this year to sell the GIO and next year to sell the State Bank for \$800 million. The best fire sale price is \$350 million. No government could sell the State Bank for \$350 million. John O'Neill, the Manager of the State Bank, has said: "I capitulate. We are not going to sell it". Therefore, next year the cumulative debt will not be reduced by the sale of another asset. I hope that when we assume government in the next three or four months something will save us from the horrendous debt that we will be burdened with. I can see why the Ministers have dropped their bundle and are not performing. They do not want to be saddled with the difficulty. If we as members of a State Parliament do not do something other than debate a few matters of public importance, such as we have been doing, and do not tackle the problem, our children will bear the consequences. [*Extension of time agreed to.*]

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I turn to unemployment in this State. The other day the Premier gave us a homily in this House about how well New South Wales is performing in terms of employment. An Opposition member, Grant McBride, the newly elected member for The Entrance, has been out knocking on doors. In his maiden speech he told this House how difficult the employment situation is. The Premier glossed over the problem; he did not bring to the attention of the House that since May last year 45 per cent of the increase in unemployment in Australia occurred in New South Wales.

Mr Jeffery: Keating's curse.

Mr J. H. MURRAY: This is for the whole of Australia, nothing to do with the Federal Government.

Mr Schipp: Bankstown had the highest.

Mr J. H. MURRAY: No, that is wrong. There was a slight increase in female unemployment. Male unemployment is increasing. The only reason the employment figure has not blown out as much as it might have is that female unemployment has risen more in this State than in any other State. I cannot give a reason for that. In the 12 months between February 1991 and February 1992, 30,000 people lost their jobs in New South Wales - a change of 1.99 per cent. The figure for unemployed people went from 131,000 to 170,000, an increase of 39,000 - an increase of 29.5 per cent in the past 12 months. The participation rate - this is the key element - in New South Wales went down 10 per cent. That is a large figure in anybody's terms. The Premier talked about youth unemployment for one month. The underlying trend from month to month is that unemployment is increasing more in this State than in any other State. I do not gloat over that; I am just bringing it to the attention of the House because it is causing difficulties throughout the State. The Minister asked about certain places. I represent an inner city area. The unemployment rate in the past three years in the inner city was 6.9 per cent. For the past 12 months it has been 8.5 per cent. For the past three months it has been 9.3 per cent.

Mr Schipp: Pretty good.

Mr J. H. MURRAY: As the Minister said, those figures are not bad.

Mr Schipp: The unemployment rate in my electorate is 24 per cent.

Mr J. H. MURRAY: Yes, but in places such as Fairfield and Liverpool the present rate is 17.6 per cent.

Mr Jeffery: That is the average of the other Labor States.

Mr J. H. MURRAY: No, it is not. Their rate is 10.7 per cent. In the Newcastle area the rate is 13.3 per cent. In Wollongong and the Illawarra region the rate is 16.5 per cent and 16.8 per cent respectively. In the Richmond-Tweed-mid North Coast area the rate is 14.9 per cent. Those figures will be of interest to members representing country electorates. They are unacceptable and the Government must do something about them. The figure for Fairfield represents 22,600 people. The figure for Wollongong represents 19,500 people. That is a lot of people. I have quoted those figures to show -

Mr Jeffery: To embarrass Keating.

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Mr J. H. MURRAY: No. I have not heard any initiative from this Government

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Mr Schipp: The honourable member has not put forward anything positive.

Mr J. H. MURRAY: That is not so. I have announced three or four schemes which will change those figures considerably when the Opposition wins government. The Government does not have the guts to put forward initiatives because it is not interested. The Minister for Industrial Relations and Minister for Further Education, Training and Employment is determined to change industrial structures and spend all his time on industrial relations, but the big problem in this State is unemployment. Honourable members never hear a statement about unemployment. I correct myself. Yesterday we heard statements from two Ministers who wanted to tell about what they will do about unemployment in the Hunter Valley. I do not want to be too cynical but there could be a by-election quite soon in the Hunter Valley. Obviously the Premier has said, "Give me a glossy answer about what we can do about unemployment in the Hunter Valley". Apart from those two statements, the Government has said nothing about the most important and debilitating problem facing every government in Australia. Governments in other States are doing something about it. This Government does not have one idea or scheme, despite the demonstration in Macquarie Street.

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

Mr J. H. MURRAY: Later I will have something to say about the 6,000 jobs in the southeast forests that will be of interest to the honourable member for Bega. The figure is nothing like that. I turn to the electorate of Drummoyne. I draw the attention of the House to the interest in education shown by this Government. I want to tell honourable members what the Government has done to Drummoyne Boys High School. That school was one of the great traditional schools of the State, but about two years ago it was closed by the State Government.

Mr Hartcher: Hear! Hear!

Mr J. H. MURRAY: The people of Drummoyne do not say, "Hear! Hear!". The school was closed on the assumption that there was no demand for it. New South Wales had to have an asset sale of prime real estate in the centre of Drummoyne, a wealthy area. That school now lies dormant. It has barbed wire around it and a little graffiti. It has not been sold or utilised. It is worth millions of dollars. If the Government closed the school, the least it could have done was sell it and reallocate the proceeds to needy areas.

Mr Schipp: To the west.

Mr J. H. MURRAY: But the Government did not do that. It is all rhetoric. The head office of the Department of School Education is vacant. For the past three years the Government has paid \$1.2 million a year rent for a head office in the city and the former head office remains vacant. It is all rhetoric. Assets are sold off and the proceeds allocated somewhere else. The students of Drummoyne now have to travel for

up to three-quarters of an hour on three or four different buses. They cannot attend the closest school, Concord high school, because there are insufficient places. They have to attend schools outside their district to obtain an education. Drummoyne Boys High School remains vacant. I mention this matter because it is a classic example of
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consultants and theorists getting into the ear of the Ministers. The Ministers say: "That sounds like a wonderful scheme. We have public servants with years of service and great knowledge. We will not listen to them, but we will pay some blow-in \$120,000 a year. We will listen to that person". The schemes have all fallen flat. Decisions such as that impinge on the future of the people of New South Wales. I should like to draw the attention of the House to a matter about which I have received a great number of representations. I refer to land tax. Land tax is still one of the major issues in the community. It is a sleeper, but it is a problem.

Mr Schipp: What did you say about it when you were in government?

Mr J. H. MURRAY: We did not charge the amount of land tax the Government now charges. We did not have the system the Government has.

Mr Schipp: It is the same formula.

Mr J. H. MURRAY: As a State member, I did not receive the same number of representations about land tax as I receive now. Large numbers of people invested in properties rather than in superannuation policies. I refer especially, as the honourable member for Strathfield would know, to people who come from Mediterranean areas. They buy property and they are now being hit hard. They are not sponging on the community; they are bleeding. The Government's land tax is based on the market-value of properties two years ago. Those properties are now worth 50 per cent less than they were two years ago.

Mr Schipp: Because of Keating.

Mr J. H. MURRAY: That is what the Government is doing. Land tax should be based on the present value, but that is not what the Government is doing. [*Time expired.*]

Debate adjourned on motion by Mr Jeffery.

House adjourned at 10.39 p.m.
