LEGISLATIVE ASSEMBLY

Thursday, 30th April, 1992

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

Mr Speaker offered the Prayer.

CO-OPERATIVES BILL

Second Reading

Debate resumed from 9th April.

Mr AMERY (Mount Druitt) [9.31]: I lead for the Opposition in this debate. The Minister took two hours and 10 minutes to deliver his second reading speech. Despite that, the Opposition will still be supporting the bill. The comprehensive second reading speech leaves little to say about the actual provisions of the bill, but it should be placed on record that it is worthwhile legislation. This first comprehensive review of the Co-operatives Act 1923 provides for co-operatives to operate in more autonomous fashion. The bill addresses the Co-operatives Act by introducing amending laws relating to co-operatives referred to in this legislation and by dividing many co-operatives from the original Act. The Co-operatives Act was introduced in 1923 to assist the development of co-operatives in New South Wales. The Minister made reference in his two second reading speeches - the first in 1991 when he introduced this bill as an exposure draft and the second in 1992 when he introduced the bill before the House - to the comments made in 1923 when the then Minister introduced the original bill. That original bill was considered by the Minister as the most important bill to have come before the House. The Minister said, at that time, that the legislation "possessed the capacity to transfer society fundamentally". Those were fairly strong - perhaps even hopeful - words.

This bill will continue to assist in the development of co-operatives as well as provide optimism for the future of co-operatives in this State. The Minister, in his second reading speech, referred to the fact that co-operatives contribute substantially to the New South Wales economy. While doing some research on the bill - other than the second reading speech - I referred to a booklet put out by the New South Wales Ministerial Council on Future Directions for Co-operatives entitled, "The Co-operative Sector in the New South Wales Economy", prepared by Keith Windshuttle, which refers to statistics in the period 1977 to 1978. That booklet refers to the substantial involvement of co-operatives in New South Wales. Even then it was obvious that co-operatives played a major part in the economy of this State. I wish to refer to that booklet and to refer to a few statistics. The foreword in that booklet states, in part:

> Once co-operatives are looked at as a whole it becomes clear that they constitute a major economic force. They dominate several of the main growth areas of primary production. They are important in the food and agricultural processing industries and they are major players in the finance industry. They

deserve to be recognised after the private sector and the public sector as the third sector in the State economy.

Honourable members know of the very strong involvement of co-operatives in New South Wales agriculture, fishing, sugar, fruit and vegetables, egg production and so on - and, as some of my National Party colleagues remind me, the dairy industry. The Co-

operatives Bill will aid in the creation of opportunities for increased value added production for co-operatives, and also will increase opportunities for international co-operative trade between States and with other Asian-Pacific co-operatives. In that regard I pay tribute to the Ministers who hosted a dinner for many overseas co-operatives representatives and paid me the courtesy of an introduction to officials from co-operatives similar to those I mentioned earlier, but also in other industries such as rubber plantations. Other benefits which the bill will provide include flexible and efficient business operations that will protect the rights and interests of co-operative members. The bill will also allow for accommodation of interstate and intrastate mergers of co-operatives and will provide for appropriate accountability and reporting requirements of those co-operatives.

The bill will modernise the Act by removing certain co-operative societies from the provisions of the Act, but will continue provisions to regulate co-operatives and to enhance the growth of similar societies. I am concerned whether, with the division on the Co-operatives Act into two areas, there will be, in the near future, a review of the existing 1923 Act as it will apply to the co-operatives not affected by this bill. That is something I would ask the Minister to respond to in his reply. In accordance with the 1923 Act, the bill will allow for co-operative housing societies, Starr Bowkett societies, non-terminating building societies and several other existing societies to be maintained. I ask the Minister to outline to the House whether there will be a review and a bringing into line of that older Act with those types of societies, financial societies and so on. Will similar provisions apply to those laws?

In short, the bill will provide for the further development, strengthening and expansion of the co-operative movement applicable to the Act. Currently the Co-operatives Act covers co-operatives such as rural co-operatives, formed primarily to dispose of agricultural products; trading co-operatives, formed to carry on commercial trade or business; community co-operatives, formed to provide any type of useful community service or facility; housing societies, formed to provide loans via institutional sources for members to acquire houses; and building societies, which accept investment moneys from members and make mortgage loans to members. The development of new co-operatives is an important factor in this bill with, I believe the Minister said in his second reading speech, an increase of 10 per cent over the previous year. Twenty-five new co-operatives were formed and registered, including significant operations in fishing, seed production, housing and general community advancement co-operatives. It is expected that this bill will aid in exceeding that figure in the coming year. It is significant to have regard to those primary industry co-operatives which this bill will address. I referred earlier to a booklet distributed by the ministerial council some years ago. That outlines the magnitude of the agricultural co-operatives operating in this State. For example, under the heading "Fishing" it says:

> Co-operatives dominate the fishing industry in New South Wales. Fishing vessels are operated mainly by their individual owners but the 24 co-operatives, formed in the State by these fishermen, undertake the handling of fish after its landing, and its transport to market.

The booklet went on to say that the gross annual revenue of New South Wales fishing co-operatives in 1987 was $61,925 million, which represented about 80 per cent of the total annual value of the production of fish in New South Wales, and also highlighted fruit and vegetable production. The author was hopeful for the future of co-operatives in the fruit and vegetable industry. He said that prospects in the horticultural industry are the most promising since the 1960s. Horticultural exports increased by 37 per cent in 1986 as $154 million worth of fruit and vegetables were exported to South-east Asia and North

America. The rice industry, which is so important to New South Wales and of interest to many of our National Party colleagues, is dominated by the co-operative system. Responsibility for the milling and marketing of rice in New South Wales lies entirely in the hands of the co-operative sector. Its value to the economy is deserving of mention. The book revealed that the value of rice crops fell in 1985-86 to $77.5 million - a bad year. That was down from $133.1 million in 1980-81.

The rice industry is seasonal, depending on the recession and droughts. Co-operatives dominate the sugar industry, which is a particularly interesting subject for our Federal National Party colleagues. In the mid-1980s the sugar cane industry had a value of $23.2 million, but as the years went on that figure became substantially higher. New South Wales accounted for 77 per cent of Australia's cotton output, the main cotton growing region being the northern plains area along the Namoi, Gwydir, Macintyre, Barwon and Macquarie rivers. The mid-1980 figures show that total sales revenue of the Namoi Co-operative alone was $246.2 million. That proves that co-operatives are not just small business by any stretch of the imagination. Co-operatives are common in beef, veal, lamb and pork production, various secondary industries, the processed food market, printing, sawmilling, rice milling, tertiary industries, and even insurance. They play an ever increasing role in the State's economy. Therefore, the Opposition is more than pleased to support the Government's initiative on this bill.

The Minister in his second reading speech said that new co-operatives are always being formed and increased by 10 per cent last year. I hope they increase at a similar rate in the future. I have had a personal involvement with a co-operative. Along with the Chief Secretary and Minister for Administrative Services, I was invited to celebrate its first year of operation of a recently formed co-operative in the outer western suburbs of Sydney, Abrasiflex Workers Co-operative. That co-operative has operated successfully for the past 12 months. Prior to the workers forming the co-operative in 1991, the company was doomed to become yet another statistic of these hard economic times. The business faced the threat of being shut down and the workers becoming unemployed. The employees of Abrasiflex banded together, purchased shares, borrowed money using personal assets as security, pledged all provisions of employee entitlements, donated a percentage of their weekly wage to meet loan commitments, and signed personal guarantees against the loan. In other words, the workers put everything they had on the line. It paid off.

Some of the goals set by the Abrasiflex Workers Co-operative, such as the ability to maintain employment of all its members, to maintain a high quality of product and service and to expand its manufacturing capabilities to produce more of the product currently being imported into Australia, have been achieved. I was especially interested to learn that the company had been going to the wall and definitely would have been shut down as a result of a takeover by a larger corporation. It was a non-productive subsidiary of a much larger operation and was to be one of the casualties of a transfer until the workers decided that job protection was paramount and they were going to take action.

Contrary to the view of governments and of this Government in particular on the role of the union movement in various operations, when this company became a co-operative the employees - now part owners - decided to continue their strong involvement with the National Union of Workers. Officials such as Lance Jamieson and Graham Smith attended this function. They were pleased to be able to assist the workers in their transition from employee-related involvement to owner-related involvement. I was surprised to see a long-time friend of mine at the function, Basil Foley. I was aware that

he worked for a company somewhere in western Sydney but I was surprised to learn that he was a proud part-owner of this company. The pride that he showed in that venture was fundamental to the principles of the co-operative system. Abrasiflex Workers Co-operative is a success story of Australian ingenuity, determination and hard work by people determined to keep their jobs. These factors, combined with good co-operative legislation, have made the operation stronger and more viable than ever. Abrasiflex is a young co-operative but is not merely a one-off success story. The pride of the people involved in the company is obvious. In one of the most severe recessions this country has experienced the company has gone forward and has improved its situation. It is doing well. The common thread among many co-operatives appears to be that they are faring much better than their big business counterparts.

The Curlewis Farmers Co-operative at Gunnedah has been in operation for the past 55 years. It was suggested that I should speak to that organisation to get an on-the-ground view of any concerns that co-operartive may have with the legislation. Last financial year the Curlewis Farmers Co-operative made a net profit of more than $150,000. More importantly, all the staff had the opportunity to undergo intensive training courses, which was beneficial to the individuals as well as to the co-operative. The co-operative sector in this State is flourishing, as these examples show. General co-operatives in this State have assets of more than $1.2 billion, with an annual turnover of more than $2.2 billion with more than 800,000 members. Co-operatives contribute significantly towards the overall development of the economic and social welfare of New South Wales. The first paragraph of an article that appeared in a Gunnedah newspaper says it all:

> Against the background of recession, the worst in 60 years, Gunnedah's department store, the Curlewis Farmers' Co-operative, has announced a record pre-tax profit of $270,513.

That is a different year to the one to which I referred. That would not be considered big money in the wider corporate sector but it is certainly something that should be recognised in this House. I am more than pleased to have been able to make some mention of the involvement of the Curlewis Farmers Co-operative. The other matter relating to co-operatives that I have not mentioned is the move to save the Government from what I consider to be a blunder. One of the Government's irresponsible financial decisions since it came to office was to spend approximately $62 million to buy the silence of egg producers in New South Wales to enable the Government to deregulate the egg industry. When speaking to legislation to deregulate that industry I expressed concern that that measure could result in monopoly control of the egg industry. The former Egg Corporation, being in effect a government run co-operative, the danger of monopoly control through regulation was very real. The Government spent $62 million to buy the silence of the producers. However, the producers recognised the danger of monopoly control of their industry and, acting responsibly, banded together to form a co-operative. By doing so they maintained the diversification of ownership of that industry. Although

that co-operative is in the early years, I hope it is successful. The Government's irresponsible financial decision to which I have referred was saved by the co-operative system in this State. I wish the egg industry co-operative success in the future.

The Minister for Local Government and Minister for Cooperatives has strong support for the co-operative system. He has ensured that this bill came before the House with as little controversy as possible. The only blot on him and the Government is that in the spirit of supporting the co-operative system in the financial area they worked

against the co-operative system in seeking to introduce building societies, which were not really co-operatives. The diversification of ownership provided for in the bill was being eroded. The Minister contributed to the disallowance debate and the Minister for Sport, Recreation and Racing and Minister Assisting the Premier was involved with the GIO Building Society formulation. They have moved away from the principle of co-operatives and are now fighting for 100 per cent ownerships of those building societies. This matter is not directly related to the bill but to the principle of the co-operative system. That is the only blot on a good record of co-operatives. The Opposition is pleased to recognise the strong support of the co-operative system by the Minister.

The Opposition is in agreement that good, effective and co-operative legislation is an important factor for maintaining and expanding successful co-operatives and co-operative-like activities. The enhancement of co-operatives can be gained only by amending any provision of the existing legislation that might be seen to promote inconsistency between efficient business operation and the principle of co-operation. However, the legislation must continue to uphold and promote the principles and spirit of co-operation. The bill in effect is a rule book for the operations of co-operatives and outlines basic frameworks. Though I read through the whole bill, I must confess that I did not do that in one day because it is fairly comprehensive. It sets out rules for the way in which a co-operative and meetings should be run. This includes a set of model rules for societies to follow, and that is important. The bill, importantly, instructs members of co-operatives on how to keep various records required under the Act and also the method of voting. It is perhaps unique for a National Party Minister to introduce a bill which has a method of voting of basically one vote one value, a move in the right direction.

Mr Jeffery: I had 48,000 constituents when the honourable member had 32,000.

Mr AMERY: But mine were all on the roll. Many of the constituents of the honourable member for Oxley were eating grass. The bill has provisions to restrict the acquisition of share and voting interests in co-operatives which was one of the Opposition's concerns. The industry was concerned that people could buy in and buy out of co-operative units, overriding the voting rights of members of the co-operative movement. Those concerns are addressed in the bill, with the role of shareholders in the operation of the co-operatives being limited. That has allayed concern about some sort of takeover of a co-operative. There are quite commendable provisions dealing with the filling of vacancies on boards. The regulations also provide that incorporation as a co-operative be a right available to any group wishing to have the benefits of a co-operative and willing to abide by the traditional principles of a co-operative. The bill outlines numerous provisions in regard to accounts, the auditing of books, the keeping of record and the power of the registrar to oversee the various activities of the co-operative. These are very important to financial accountability measures.

As the Minister said time and again in his second reading speech, co-operatives

have encountered problems in raising capital. One of the cornerstones of the bill is that it allows co-operatives to issue co-operative capital units, which I will refer to as CCUs. It is a very interesting move. We will be monitoring the success of that move very carefully in the future. It will allow the capital to be raised in a manner approved by a co-operative. The issuance of CCUs will not affect the balance of ownership in a co-operative, which has been of major concern in this area, as all issues will have to be approved by the registrar. It is very important that, if there are any concerns about any provisions in the bill, the registrar has the ultimate power over approval and policing of the various regulations under the bill.

It is imperative for the growth and smooth running of co-operatives that the bill be implemented. The Opposition is very pleased to support the Government in that. The bill is, to date, the most comprehensive legislative framework for the operation, regulation and development of co-operatives in New South Wales. The sheer size of the bill, not to mention the length of the Minister's second reading speech, and the number of important changes contained in the bill, emphasise the need to update the 1923 Act. Opposition members look forward to seeing whether there will be any other changes to the existing legislation. Most important, by and large, the bill has been met with widespread support from co-operatives and, accordingly, the Opposition has no hesitation in supporting the bill.

Mr JEFFERY (Oxley) [9.57]: I support the Co-operatives Bill, and I welcome the Opposition's support of it. Like the honourable member for Mount Druitt, who led for the Opposition, I congratulate the Minister for Local Government and Minister for Cooperatives and the co-operative movement in New South Wales for the tremendous amount of work done on this bill. I - as a very proud National Party member in this House and on behalf of the other National Party members, who have many co-operatives in their electorates - am aware that co-operatives play a very important part in industry.

Mr Amery: We want a strong contribution on sugar.

Mr JEFFERY: I ran a rice farm for my brother. The honourable member for Murray was an executive member of the rice growers co-operative in the Riverina. There are also the important dairy farmers and fish co-operatives. Since I was elected in 1984, I have represented four co-operatives at Crowdy Bay, Laurieton, Port Macquarie and Jerseyville - near South West Rocks. There have been housing co-operatives and banana co-operatives. The banana co-operatives of the mid-North Coast of New South Wales contribute to a very important industry in that area. We are looking to a new, very exciting and challenging era for the co-operative movement in New South Wales.

Only last night I spoke about legislation regarding the introduction of tollways in country New South Wales. In that regard I see potential for companies such as Broken Hill Propriety Company Limited and concrete manufacturers forming a co-operative to tender for that tremendous project for private tollways, which are expected to cost more than $4,000 million, and competing with overseas interests. In supporting the bill I should say that it is extremely detailed and comprehensive. The bill deals with the supervision, development and operation of co-operatives in this State. It will bring about the most fundamental changes to legislation governing the conduct of co-operatives since the original Act was introduced almost 70 years ago. Though there have been a number of significant amendments since the original Co-operatives Act of 1923, there has not been a thorough review of the type undertaken by this Government. Again I congratulate the Minister on this proposed legislation.

The review of the legislation has been long and thorough. It has involved the appointment of consultants who systematically examined each section of the Act. The terms of reference for those consultants were, briefly, to review the legislation, to amend any provisions that were inconsistent with modern efficient business operation, and at the same to uphold and promote the principles of co-operation under which co-operatives function. The bill will achieve many of those objectives. A significant number of the unnecessary paternalistic features of the existing legislation which militated against the effect of co-operatives have been amended or removed. A specific attempt has been made to devolve the exercise of discretionary power from the Minister and the Registrar of Co-operatives to the members and directors of co-operatives. With that has come

additional responsibility. Unnecessary legislative restrictions on the day-to-day operations of co-operatives have been removed. Members will have a greater say in the running of their co-operatives and at the same time the members and directors, though having greater freedoms where appropriate to respond commercially on behalf of their members, will have clear responsibilities and duties under the new legislation.

The registrar will have greater supervisory and inspection powers to ensure that co-operatives comply with the legislation. The bill will ensure that all of the changes to the way in which co-operatives can operate in the future will be consistent with their co-operative principles. The application of the principles contained in the bill has been given added legislative force. These principles and their implementation will become increasingly important to the administration of the Act. I shall return to deal with those matters, which are extremely important. All of the changes to the existing legislation have been discussed widely, as was mentioned by the honourable member for Mount Druitt. He said that they have been widely discussed with all section of the industry, the co-operative sector and representatives. That epitomises the strength of the Minister for Local Government and Minister for Cooperatives, who does consult with the various groups.

Mr Amery: I believe that the sugar co-operative wants to speak to the Minister.

Mr JEFFERY: The sugar co-operative functions in an important New South Wales industry. The Minister has had discussions with all relevant groups that will be affected by the legislation at each stage of the review process. In the drafting and development of this legislation he has received a great amount of support from his officers.

Mr A. S. Aquilina: Where does the honourable member stand in regard to sugar?

Mr JEFFERY: I am a member of co-operatives and also of credit unions. I do not know how many other members of this House belong to credit unions but I have a deep interest in them and in the co-operative movement, as has the Minister. I fully support the legislation and eagerly await its proclamation. The proposed legislation is attracting considerable interest in other States, several of which also are reviewing their general co-operatives legislation. I wish to consider several aspects of the proposed legislation such as the effect of inclusion of the co-operative principles, the relationship between the bill and the Corporations Law in relation to the duties and responsibilities of directors, and finally the general supervisory and inspection powers of the regulatory authority, the Registrar of Cooperatives. The six international co-operative principles, which are determined from time to time by the representative international co-operative

body, the International Co-operative Alliance, are included in the bill. Clause 6 of the bill reproduces those six principles of voluntary association and open membership, democratic control, limited interest on capital, equitable division of surplus, co-operative education, and co-operation among cooperatives. Those six principles, though present in the Act, will have greater force under the proposed legislation. The bill is thus strengthened considerably, as is highlighted in clause 6(2), which provides:

> In the interpretation of a provision of this Act or the regulations, a construction that would promote co-operative principles is to be preferred to a construction that would not promote co-operated principles.

In other words, for guidance on the meaning of any clause of the proposed legislation one should refer to clause 6 on co-operative principles for an understanding that is consistent with the promotion of those principles. Clause 12 provides that the registrar, before

approving an application for registration of a new co-operative, should be satisfied that the co-operative will operate in accordance with co-operative principles. For instance, in relation to the registration of a foreign co-operative - and this is critically important - the registrar needs to be satisfied that, amongst other things, a foreign co-operative will carry on its business within this State in accordance with co-operative principles.

Division 2 of part 10, dealing with co-operative capital units, has received considerable attention and comment from the co-operative sector. The bill provides for the issue of co-operative capital units - or CCUs as they are generally known - by co-operatives if their members approve. A co-operative capital unit is defined in clause 269 as an interest issued by a co-operative conferring an interest in the capital, but not the share capital, of the co-operative. The terms of issue of a CCU are outlined in clause 273(2) and are required to be approved by the registrar. However, the registrar is not able to approve the terms of issue of a CCU by any particular co-operative unless satisfied that it will not result in a failure to comply with co-operative principles. The co-operative principles have a practical effect on the operation of co-operatives. I turn to the relationship between the bill and the operation of the Corporations Law, on which it largely draws. The bill, by direct reference or specific inclusion, uses sections of the Corporations Law as external models for the operation of cooperatives. For internal matters such as voting rights and capital structure the model used is either the existing legislation or the co-operative principles. I know the Minister agrees that is a realistic policy to adopt. The bill will preserve the unique internal co-operative features of these organisations, features which distinguish them from other forms of economic and social organisation. However, the bill requires co-operatives also to observe similar general standards of conduct when, for example, dealing with external parties.

Directors' duties remove the doctrine of ultra vires. Fund raising from the public, and reporting and disclosure provisions fall into this latter category. Directors' duties are an important part of the bill and of co-operatives. Previously the situation regarding the duties and responsibilities of co-operative directors was a little unclear but the bill has clarified that situation. This is an extensive bill. Clauses 221 and 222 provide that co-operative directors will have the same general duties to act honestly and with a reasonable degree of care and diligence that are required of company directors. Because the bill provides that members and directors will have greater authority over the conduct of the affairs of the co-operative, it is not inappropriate that a similar general standard of conduct apply to them as currently applies to company directors. The bill provides also for the much-needed inclusion of external directors on the board of co-operatives.

I urge honourable members to consider this comprehensive and wide-ranging bill and the regime of supervision which will apply under the new legislation. I am pleased that the principle regulator, the Registrar of Co-operatives, has had his or her powers strengthened. The increase in powers of inspection is particularly welcomed because some co-operatives are becoming very large, complex, commercial business structures. Generally, people do not know much about co-operatives but really they have a relatively low rate of commercial failure; co-operatives have been very successful. I believe it will be an exciting and challenging year and future for the co-operative movement not only in New South Wales but Australia. I am sure that its excellent record will be maintained under the new legislation, not only by the new regulator with regard to the requirements of the new legislation, but also by the co-operatives, to ensure a smooth passage of the new provisions. This is landmark legislation, if I may use the old pun. The Minister for Local Government and Minister for Cooperatives deserves the congratulations of this House and all honourable members.

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[*Interruption*]

I give credit where credit is due. Similarly, if one of my own Ministers needs a bit of a slap, I will slap him. But where credit is due it should be given, and I would like to give credit to the Minister for having introduced a very comprehensive and widely supported bill. Without a doubt the Minister will go down in history as one of the greatest ever Ministers for the co-operative movement in New South Wales. I say that with all sincerity. I do not give credit lightly. The Minister has made an outstanding contribution to the co-operative movement. He is a can-do Minister. He is known as the co-operative's friend and a friend of credit unions. I support the bill.

Mr MARTIN (Port Stephens) [10.12]: My contribution will be short because my colleague the shadow minister has clearly outlined the Government's attitude to this legislation. It is good to see the co-operative nature of honourable members this morning. The matters that concern me are those that I encounter in my area of responsibility. They need to be addressed otherwise some problems will arise for the co-operative movement down the line. I am the son of a dairy farmer. I have worked in the Department of Agriculture, in the dried fruits area for a long time. I worked on the North Coast in the tropical fruit industry, in the Bathurst area and the Murrumbidgee Irrigation Area. I worked for almost 18 years in the fishing industry. So I have had a fair relationship with agricultural production in this State and know of the problems encountered by agricultural co-operatives. Usually we hear only the bad news; we rarely hear the good news. It was pleasing to hear members from both sides mentioning the good news about co-operatives. If we adopt a sensible approach and a philosophy of caring for fellow people with common interests, the co-operative movement will advance. It would be easy to destroy, and there are too many destroyers in our community. But at the end of the day society would be the loser. Overseas experience shows that co-operatives are successful and there is no doubt that there is a great future for co-operatives not only in New South Wales but throughout the world.

I wish to speak mainly about the fishing industry. I understand that there are 24 fishing co-operatives along the New South Wales coast with a yearly throughput of about $60 million. The co-operative movement is tied in to orderly marketing through the Fish Marketing Authority. The Government has announced that it will deregulate fish marketing within two years. In combination with more regulations concerning the catching of fish, this will put the co-operative movement under terrific pressure. It is vital this is taken into account in legislation such as this. The fishing industry is reliant

on orderly marketing. Fishermen are hunters by trade. They have a licence to exploit a publicly owned resource. More and more we are moving to give those people freehold rights over that resource. That is dangerous. But at the end of the day fishermen rely on orderly marketing. If the co-operative movement is squeezed at one end by excessive regulation and at the other end by total deregulation of marketing, it will be in big trouble.

I ask the Minister to address that problem and to keep it in mind during discussions with his colleagues, who are driven probably by a more narrow view rather than a more overall view of the industry. In some areas of agricultural production there has been a decline. Norco, for example, has gone from having 4,000 producers a decade ago to around 400 now. Whole industries rather than just co-operative or marketing units should be considered. I urge members on both sides of the Parliament to do this. Co-operatives are healthy in the boom industries such as cotton. But in industries which are being squeezed mavericks may want to break away for a quick gain for a few individuals and this can ruin a co-operative movement. Good legislation is necessary to deal with this problem.

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I return to the subject of the fishing industry. Recent changes in the industry have resulted in its active participation in the co-operative movement. On the Hunter River 32 licensed fishermen trawl primarily for prawns. The river is opened for the season in late spring or early summer. Prawns are available until April or May. The fishermen operate small boats of up to about eight or nine metres that are not equipped to go out to sea to fish. As each fisherman contributes less than $10,000 each year to the co-op, they are ineligible for the benefits enjoyed by other co-op members. They must pay as much as four times more for the co-operative services. The only way they can hold fishing licences is for the major part of their income to come from the fishing enterprise. It is important to provide flexibility to accommodate those people. They must do the right thing by way of orderly marketing and not neglect their responsibilities to the co-operative. One could speak at length about agricultural enterprises. I have highlighted the problems that may occur in other industries. I commend the efforts of the Minister for Local Government and Minister for Cooperatives, and the House, for trying to modernise this 1923 legislation. In 1923 there was probably more of a social community attitude than exists today. The wild part of our community believes that it can take whatever it can and the rest of the community can whistle. Unless the co-operative movement ensures that people can survive, co-operate and enrich their lives and the lives of those around them, society will go backward instead of forward. I support the bill as I am sure that all members on this side of the House will.

Mr FRASER (Coffs Harbour) [10.22]: I support the bill and I congratulate my colleague the Minister for Local Government and Minister for Cooperatives on his considerable efforts to introduce this bill. Lest anyone thinks that the Minister's heart is not in this job, I assure the House that the Minister eats, drinks, breathes and sleeps co-operatives. I was somewhat disappointed that the honourable member for Mount Druitt, who led for the Opposition, could speak to the bill for only 25 minutes given the Minister spoke for about 2½ hours and only scratched the surface. This bill will provide co-operatives in New South Wales with the most up-to-date legislative framework of any similar operation in any State. The bill is the result of a major review undertaken in 1989-90 by Blake Dawson Waldron and Dominguez Barry Samuel Montague, consultants appointed by the Government to examine and make recommendations on the Co-operation Act of 1923. I understand that as a consequence of the report of the consultants, extensive consultation and discussion with the co-operative sector, and detailed work undertaken within the Registry of Co-operatives, virtually every section of

the Act has been examined and, in most cases, will be amended significantly by this bill. Many new provisions dealing with matters not previously covered in the legislation have been included.

This major piece of legislation deals with the operation, regulation and development of general co-operatives in New South Wales, and the Minister deserves to be congratulated on the excellent job he has done in producing the new bill. One has only to note the value of agricultural industries on the North Coast to recognise the need for co-operatives. The honourable member for Port Stephens referred to the fishing industry and the honourable member for Oxley referred to the banana industry, to name just two industries that operate on the North Coast. Of course the dairy industry is another important industry of the region I represent. In the Coffs Harbour area the value of land is increasing so dramatically that agricultural pursuits usually carried out on that land are becoming uneconomic. Therefore, producers must value-add their product. The size of the average banana farm in the region is probably five to 10 acres at the most. Because producers are busily engaged in making a living from their properties, they are unable to keep up-to-date with the latest technology and marketing techniques. The only way for them to keep abreast of trends is to become active members of a co-operative,

to value-add to their product, to market it effectively and to meet the high demand for quality produce. The co-operatives provide the perfect answer for growers to become aware of technology and to stay abreast of what is happening in both the world and domestic markets. In turn this provides a higher return to the grower or producer from his land, enabling him to stave off the urban sprawl and the purchase of land as hobby forms, both of which push up the price of land. The result of which is that the producer is pushed on to second-grade agricultural land.

The coastal strip in the Coffs Harbour region is very narrow and the use of the land is very restricted. If a producer cannot stay abreast of new developments and earn a living from the land, the land will be taken over by the urban sprawl. In the last few years in the region there has been a push for small crop growing - kiwi fruit and blueberries. Such crops are grown on very small holdings. Generally speaking the producers do not have the expertise to market or package the product properly. They need the co-operative set up to enable them to do so at low cost but for high return. The Minister acknowledged this need and has introduced this legislation to enable growers to maximise their businesses return. In my view co-operatives stand poised to play an increasingly important role in this State. I am not saying that producers in the Coffs Harbour region do not have a good record. The Banana Growers Co-operative on the North Coast, which is based at Murwillumbah and extends to Coffs Harbour, has operated for many years, regulating the market and upgrading the quality of fruit. The role of that co-operative should be acknowledged. Fishing co-ops in the region acknowledge the need to value-add in order to obtain a greater return for product.

The Grafton fishing co-op now produces crumbed and packaged fish, which is sold through other co-ops on the North Coast and to markets in Sydney. The fishing co-op in Coffs Harbour now has a hot food shop and a packaging area that is open to the public seven days a week. Phenomenal profits are returned to the co-operative and, therefore, to the owner who is the shareholder in the co-operative. I am told that the co-operative movement in New South Wales comprises more than 730 co-operatives. That number will grow as demand grows in the rural sector, and that includes the more obvious examples than those that have already been mentioned today. The five largest co-operatives in New South Wales are two dairy co-ops, one rice co-op, a sugar milling co-op and a cotton growing co-op. Their combined turnover in 1990 of more than $1.2 billion provided a tremendous boost to the economy, not only of the State but also of the

country.

Apart from these co-operatives, the sector extends across a broad range of activities beyond rural industries. There are co-operatives producing abrasive components and others running child care centres; there are taxi co-operatives and plumbers' supplies co-operatives. The broad spectrum of industry that can be included in co-operatives is tremendous. A friend in Coffs Harbour who is a electrician has told me that members of the electrical trades there are talking amongst themselves about introducing a co-operative to give them better access to equipment and technology, as well as a better share of the market and a better education for them all. The unique features of co-operatives, which have enabled them to make such an important contribution to the economic and social development of the State, are embodied in the bill. The democratic control through one member one vote is retained and strengthened. The distinction between a company and a co-operative profit is that in a company profit is an end. In co-operatives it is a surplus and a means to an end. The profit is returned to the membership. Companies are constituted by individuals and or institutions. Members of co-operatives are primarily individuals or other co-operatives and they are subject to the rules. The individual members have a say in their co-operative. The control is vested

in the members. The shares are held by a majority of the members. There is one vote per member, as was previously mentioned and as I have just said. Shares cannot be sold publicly, as they can in public companies. The management is responsible to the members and is appointed and controlled by the members, giving the membership a direct input in the running of the co-operative and, therefore, how their income is controlled.

Consistent with co-operative principles and building on the foundation of the Co-operative Act the Government has sought to provide the co-operatives of this State with a more flexible and adaptable legislative structure. While the best features from the old Act are being preserved in the new legislation, considerable care has been taken to ensure that new provisions were added to enable co-operatives to adapt better to the increasingly competitive world environment we face. For the most benefit to be gained from the introduction of this legislation, it is more important than ever to acknowledge the important role that education has to play in the development and operation of co-operatives. I have heard it said that a co-operative will only survive for a generation and a half if it does not take seriously the need for effective education of its members, and the community generally. Education is one of the international co-operative principles contained in the bill. I believe that this education of the public and the people who are able to join a co-operative is essential for the co-operatives to move along and develop in the way they should. This bill will provide not only the excuse but also the reason for co-operatives to educate themselves, their members and the community in general about the benefits of co-operation.

The role of education in explaining the detail of the new legislation - including such matters as directors' responsibilities and new capital raising opportunities - and in signalling to the broader community the potential available for co-operatives within the new legislative framework, needs to be stressed and made a priority at the time of introduction of the new Act. The bill, along with the development of strategic plans for the co-operative sector which the Minister is facilitating through his department, is focused, I understand, on enabling co-operatives to assist in areas relevant to the development of this State. Increased value adding by co-operatives, international co-operative to co-operative trade and regional development, are only a few of the areas that will be encouraged by provisions of the bill. [*Extension of time agreed to.*]

I wish to comment on three specific areas of the bill. Each of these is representative of the co-operative development opportunities which, I believe, are available under the bill. I have taken the development potential of the new legislation as my theme today. These three areas are: the removal of the doctrine of ultra vires, external directors, and co-operative capital units, mentioned also by the member for Oxley and the member for Mount Druitt. The current Co-operation Act 1923 enables co-operatives to incorporate, for example, as either rural, trading or community advancement co-operatives. Each of these types of co-operatives has certain objects and powers provided for in the legislation. A co-operative incorporated as a rural co-operative can, if its rules and the Act provide, do certain things. However, it cannot act outside its objects. If it does, it is acting "ultra vires", that is, beyond its powers. The bill removes these restrictions currently in the legislation and will enable the co-operative to have all the powers of a natural person. This will place a co-operative on a similar footing to that of a corporation and will mean that co-operatives will be a viable alternative business structure to that offered under corporations law. These provisions of the bill are modelled on the corporations law provisions which were introduced several years ago.

It should be noted that a co-operative may still, if its members choose, have objects stated in its rules. The effect of the changes will be that a co-operative will be able to respond commercially to changing market conditions instead of being restricted by objects contained in the legislation for its particular type of co-operative. The clarification of this situation for co-operatives will remove any confusion in the minds of lenders or creditors in their dealings with co-operatives, so enabling co-operatives to realise their full development potential. Another most welcome change is the provision for additional external directors on the boards of co-operatives. The bill provides for one in four directors to be other than an active member director, which I think is tremendous because often members of the farming community have expertise on their farms but not marketing expertise or the expertise to introduce new technology into their industry. This provision is a considerable improvement over the existing situation and will mean that one of the problems often advanced against co-operatives - namely, lack of sufficiently qualified directors - will be able to be addressed.

I note from the Minister's second reading speech - which was a tremendous speech and really kept us all on our feet in this House, and as the member for Oxley said "thrilled the show girls" who were privileged to be in the gallery at the time - that the external directors will not be able, in their own right, to constitute a majority of a quorum at any meeting of directors. This will remove any possible threat to the principle of active member control of the co-operative. The opportunity for additional individuals possessing relevant skills to serve on the co-operative board is, I believe, strongly welcomed by many of the larger trading co-operatives. It will also be of considerable assistance in the early years of a co-operative, when the new active member directors may lack the necessary skills and experience.

The final specific issue I wish to address concerns co-operative capital units. I note from the Minister's speech that this item received the most comments when the exposure bill was publicly released late last year. The changes to these clauses of the bill as a result of those public comments have, I believe, clarified and improved the provisions. I, like many other observers of co-operatives, will be very interested to see the extent to which the co-operative movement in New South Wales avails itself of this additional source of funds. It is clear that if co-operatives are to grow and prosper and serve their members and the community's general interests, they will need additional funds. On occasion members' ability to fund additional activities will be limited.

Co-operative capital units will provide a ready alternative on such occasions.

Clause 273 of the bill makes clear that the terms of issue of co-operative capital units must detail whether or not there are any of the following entitlements: entitlements to repayments of capital; entitlement to participate in surplus assets and profits; entitlement to interest on capital (whether cumulative or non-cumulative interest); or entitlement to priority of payment of capital and dividend in relation to shares in a co-operative. It appears that there is a considerable degree of flexibility in the way in which a co-operative may frame its terms of issue. I note the main qualification to this flexibility, here as in other parts of the bill, is that it must to be consistent with co-operative principles. It will be important that the regulating authority - the Registrar of Co-operatives - develops, at a very early stage after the commencement of this legislation, appropriate guidelines for the issue of co-operative capital units, and for all the new procedures contemplated under the new Act.

I should like to conclude by saying that with the development of this major and comprehensive piece of legislation, the Government, and the Minister in particular, have demonstrated their commitment to and belief in the long-term viability of the co-

operatives sector of this State. It is now the responsibility of that sector to fulfil the development potential inherent in the bill. Rural producers on the North Coast and in all other parts of New South Wales will grab this opportunity with both hands and will relish the fact that they can now actively participate in their own industry and value-add to that industry to maximise profits. They will be able to stay abreast of world and domestic technology and compete on a level playing field. I again congratulate the Minister on the great amount of work he has done in relation to the preparation of this bill. I commiserate with the honourable member for Mount Druitt, whose insomnia is such that he has had to sit up and read the bill in the evening. I support the bill.

Mr SMALL (Murray) [10.40]: I have great pleasure in supporting the Co-operatives Bill. I commend the Minister for Local Government and Minister for Cooperatives. The previous Act was the result of a bill introduced in 1923 and though there have been a number of amendments to that Act since that time, this bill is the first major change in those many years. New South Wales co-operatives have assets of about $2.2 billion and approximately 820,000 members. Those figures show that co-operatives are relevant and important to New South Wales and our nation. I wish to speak specifically about the rice industry, with which I have virtually grown up. I first grew rice in 1956. Prior to that I had endeavoured to become a grower, but at that time a permit was required to grow rice. That permit served as an assurance of good drainage and soil structure. I have been part of the industry for about 36 years now.

During the 1950s, the rice industry faced many problems. From the commencement of rice growing in the Murrumbidgee Irrigation Area in 1924, the industry relied heavily on selling its rice to private buyers. It was not until about 1956 that the industry decided to develop its own co-operative, which became the marketing force for the growers. The Rice Marketing Board, set up in the 1920s to establish a marketing operation and management structure within this State, was one of the first marketing boards in New South Wales. Until the early 1950s the industry used to sell its rice to about five private millers. The industry found, as is being found in many market-places today, that there was virtual collusion; the millers agreed to force the market price down. It was not until the development of the rice growers co-operative that the price structure became more established and stable.

From that point of view the co-operative has been a wonderful concept for the

rice industry and, with the Rice Marketing Board and the Rice Growers Association, has grown stronger and stronger as the years have gone by. The Co-operatives Act and the Primary Industries Act have been important stepping stones for the benefit of the rice industry generally. Those two Acts have helped the growers as individuals and have provided a marketing force and strategy to assist growers to establish themselves. Recently the Minister for Local Government and Minister for Cooperatives visited my electorate and spoke with the leaders of the rice industry at Deniliquin, where there is the largest milling complex in the southern hemisphere and perhaps the third or fourth largest in the world.

He visited the electorate to speak about local government matters, for which he also has responsibility. The leaders of the rice industry appreciated that he was vitally interested in co-operatives. In the central part of New South Wales, the possibility is being examined of establishing a co-operative to promote wool production and wool products. That is a unique concept. I believe such a co-operative would be similar to an octopus in that it will use many tentacles to reach out to find many more growers wishing to take advantage of its benefits. Honourable members should realise how the co-operative fits into the structures of the rice industry. Five representatives from the

Rice Growers Association, the Rice Marketing Board and the Rice Co-operative mills have formed an executive committee, which is similar to a parliament of the rice industry. That committee has been able to deal successfully with all aspects of the industry.

The growth of the rice co-operative mill has led to a growth in by-products. The rice industry has been able to explore every avenue in an effort to obtain the dollars which are so difficult for the growers to find. The growers have worked extremely well with New South Wales Agriculture in relation to research. At present Australia is part of a highly competitive world market for rice. Our costs at the farm gate are reasonable, but transportation and handling costs are huge. The industry is not primarily responsible for those costs. It has done everything possible to try to establish the most competitive rates, but difficulties arise at the seaboard. Over the years there have been many union problems. As a result of the actions of government, the rice industry and the unions working in conjunction, a good relationship has been established. That relationship has helped to reduce union problems that many other industries have faced.

Research is also important. As I said earlier, although the price for rice may not be a great deal higher than it was 10 years ago, the industry is producing an average of about one tonne extra per acre. That has lead to huge benefits. It is possible to obtain three or four tonnes per acre but it is the average which always has to be considered. The co-operative mill has always looked to government for help - not so much financial help but for help such as that contained in this legislation. The rice industry has established an equity system and shares for the growers, which means that the rice growers actually own the industry. A ratio of dollars is taken out per tonne when the rice is delivered to the storage areas and payment is made. Those dollars contribute to mill construction, storage areas, transport vehicles and new infrastructure. That has lead to the industry not becoming debt loaded with the burden of huge bank loans. Growers certainly receive large loans to establish the first and second payments until sufficient money flows back from overseas buyers and the local market. Apart from that, the growers specifically own the industry. If a grower leaves the industry, he has the right to recoup the amount of money he has contributed to it. I have never seen another industry work in that way. It is the result of the growers' involvement in the establishment of the co-operative mill and their working together with the marketing board and the rice growers executive.

The introduction of the Co-operatives Act in 1923 coincided with the establishment of the rice industry. Various governments, particularly State governments, have appreciated the importance of the industry,. The Minister has proposed a finer and better detailed legislative procedure for co-operatives so that, in these more modern times, co-operatives are keeping pace with the changes in the rural sector in order to benefit producers and ensure that the industry remains stable and competitive. The rice industry in New South Wales is centred mostly in the Murrumbidgee and Coleambally irrigation areas and the southern irrigation districts and it is expanding. Because of the generally good supplies of water, the industry has remained stable in the existing harsh economic times, when rural producers generally are suffering from low commodity prices and high cost input. The rice industry has been a godsend to local farmers and to local communities. If it were not for the rice industry in the southern Riverina area, I would hate to think what the employment situation and the flow of cash funds would be in the townships. Rice growing has created enormous benefits. That does not mean to say that the growers are wealthy, but rice is helping them to survive in these difficult times.

The rice industry has created employment. There are six rice mills in the area - at Yenda, Griffith, Leeton, Coleambally, Deniliquin and Echuca. The Victorian Government V-Line has introduced an almost daily train service to cart rice to the

seaboard at Geelong for export. Not many governments would appreciate the value of the rice industry, and spend approximately $7 million to $8 million building a new railway line over the Murray River to transport rice. The rice industry disposes of between 90 and 95 per cent of production on overseas markets. That is a huge export market. Usually the local market is the dollar earning market. Australia has to compete with other countries and rice is second only to wheat production around the world. World rice production amounts to approximately 420 million tonnes. This year Australia will produce one million tonnes, which may seem small compared with the overall production but the export component around the world amounts to probably only 12 million or 14 million tonnes - perhaps a little higher - so it is a not a large amount. China and India produce more than half that amount of rice, but they generally consume it. Australia's greatest competitors have been America and Thailand. It has not been easy for Australia to compete in the Southern Hemisphere. Therefore, the better the marketing practices which the industry can create for itself, the more dollars will flow back into local industries and to the local growers. The Co-operatives Act is an essential part of an industry which needs the support of this Parliament. [*Extension of time agreed to.*]

I want to speak on something I touched on earlier, namely by-products. Not many rural industries are marketers and processors of their products. The rice industry can be very proud because it assists with research, growing, handling and storage, and also with the milling and marketing of the product. From the very first turn of the sod right through to the consumption of the product, the industry is involved and the co-operative is very much a part of the formation of the workings of the industry. The growers know the cost factors involved all the way to the table where the food is eaten. I give credit to the rice industry for the way it has been able to manage itself, and to the growers who have given their time in a leadership role for the way they have endeavoured to work with all governments in the past, realising that they must work with governments to be able to establish a stable industry.

This legislation has a very broad base. I have spoken of the rice industry - which is absolutely essential to New South Wales - but many other industries have been mentioned during this debate, particularly the egg industry, the fishing industry, and the sale of commodities and the production of wool. The wool is of considerable concern.

Many woolgrowers have expanded into forms of co-operatives in an endeavour to market their product. Some are even growing rice. Growers are looking at ways of processing their wool. Australia needs to do that. Our nation should be manufacturing its own products. It is not an easy task. The rest of the world benefits greatly from technology. The problem in Australia has been the wage structure factor. We need to be able to provide the product in a manufactured form. Australia has come to rely heavily on other countries which employ cheap labour. I believe we can change that situation if we have a good co-operative work force. The recent introduction of the Industrial Relations Bill will no doubt assist.

Honourable members are here to try to help our fellow Australians, and the people of New South Wales in particular, to successfully run a business and survive in these difficult economic times, and to make New South Wales wealthier than it has been of recent times. New South Wales is fortunate to have a triple-A rating. The Government is taking the right steps and the Co-operatives Bill will assist farmers. If Australia is ever to improve the economic climate it must do so by what comes from the soil, that is, by way of agricultural production or mining commodities. I congratulate the Minister for Local Government and Minister for Cooperatives and those who have provided him with the pattern of legislative needs. It is also pleasing to hear members

on the other side speak in support of the legislation. They recognise that the Minister has done his homework and has been prepared to talk to them and to members of the community. On behalf of the Government and the people of New South Wales I thank the Minister for acknowledging that people desperately need help, not hindrance.

Mr PEACOCKE (Dubbo - Minister for Local Government and Minister for Cooperatives) [11.0], in reply: It is with great delight that I reply to the debate on the Co-operatives Bill. I was flattered by the compliments paid to me by honourable members who contributed to the debate. This piece of legislation is extraordinarily important for those of us who believe in freedom and in the rights of ordinary people in society to have mechanisms and opportunities to create wealth, to improve their own standards of living and to be able to operate economically in a free society. It is pleasing to know that both Opposition and Government members appreciate the benefits of the co-operative movement and the basic need of people to improve their lifestyles and the economy through the co-operative movement. I was interested to hear what the honourable member for Mount Druitt said about co-operatives generally. This debate has given honourable members an opportunity to look at the growth of co-operatives, where they are going and what they can do. Obviously the honourable member for Mount Druitt has a good grasp of the opportunities for co-operative development in this State. That is evident from his contribution to the debate.

The honourable member asked me a specific question about the old Act. The 1923 Act will still apply to certain co-operatives, namely co-operative housing societies, Starr-Bowkett societies, non-terminating building societies and the societies specified in the second schedule to the Act. Presently all States in Australia are amending new non-banking financial institution legislation before introducing legislation in respect to the financial co-operatives I mentioned, which are excluded from this legislation but are included in the old Act. I assure the honourable member for Mount Druitt that as soon as the non-banking financial institution legislation is in place and the principles determined, the Government will move to update legislation for the financial co-operatives. The second matter I wish to address before dealing with the legislation in general is the comment made by the honourable member for Mount Druitt about the recent disallowance of a regulation which I had proclaimed in respect of permanent building societies involving MLC Insurance and GIO. I welcome the opportunity to

comment on this issue because, in the course of the disallowance debate, for a number of reasons, I was not allowed to reply. I believe that the disallowance of that regulation was one of the most dreadful acts of political nonsense -

Mr Whelan: The Minister voted for it.

Mr PEACOCKE: No, I did not. It was one of the most dreadful acts of political stupidity that has taken place in this House for a long time. Opposition to the regulation was based on purely political grounds. Though the honourable member for Mount Druitt has a good appreciation of what co-operatives can do and their future, by disallowing the regulation the Opposition prevented the creation of about 400 or 500 new jobs in this State. It also prevented the introduction into New South Wales of about $1 billion worth of new capital for housing at competitive rates of interest, all because of a doctrinaire approach to one aspect of the regulations. The regulation I introduced imposed stringent prudential standards on the two permanent building societies proposed to be introduced. Opposition and Independent members did not understand that there was co-operative ownership of the MLC proposal in particular, because it was owned by that insurance company's No. 1 fund, which has more than 700,000 members. On doctrinaire

grounds the Opposition denied this State $1 billion worth of capital and about 500 jobs. That is all I will say about that issue, but time will show that the Opposition was wrong and my regulation was right.

I turn now to where the future of co-operatives lies. Co-operatives are an important sector of the economy. As various members have said already, there are big, powerful, wide-ranging co-operatives in this State. Co-operatives in the dairy industry, the sugar industry, the rice industry and various other industries have been mentioned. However, in Australia co-operatives have not developed to the same extent that they have in other countries. There are huge co-operatives in Japan, North America, Europe, South America, China, eastern Europe and the United Kingdom. To give an example of the sheer size of those co-operatives, the All China Federation of Marketing Co-operatives in China has 114 million members, more than 750,000 retail outlets and about 15,000 factories. That co-operative made a net profit last year of about US$20 billion. Japan has huge wealthy co-operatives, as does Europe. They are integrated co-operatives, often based fundamentally on the farming community which produces the original wealth and deal with every stage of the production, marketing and so on of the produce of those people.

Two aspects of co-operatives need to be noted. First, they are a market worldwide which we in Australia need to tap. Second, there is a rule amongst international co-operatives, as represented by the International Co-operative Alliance, of trading co-operative to co-operative - direct trading internationally. That is a very important aspect for co-operatives in New South Wales because it gives us the opportunity - if we can do it right, if we can use the window of opportunity now before us - to value add in a very large way indeed across the whole of the rural sector of Australia and other sectors as well. We have the ability, through the co-operative sector, to transform the economy of the State and of this nation. Using every bit of ability I have and every tool available to me, I intend to see that the development of value adding to our primary production takes place in Australia, creating new wealth, new jobs and new prosperity for our ordinary people.

Currently, a number of major exercises are taking place in this area, three of them involved in the Coonamble experiment, as I call it, which, if successful - and I

believe they will be successful - will be networked over the whole of New South Wales. But the range of co-operative operations is vast - almost limitless. For instance, consideration is being given to the creation of a co-operative for about 50 small manufacturing businesses in the Hunter Valley to enable them, through their co-operative, to compete with some of the corporate giants in this country for major projects. I will not go into the detail of that at this stage. It is sufficient to show that broadly it is a very important opportunity for small business collectively to become big business, with the profits coming back to the small business sector. Co-operatives are a way in which ordinary people, like all of us here, can co-operate with one another to create wealth and to improve our income and what we do. It is an extraordinarily important method of developing business of all types. As the honourable member for Mount Druitt said, farmers and small businessmen - ordinary men and women - can use co-operatives for the enrichment of their lives. He mentioned, for instance, the company Abrasiflex. It is now a marvellous little co-operative run by the workers who were about to lose their jobs, as the corporate giant had decided to discard their factory. This is a classic example of how ordinary men and women can enrich their lives and improve their prosperity through the co-operative movement.

The legislation that I have had the great pleasure to bring before this House is the tool by which those types of people can do the things I have mentioned. Obviously all members of this House want this to happen. The bill is very lengthy. It is very comprehensive. It is the end product of a huge amount of work carried out not by me alone but by my staff, our consultants and the co-operative movement as a whole. It is my usual practice to circulate my proposed legislation for comment by the people who are likely to be affected by it. This bill is one case where that has been done with great success. The input from the co-operative movement was great. Certain issues, such as the introduction of co-operative capital units, which were controversial in the beginning, are now well supported by representatives of industry and the co-operative movement because they have come to understand what the Government is attempting to achieve. A week or so ago, I spoke with the chief executive officer of a major co-operative in this State, one that has major extensions planned which will create more jobs, more wealth and more return for the growers involved in that co-operative. The major expansion planned will be funded by co-operative capital units. I believe that will be the first attempt to use this new system. Amongst other things, co-operative capital units allow co-operatives to have a new source of capital, a new way to get away from debt-associated funding through borrowing from banks and to move towards funding their own operations out of their own capital system. This will be a major success in promoting the co-operative movement.

The co-operative movement as a whole is developing, and will develop through my ministry, my officers and its own organisations, close ties with the overseas co-operatives, which can be so valuable to us. Those ties will continue to develop the co-operative movement in New South Wales in particular but in the whole of Australia as well. Never has there been a greater window of opportunity for the development of new co-operatives in this State than there is today, and I take enormous pride that in my small way I have been able to encourage the formation of new co-operatives; to encourage closer links with overseas co-operatives; to encourage joint ventures between overseas and Australian co-operatives; and to encourage the social benefit that comes from those ties in the friendships that are established between people who operate co-operatives in Australia and those who operate co-operatives in foreign countries.

An issue that nearly all speakers touched on in one way or another is that the

co-operative movement is a movement with a social conscience. The appeal of co-operatives is that they are controlled, managed and dominated by ordinary men and women who are the primary producers of wealth in this country. I have not seen a co-operative of recent times that has been taken over and destroyed by the cowboys, as I describe them, who were predatory in the 1980s and caused the decay of the corporate world. Some of the longest established and best manufacturing businesses in the State of New South Wales are co-operatives. One quickly thinks of Australian Co-operative Foods Limited, which was originally known as the Dairy Farmers Co-operative. It has a very long history of very successful operation in a difficult industry - an operation that was of benefit to the people who operated in the dairy industry, those who were actually dairy farmers. Certainly there has been in the dairy industry a reduction in the number of dairy farmers, but the survival of our dairy industry has indeed been made possible by the operation of the major dairy co-operatives such as Australian Co-operative Foods Limited and Norco Co-operative Limited.

The honourable member for Mount Druitt mentioned the egg industry and said that the Government made a mistake in deregulating that industry. In fact, the Government made no mistake. It is right that governments should become smaller, less intrusive and less regulatory if our industries are to survive, prosper and expand. I also

take great pride in the fact that I, my registry, my departmental staff, and my policy adviser, Jim McCall, who is in the Chamber, persuaded the egg industry - which was not difficult to do - that the way to manage its own affairs was by means of a co-operative. The New South Wales Egg Co-operative was formed and is an extraordinarily successful venture. That took the egg industry out of the hands of a bureaucracy and put it into the hands of a co-operative. The egg industry agreed to take control of its own destiny.

Co-operatives will be the way of the future in Australia as government intrusion is reduced and the ability of people to control their own destinies is enhanced. The honourable member for Mount Druitt said that co-operatives have fared much better in this terrible recessionary period than have most major corporations. That is true, because people in co-operatives work for their own co-operative benefit, have a fair say in what a co-operative does and know that the profits of the organisation will not be milked off by a few but will be retained for members of the co-operative. The contributions by the honourable member for Oxley, the honourable member for Coffs Harbour and the honourable member for Murray were excellent. Those Government members live in areas where co-operatives are well understood, well used, and vital to economic prosperity.

The very thoughtful contribution by the honourable member for Oxley was based on his clear understanding of the proposed legislation and the co-operative principles encapsulated, incorporated and enshrined in the bill. He has a deep understanding of this liberating legislation which will enable co-operatives to expand. I thank the honourable member for Coffs Harbour for his thoughtful and valuable contribution. He, of all people, has had a long and abiding interest in the co-operative movement and has been of great assistance to me with his knowledge and in drawing attention to the ability of the co-operative movement to facilitate value adding in all sectors of the economy. My colleague the honourable member for Murray has had a close association with the co-operative movement in the rice industry for more than 30 years. He has held senior positions in that industry and has done a magnificent job of developing it and bringing its concerns before this Parliament to help enhance its viability.

The honourable member for Port Stephens drew attention to the problems faced

by fishing industry co-operatives. He has asked me to address the problems that may confront co-operatives operating in the middle of the fishing industry. Those co-operatives could be squeezed from both sides if deregulation of marketing in the fishing industry occurs. I give him an assurance that if the fishing industry wants a marketing authority or some other method of co-operative operation, that industry will receive full assistance from me, my officers and the Government. Apparent problems with wet and dry shares by prawn fishermen will be examined, but such matters are adjusted relatively easily. I am deeply grateful to my staff, to consultants Blake Dawson Waldron and Dominguez Barry Samuel Montague Securities Limited, and to members of the National Party who put so much effort into making the proposed legislation a success. I thank also the Opposition for supporting the bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

INTERPRETATION (AUSTRALIA ACTS) AMENDMENT BILL

Second Reading

Debate resumed from 9th April.

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Mr WHELAN (Ashfield) [11.28]: The Attorney General has described the bill as an important though small piece of legislation. He set out the purpose of the bill in his second reading speech, which is to validate any law enacted before the commencement of the Australia Acts so that it is as valid as if the Australia Acts had been in operation when the law was enacted or made. In a recent High Court case involving the Australian Labor Party candidate for The Entrance, the Australia Acts and their relevance to inherited English law were canvassed. The ambiguity that the measure seeks to address was considered by the High Court, though on a separate issue it found no validity in the claim by the ALP. Ambiguity has been present in New South Wales and Australian law for some time. The purpose of the bill is to remedy those deficiencies. The Interpretation Act refers in clause 34 to the use of extrinsic material in the interpretation of Acts and statutory rules. Fortuitously for the Opposition, the Attorney General said that a standing committee of Attorneys General and a special committee of Solicitors General had considered this matter and had recommended that in each State legislation be enacted declaring existing validity.

I think the Attorney will know what I am getting at when I talk about the concern that I have. It relates to all laws. Recently there was public discussion about the retrospectivity of a certain law. In this instance we are making law retrospective - civil and criminal - to the date of assent. The Interpretation Act has been assented to but I am not sure of the date on which the Governor gave it assent. However, it is law. So the law that this Parliament is passing will be deemed to have retrospective effect. Probably of more importance is that the law will provide that all laws that are in force and in effect after the passage of the Australia Acts are the laws of the State, and no longer will we have the same problems that were in evidence prior to the passage and intention of the Australia Acts which, I think, were enacted in 1986. There are misgivings about retrospectivity particularly in relation to criminal law. That is the major concern the Opposition has with the legislation. I take on board that the matter has been considered Australia-wide by the committees of Attorneys General and Solicitors General, who are devoid of parliamentary influence. As the Attorney said in his second reading speech,

all those officers endorse the proposal currently before the House. With that rider the Opposition supports the bill.

Mr KERR (Cronulla) [11.31]: I support the bill and commend the honourable member for Ashfield on the attitude he has taken. He has raised a very important point. This is complex legislation. I acknowledge what the honourable member for Ashfield said in relation to retrospectivity, and I will come to that. To put it mildly, this is rather esoteric legislation. I do not think Solicitors General or senior legal officers could say with any clarity what was the requirement. It was more to avoid doubt and set up a fail-safe mechanism. The object of the bill is to validate any law enacted or made before the commencement of the Australia Acts so that it is as valid as if the Australia Acts had been in operation when the law was enacted or made. This legislation is necessary because there was some doubt. That was the motive for the introduction of this bill. The Australia Acts, consisting of identical Acts of the Parliament of the Commonwealth of Australia and the United Kingdom, were enacted at the request of the States. Each Act was called the Australia Act 1986. The Acts remove various limitations on the powers of the parliaments of the States to legislate. There are a large number of possible limitations and restrictions in relation to legislation. These arise from enactments before Australia and the States were able to exercise complete independence in relation to their own activities, particularly their commercial activities. Those activities were regulated by imperial legislation. An example was section 736 of the Merchant Shipping Act 1894, which required certain State Acts to contain a suspending clause to delay operation of the

Act pending signification of the Sovereign's pleasure. In 1894 it was quite appropriate that there should be uniformity over the British Empire in relation to shipping. Uniformity was desirable throughout the British Empire in other areas. None of the Australian States - and some other parts of the empire - was in a position to govern -

Mr Hartcher: For the empire.

Mr KERR: I am reminded by the honourable member for Gosford that it was desirable to have the one central authority and one uniform law. It may be news to our present Prime Minister but this is 1992 and it is very different from 1894. Australia is a totally independent nation in every regard and there is no way that Australia could be made a more independent nation. I also point out to the House and the honourable member for Ashfield that I have severe problems with retrospectivity of legislation, because it affects people's rights and property. The honourable member for Ashfield would acknowledge that. It is important for people to have confidence in the system: that no one will change the system tomorrow to confiscate property or imprison them for doing something that was lawful one day but is made unlawful the next. This is part of our British heritage that we have voluntarily adopted as the hallmark of a civilised community.

Because the honourable member for Ashfield has touched on the possible retrospectivity of this piece of legislation and taken a quite understandable point of view - we should be grateful to him for this - I wish to place on the record that the object of this bill is to validate any law enacted or made before the commencement of the Australia Acts so that it is a valid as if the Australia Acts had been in operation when the law was enacted or made. What is being done is validation rather than invalidation. The Government is seeking to promote certainty. It is not seeking to rob any one of what that person thought were his rights before the enactment of this legislation. This bill will enhance the armoury of citizens to go about their general business and their affairs knowing that the hand of the law will not come down upon them unexpectedly. I cannot

emphasise too strongly the distinction between this piece of legislation and a piece of legislation to deal with the situation in which the Government discovers that a law is being interpreted in such a way by the High Court of Australia as to enable the operation of a tax scheme. To take another hypothetical example, someone may be given a job and someone else may wish to take that job off him. I do not want to cross the borders of fantasy too far in giving examples. There is a very clear distinction. There have been examples of governments changing taxation laws because they do not like judicial decisions. Doing that, or taking a job from someone is denying people a right they had previously.

The bill seeks to ensure that all the rights people believe they have are preserved: if that assumption was in error, it is purely a technicality. The bill will restore the confidence that people had and give their belief a legal basis. I welcome the passage of the bill. As the honourable member for Ashfield has said, it is important legislation despite its technical nature. I commend the Attorney General for bringing this piece of legislation before the House. We are really talking about contingencies, but contingencies happen. Over a number of generations the people of this State will be grateful for the actions of this Attorney General and this Government.

Mr COLLINS (Willoughby - Attorney General, Minister for Consumer Affairs and Minister for Arts) [11.40], in reply: I thank the honourable member for Ashfield and the honourable member for Cronulla for their contributions to the debate. The honourable member for Ashfield raised a number of interesting points that perhaps members had not been previously considered. I had initially proposed to reply at some

length but the honourable member for Cronulla, on behalf of the Government, has amply clarified the Government's intention. There is no doubt that the bill when passed will lead to greater certainty across a wide range of legal areas in this State. As both honourable members who contributed to the debate acknowledged, the State of New South Wales, through me, has undertaken to introduce legislation consistent with that to be introduced in all other Australian jurisdictions. I commend the bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

CRIMES (IDENTITY OF OFFENDERS) AMENDMENT BILL

Second Reading

Debate resumed from 26th March.

Mr WHELAN (Ashfield) [11.41]: This is an important bill, the object of which is twofold, namely, that a court, after sentencing a person for an indictable offence or for a prescribed summary offence, may require the offender to submit to the taking of his or her fingerprints and other particulars of identification so as to facilitate the preservation in official files of a record of that person's conviction for that offence; and so that in cases where the identity of the person is in dispute, a court may require particulars of identification of the person to be taken before sentencing, or before proceeding to conviction, in order to verify the identity of the person and determine whether the person has a criminal record under another name.

Having regard to the objects of the bill the Opposition has no objection to it. However, I want to comment on one matter. The Crimes Act provides that an accused

person in custody may be fingerprinted for the limited purposes of establishing his or her identity. Decent citizens, conscious of the rights of a person to his or her liberty, agree that unless the situation warrants it, arrest procedures should only be used for more serious crimes where the person is involved in, or likely to be involved in the near future, a breach of the peace. This argument advances the desirability of using a summons procedure or citation whereby the fingerprints of the accused will not routinely be taken at the time of arrest. At the same time these desirable advantages may result in a conviction which is subsequently recorded against the accused not being entered up in any criminal intelligence record such as that maintained by the Fingerprint Bureau of New South Wales. This legislation proposes, therefore, a procedure which appears to be satisfactory to achieve that purpose - with one rider.

The legislation also proposes that in circumstances where there is a doubt at the time of sentencing that a person just convicted may have a criminal record in another name, the person's fingerprints can be taken before sentence is passed. This also appears to be a satisfactory and reasonable measure for the purposes similar to those I have outlined. I have circulated this bill widely to those involved both in the law and the civil liberties movement. I have received only one objection - indeed, it is a part objection. It relates to the fact that regulations referred to in the bill and regulations under section 7D have the potential for concern should they not be monitored. Undoubtedly that is so, but that is a matter for the Parliament and the Attorney General.

Mrs CHIKAROVSKI (Lane Cove) [11.43]: I support the bill. I was pleased to hear the member for Ashfield say that it has not attracted any criticism from the civil liberties groups. It is not a draconian bill. Civil liberties will not be infringed. The bill

will ensure that all persons who come before the courts on indictable offences or some summary offences are treated equally. As the honourable member for Ashfield has already pointed out, the object of the bill is to ensure that persons who come before the court and are convicted of an indictable offence or summary offence, may be fingerprinted either after sentencing, or, if there is some doubt as to identity of the offender prior to sentencing. The effect of this bill is to ensure that those who have matters commenced against them by way of summons are not unfairly advantaged, vis-à-vis people who have come before the courts after a matter has been commenced by way of charge. The present position is that police are empowered under section 353A(3) of the Crimes Act to take photographs, fingerprints and palmprints for the purpose of identification when a person has been in lawful custody for an offence, but only when the person has been in lawful custody. On the other hand, if a person has had a matter commenced against him by way of summons, police have no authority at present to take such particulars. This, of course, leads to a ludicrous situation, in which some people who have been charged with relatively minor offences - such offences as some smart-minded possession offence or perhaps, more topically, a swearing offence - are fingerprinted and photographed and have their offences recorded, whereas on the other hand, some people who have been convicted of more serious offences, particularly culpable driving, where those matters in relation to which action is commenced by way of summons, do not have such a record. This is an absolutely absurd situation. Records are available in one instance but not in the other.

The failure to fingerprint and record details can also create problems in relation to sentencing as it may be that when people who have been previously convicted come before the courts they are treated as first offenders. Their criminal history may not have been recorded. The only way one can have a criminal history is if a history and a record is created and included in the crimes information and intelligence system. Of course, fingerprint information is placed in such a system. However, if the offence is

commenced by summons, fingerprints are not taken and no history is recorded or created. Only those who have been lawfully charged and who are in custody have their fingerprints taken. This bill is essential to ensure that the integrity of the crime information and intelligence system is maintained.

An order for the taking of identifying particulars can be made by the court either of its own volition or at the request of the prosecutor. The bill provides that people will not be unfairly advantaged by such an order being made. They will, in fact, be warned by the court. It will be mandatory for the court to warn people to warn people to comply with the order and that failure to do so can lead to their arrest without warrant. Once arrested they will be detained in custody until their particulars are taken. To summarise, this bill has three essential elements: to ensure that complete criminal records are maintained; to encourage the use, as the honourable member for Ashfield has pointed out, of the summons to commence procedures; and, finally, to remove for the future any unfair advantage enjoyed by those who have had matters commenced by way of summons. I support the bill.

Mr KERR (Cronulla) [11.47]: I have much pleasure supporting this bill. In many ways it encapsulates what this Government is all about. All of us in this House are committed to ensuring that we live in an orderly society, and I am sure that every member of this House would like his or her own electorate to be as orderly and mature as the electorate of Cronulla. It would be ideal if that sort of decency and public mindedness manifested itself throughout the State. Unfortunately there is often a conflict between public order and private rights. In a totalitarian or authoritarian regime in which heavy, one-sided regulations and laws are brought in, it is easy to eradicate street crime

and street offences merely by sending in tanks to clear the streets. In relation to crimes of property, in a socialist society no one is entitled to any private property so that if a person displays any form of wealth or spending power, he can be traced immediately and charged, if not with crimes relating to public order, at least with economic crimes.

That has happened in countries in eastern Europe and Asia which were regarded as having a long history of civilisation. The Government does not want that sort of activity or those sorts of laws and regulations introduced into New South Wales. However, the Government has a commitment to maintaining public order and ensuring that all citizens are able to go about their affairs in a way that does not interfere with others. The bill formulates an equation between that commitment to public order and the commitment to ensure that private and individual liberty is maintained. I was pleased to hear that the honourable member for Ashfield received only one response from a civil liberties group in relation to the bill. That shows that the bill, as the Opposition has said, does not infringe an individual's civil liberties. I do not want to leave that statement there because all members of this House have an opportunity and an obligation to ensure that the rights of citizens are respected vis-à-vis the powers of the State.

An anomaly relating to the way in which proceedings against a citizen are initiated has crept into our criminal justice system. A person can be taken into custody and fingerprinted. However, if a matter is commenced by way of summons, the alleged offender is not fingerprinted at the outset. The consequences of the different ways these matters are dealt with have to be examined because, as the Attorney General said in his second reading speech, and it bears repetition, the fact that criminal proceedings are commenced by way of summons does not mean that the matter is insignificant to a large body of people. Certain aspects of corporate crime are of the utmost importance to the people of New South Wales. A person who is alleged to have committed a corporate crime would normally be dealt with by way of summons. It is, of course, totally

appropriate that when that offender comes before the court the integrity of the system must ensure that the court is fully aware of his or her criminal history.

When a matter is commenced by way of summons police have no power to take the alleged offender's fingerprints. It may well be that there is not the slightest fear that that person will seek to avoid appearing before a court. It is totally appropriate that the liberty of that person not be interfered with. He or she may be facing charges in relation to tens of millions of dollars involving share transactions in public companies. Many people may stand to lose their livelihoods because of the alleged offender's activities. It is important in terms of the responsibilities of members as lawmakers to ensure that following the apprehension of that person and his or her appearance before a court either by way of summons or arrest, a criminal record is created and updated where the person's identity is known. As I said, this legislation strikes that balance.

The provisions of the bill will be of great importance in the future. As a result of what happened in the 1980s a large amount of corporate crime is being uncovered. Inquiries in this regard are continuing in a number of States. In Western Australia witnesses are still appearing before the inquiry into WA Inc. I make no judgment in relation to rights or wrongs, but when wrongs are determined people must be dealt with by the criminal justice system. However, many people will not and should not face arrest when there is no prospect that they would try to escape from the jurisdiction. A mechanism must be put in place under which a person who comes before a court by way of summons will not be able to escape the consequences of previous action merely because of the way the proceedings have been commenced. In his second reading speech the Attorney General gave an example relating to the royal commission into the building

industry. In that instance the presiding officer, Mr Gyles, Q.C., fortuitously recognised a person who appeared before him and was aware of his criminal history. With those few remarks, on behalf of the people of New South Wales I welcome this legislation, which I believe will serve the State and the community well into the future.

Mr COLLINS (Willoughby - Attorney General, Minister for Consumer Affairs and Minister for Arts) [11.56], in reply: I thank all members who have contributed to the debate. The bill is a relatively straightforward piece of legislation. Its provisions have been more adequately outlined by all members who have spoken in the debate. I acknowledge the support of the Opposition and commend the bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

STATUTORY APPOINTMENTS LEGISLATION (PARLIAMENTARY VETO) AMENDMENT BILL

Second Reading

Debate resumed from 9th April.

Mr WHELAN (Ashfield) [11.57]: In my contributions to debate on the two previous bills, I omitted to thank the staff of the Attorney General's Department for their courtesy in briefing me. I wish I could say the same for some of his colleagues. The Minister for Sport, Recreation and Racing and Minister Assisting the Premier, however, properly briefs shadow ministers and that ensures the orderly and expeditious operation

of the Parliament. It seems that honorable members will have to filibuster until the luncheon adjournment because there is no legislation to deal with other than this bill. It is outrageous that that should happen. At the conclusion of debate on any bill to which the Opposition agrees, honorable members should be in a position to deal with other legislation.

The object of the Statutory Appointments Legislation (Parliamentary Veto) Amendment Bill is to give existing parliamentary committees the opportunity to veto appointments of the Auditor-General, the Commissioner for the Independent Commission Against Corruption, the Director of Public Prosecutions and the Ombudsman. As the Minister indicated in his second reading speech, the reason for this is a provision in the memorandum of understanding put forward by the Independent members for the Parliament to delegate to parliamentary committees the right to veto appointments when necessary. The bill contains a variety of protection mechanisms but, as I have said, the general thrust of the bill is to make provision for the veto of any proposed appointment of the four officers to which I have referred. The bill also contains measures under which members of the relevant committee must abide by confidentiality provisions. Those provisions are set out in various items of schedule 1 to the bill. The Opposition supports the proposal. The bill will give the dedicated members of parliamentary committees a new and important role, namely that of acting as arbiters of job applications. The parliamentary committee system works exceptionally well. The fact that the committees will be bound a little more by confidentiality provisions will ensure that job applications are not published in the *Sydney Morning Herald* before the relevant committee undertakes it deliberations.

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There has been considerable discussion about making appointments on merit. The integrity of those appointed to these four important positions must be beyond question, their dedication to their new found positions unrelenting, and their integrity, vis-à-vis the Parliament and its political arm, such that all members of Parliament and all members of the public can be confident that free and independent advice will be forthcoming. Those qualities exist already in the officers who presently occupy those positions. Recently, the Ombudsman was critical of the Government over lack of funding. He may or may have a case in relation to that. I believe he does; the Government says he does not. The most important factor is that the Ombudsman should have the right at all times to criticise. Whether the Labor Party or the Liberal coalition is in office, the Ombudsman should always have the right to be critical of the Government.

The Director of Public Prosecutions, Mr Blanch, has indicated, in respect of both the former Government and this Government, that their performance in relation to court lists, et cetera, has not been satisfactory; I believe he described it as "third world". Both governments deserved the criticism because they have done nothing. The Government postures about what it has done; we postured about what we had done, but we have the worst court lists ever. There are cases outstanding of people in gaol for 12 months without a hearing. It is no wonder Mr Blanch is somewhat distressed about the rights of individuals. It is important, in my view, that the appointments are made with the greatest degree of confidentiality and that the parliamentary committee be given this additional and welcome power in respect of any proposed appointment.

Clause 5A provides that a person may be proposed for appointment on more than one occasion. That would enable a person, excluded as a result of the committee's veto, to reapply because the reapplication would be a matter of public record and it would be for the Parliament ultimately to decide whether the committee was being independent

and fair, which is essential. The Opposition supports the legislation. It may be the forerunner of things to come in relation to ensuring that the New South Wales public service and Executive arm of government are free and independent of the Legislature.

Mr KERR (Cronulla) [12.3]: I speak briefly in support of the bill. I am aware that a number of honourable members wish to take part in this debate. This is trailblazing legislation. I believe it is to the credit of the Government that it has been introduced. It is to the credit also of the Independents for it is an issue to which they have been committed for some time. I acknowledge the comments of the honourable member for Ashfield in regard to the work of parliamentary committees. In the past 12 months honourable members have observed the extraordinary work done by the parliamentary committees - and done in a bipartisan fashion. I mention in particular the Gun Committee - and I am pleased to note the presence of the honourable member for Pittwater - which achieved a speedy resolution of an extremely controversial issue and did so with a degree of good will on all sides, which is something rarely seen in this place.

I also acknowledge the work of members of the parliamentary committee on the Independent Commission Against Corruption. For some years the honourable member for Ashfield was a member of that committee. It produced a number of unanimous reports while he was a member of it - including the report in relation to public and private hearings, in which evidence was given by such people as the Hon. Athol Moffitt; Mr Fitzgerald, who conducted the famous inquiry in Queensland; Peter McClellan, Q.C., and Mr Frank Costigan, Q.C. All that evidence was available for the committee and the subsequent report on the rights of witnesses was once again unanimous. Both are important landmark reports which touch on matters of concern to the people of New South Wales. The parliamentary Committee on the Independent Commission Against

Corruption has made unanimous reports since the honourable member for Ashfield ceased to be a member of it. I believe I speak on behalf of all committee members when I say that it has been an extremely hard-working committee, which has maintained confidences. The proposed legislation seeks to ensure, so far as possible - and it never would be possible to obtain criticism-free appointments - that the most suitable applicants are appointed. I welcome the proposed legislation. It deals with a very vexed problem in a constructive way. I believe it will ensure that improvements are implemented in the public administration of this State. I support the legislation.

Mr THOMPSON (Rockdale) [12.6]: I also shall be brief. The object of the bill is to give certain existing parliamentary committees the power to veto a proposed appointment to the office of Auditor-General, Commissioner for the Independent Commission Against Corruption, the Director of Public Prosecutions, and the Ombudsman. As the Minister indicated in his second reading speech, this process will add an element without precedent in this State, that is, the right of the Parliament to have the power of veto over the suitability of appointments before they are submitted to the Governor-in-Council for confirmation. The committee will also have an extended period of time in which to perform its task. If it is unable to properly consider the matter within the originally scheduled time, this extended period will permit that to occur. The hearings will be in camera. Any documents submitted to the committee will be kept strictly confidential and any transcript notes or records of committee meetings will be retained in secret and will not be accessible through processes such as freedom of information. The bill will also provide that an appointment not be made by the Governor-in-Council until the proposed appointment has been referred to the appropriate committee, and is not to be made in the period during which the committee has the right to veto the appointment. The Opposition considers this bill to be worth while. It clearly

enhances the role of those particular parliamentary committees and the bill is, therefore, supported by the Opposition.

Mr LONGLEY (Pittwater) [12.8]: The proposed legislation represents a significant augmentation of the power of the respective parliamentary committees and, as a consequence of that, of the power of the Parliament. The legislation is also important because, in significant measure, it follows upon the Public Accounts Committee report No. 49, which was the report on the New South Wales Auditor-General's office. Chapter 3, which is headed "The Auditor-General: Process, Terms and Conditions of Appointment", deals with a number of matters. In particular the committee considered that Parliament should play a major role in the appointment of the Auditor-General, which could be achieved in one of a number of different ways: through an advisory panel; informal consultation by government; confirmation hearing; or a parliamentary appointments committee. The Public Accounts Committee examined the process of the appointment of Auditors-General in other jurisdictions. At the Federal level the Joint Committee of Public Accounts recommended that the Federal Government appoint an advisory panel comprising the chairperson of the Audit Committee of Parliament, the Minister for Finance and a member of the Opposition. The Federal Government accepted the Joint Committee of Public Account's recommendation on the appointment of a selection advisory panel, although it considered that the question of whether an audit committee should be formed was a matter for Parliament to decide. It was noted that the United States of America has confirmation hearings in regard to the appointment of senior public officials. Most senior posts, including military and foreign affairs postings, have been made by the President or his nominee and then scrutinised by senate nomination committees. The Public Accounts Committee stated in its report:

> The committee understand that this system poses an enormous burden on members of the Senate, substantial delays are the norm and difficulties arise when the different political sides cannot agree on the legitimacy or otherwise of the nomination put to them by the President.

In recent months a number of appointments in the United States have been the subject of severe criticism because of the bias and exposure which has resulted from that system. Clearly there are deficiencies in it. As the honourable member for Ashfield said, this legislation has significant safeguards for confidentiality, which is most important. The legislation proposes to give the final veto power to the Public Accounts Committee for appointment of the Auditor-General. I believe the legislation is a significant step forward. However, it should not end at that point. Various parliamentary committees ought not to be sitting back, merely looking at the exercise of the veto power. It is desirable that parliamentary committees have additional input into the selection process. That would be a useful direction in which to proceed. I note from the Public Accounts Committee report that Mr Humphry, the former Victorian Auditor-General, in his evidence said:

> At the moment I think in all governments in Australia the decision is finally taken by the cabinet and the government of the day. If that situation were to continue I would see an advantage in there being a consultative process prior to the appointment by the government, and I think the appropriate people in the consultation should be the Parliament, which is probably best through the presiding officers I think as the principal officers of Parliament . . .

Perhaps that should be modified to read "the relevant parliamentary committees with the relevant expertise for the particular office being considered". In the case of the Auditor-General, the Public Accounts Committee would be the most sensible

parliamentary body to have input into that process. I look forward to the Executive arm of government giving greater involvement to the parliamentary committees in the selection process, with the veto power being the final check on the appointment of those important people. I support the bill.

Mrs CHIKAROVSKI (Lane Cove) [12.15]: I have great pleasure in supporting this bill, which honourable members should acknowledge is an initiative of the Independents. It forms part of the charter of reform. Much has been said in the Parliament in recent times about the Independents, but honourable members should acknowledge that initiatives of this kind are important to the Parliament and in particular to relatively new members. As was said by the honourable member for Pittwater, the bill is an extension of the powers of the Parliament. This legislation will allow a more democratic procedure of confirmation of selection for important positions in the State. The bill will allow parliamentary committees which have the expertise to veto appointments. In fact three committees will decide whether four important positions in this State are to be confirmed. The Ombudsman committee will deal with the Ombudsman and the Director of Public Prosecutions, the Public Accounts Committee will deal with the position of the Auditor-General and the Independent Commission Against Corruption committee will deal with the Commissioner for the Independent Commission Against Corruption.

There has been some discussion during the debate about those committees and their qualifications. In the short time I have been a member of this Parliament it has become clear to me that those committees are hard working and well intentioned. It is also clear that reports from those bipartisan committees are well received by the public and the Parliament. I assume that a decision by those committees either to confirm or to veto a selection would be well received by the Parliament and the public. The question of the suitability of the people to be appointed to those positions is clearly one for those committees to decide, and I am sure they will take care in their deliberations. They will

not be rushed. They will have a period of 14 days in which to give notification of a veto. If that time is insufficient the committees may apply for an extension. They will have powers to receive papers and so on. Under the existing committee structure they may interview people and decide who is suitable for the particular position. I wish to comment on one aspect referred to by the honourable member for Ashfield and other members, namely, confidentiality. Proposed new section 70(1A) of the Independent Commission Against Corruption Act states:

> (1A) If any evidence supposed to be given before, or the whole or a part of the document produced or proposed to be produced in evidence to, the Joint Committee relates to the proposed appointment of a person as Commissioner, the Committee must (despite any other provision of this section):
>
> (a) take the evidence in private; or
>
> (b) direct that the document, or the part of the document, be treated as confidential.

A breach of that provision will invoke a penalty and to me that is the most important part of the Act. We have seen in recent times - I was going to say a kangaroo court, but I do not think that is quite appropriate - in the United States confirmation hearings of prominent people. Judge Clarence Thomas was to be appointed to a position in the Supreme Court. What he was involved in was not a hearing; it was a travesty.

Mr Hartcher: Hear! Hear! It was an outrage.

Mrs CHIKAROVSKI: I thank the honourable member for Gosford for his support of my statement. The hearing was akin to a public hanging. Information may have been relevant to whether the gentleman was appropriate for the position, but instead of that information being taken in private the spectacle was broadcast not only in the United States but to the whole world. That gentleman was hung out, drawn and quartered and finally thrown to the media because certain people had made accusations against him. Those accusations may have been correct and may have affected his suitability for the appointment, but the point is that that man's credibility was severely tested and he was crucified. The people of the United States - and I suggest a number of people in Australia and elsewhere - thoroughly enjoyed watching what was done to that gentleman. It was the best public hanging we have had in years. If that sort of scenario were to occur in this State, Parliament would be subject to public criticism. The confidentiality of all appointments and of all information is needed to maintain the credibility of committees and the people who appear before them to have their positions confirmed or vetoed. I am delighted to support this bill. I am pleased that the Opposition is supporting this important initiative, for it is an opportunity for the Parliament, through its committees, to be involved in the process of selection. Hopefully, through that means, appointments will not be quite as political as they have sometimes been in the past.

Mr TINK (Eastwood) [12.21]: As chairman of the joint parliamentary Committee on the Office of the Ombudsman I support the Statutory Appointments Legislation (Parliamentary Veto) Amendment Bill. The bill provides for the committee a veto of the proposed appointment of an ombudsman and the person who may be nominated to fill the position of the Director of Public Prosecutions. This important piece of legislation significantly extends the role of the Parliament to the appointment of senior office bearers and arises out of a number of matters that have been put forward by Independent members. I welcome the proposed amendments. During my time with the joint parliamentary Committee on the Independent Commission Against Corruption, under the able chairmanship of the honourable member for Cronulla, and the Ombudsman committee, I have heard a lot of evidence from senior public servants that is relevant to

the general areas of activity of both the anti-corruption commission and the Ombudsman's office. In that way, I and other members have built up a lot of expertise very rapidly on areas of activity covered by the Ombudsman and the ICAC.

Mr Temby appears regularly before the parliamentary committee to talk about general matters. The Ombudsman has certainly appeared before the Ombudsman committee on the inquiry into police complaints. Over time, the committee develops expertise in what jobs precisely involve and develops views of the way in which people appearing before it who hold various offices carry out their responsibilities. The proposals to vest this veto power in the hands of these parliamentary committees is timely inasmuch as those members of committees - all members of Parliament - have greatest access to an ongoing brief on statutory officeholders and develop expertise on the duties and responsibilities of those officers and form views of them on a personal basis based on their carrying out of statutory functions. For all of these reasons, the proposals of the legislation are very good.

The honourable member for Lane Cove said a few moments ago that the work of committees is generally fairly well received. An important report on police complaints by the Ombudsman committee is to be tabled this afternoon. That report is relevant to this bill in that the committee has handled itself collectively in an exemplary fashion,

dealing with some very complex issues and significant conflicts of interest between key groups in the community. On the basis of what I have seen of the way in which members of the Ombudsman committee have handled themselves during this inquiry, I am very optimistic that if a question of veto ever arose it would be handled in an extremely diligent fashion and on its merits, as have all other matters that have come before the Ombudsman committee to date. That has also been my experience of the joint parliamentary Committee on the Independent Commission Against Corruption. At all times issues have been handled on their merits. That committee has had to deal with some very tricky issues, such as the inquiry into the Bayeh matter. Committee members have always looked at the merits of the case. Members would approach matters in a forthright, meritorious and informed fashion. In conclusion, although I have not been involved in the Public Accounts Committee, the Minister for Sport, Recreation and Racing and Minister Assisting the Premier, who is at the table, certainly has, as have a number of other members who have participated in the debate. I have no doubt that my previous comments apply also to that committee. It is certainly evidenced in its reports. I support this very important legislation.

Mr SOURIS (Upper Hunter - Minister for Sport, Recreation and Racing and Minister Assisting the Premier) [12.27], in reply: I thank the various contributors to the debate on this bill, in particular the honourable member for Ashfield; the honourable member for Cronulla, who is the chairman of the joint parliamentary Committee on the Independent Commission Against Corruption; the honourable member for Rockdale; the honourable member for Pittwater, who is chairman of the Public Accounts Committee; the honourable member for Lane Cove; and the honourable member for Eastwood, who is chairman of the Joint Parliamentary Committee on the Office of the Ombudsman. It is significant that the three chairmen of the three committees which will be involved in the Statutory Appointments Legislation (Parliamentary Veto) Amendment Bill, which undoubtedly the Parliament will pass shortly, have seen fit to speak in favour of this trailblazing legislation.

The appointments of people to the four most sensitive publicly accountable positions in the public service, which carry the highest degree of integrity in this State - namely, Auditor-General, Commissioner for the Independent Commission Against Corruption, Director of Public Prosecutions and Ombudsman - are dealt with in this legislation. I endorse the fact that the Parliament, to whom these four statutory office-

bearers owe their allegiance, is now being vested with the power to control their operations more so than has been the case. Through this piece of legislation, the three bipartisan parliamentary committees already in existence will have the power of veto. The delegation of the authority to appoint into the hands of those three parliamentary committees gives them a very significant power. Having served on one of them, I am sure that members of those committees already see their role as being completely independent. In fact, members of committees owe their allegiance also to this Parliament rather than only to the party from which they come.

My experience on the Public Accounts Committee bears that out. On several occasions, in the conduct of inquiries and in debate on recommendations to be included in reports, the political position of various members of each party had to be compromised to some extent to produce a combined committee view. But on every occasion, once a report had been produced committee members felt entirely bound by its recommendations and did not take advantage of any opportunity even through media conferences to try to advance the political aspects of, and thus compromise, any recommendation to which they had contributed. The bill was drafted following the charter of reform struck with the three Independent members, the honourable member for South Coast, the honourable

member for Bligh and the honourable member for Manly. I commend the Independents for their role in producing this measure which gives existing parliamentary committees greater accountability in statutory appointments to four positions mentioned in the bill.

The honourable member for South Coast, but for his illness today, would have moved an amendment to which the Government had previously agreed. Though the honourable member for South Coast is absent, the Government is delighted to indicate that in the Committee stage it will move an amendment which, in essence, will change the commencement date of the Act from the presently indicated date of proclamation to the earlier date of assent. The main reason for that amendment is not to delay the commencement of the Act because at this moment the question of the appointment of an Auditor-General, the current Auditor-General having retired, is on the agenda. It is inconceivable that the Parliament would pass the bill yet the Government would delay the commencement of the Act so that the next Auditor-General could be appointed without being subject to this new accountability process. In order to ensure that risk does not exist and can be seen not to exist, the Government readily agrees to the proposed amendment. I thank honourable members who have contributed to the debate. I am delighted to commend the bill and look forward to its implementation in the immediate future.

Motion agreed to.

Bill read a second time.

In Committee

Clause 2

Amendment by Mr Souris agreed to:

Page 2, clause 2, lines 6 and 7. Omit the words "on a day or days to be appointed by proclamation". Insert instead "on date of assent".

Clause as amended agreed to.

Bill reported from Committee with an amendment and passed through remaining stages.

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BILL RETURNED

The following bill was returned from the Legislative Council without amendment:

Casino Control Bill

MINING BILL

Second Reading

Debate resumed from 9th April.

Mr ROGAN (East Hills) [12.37]: I lead for the Opposition on this bill. Though

the Opposition will be proposing amendments, it will not oppose the bill as such. The proposed legislation, which has been five years in the making, has its origins in the days of the previous Labor Government when the Minister for Minerals at that time, Ken Gabb, after approaches from the mining industry, had a discussion paper prepared. That paper was ready for release by former Premier Unsworth at the time his Government lost office. Following that change of government, the present Government proceeded to carry forward the initiative to merge the Mining Act and the Coal Mining Act into the Mining Bill. Changes have occurred since the original bill was introduced by Minister Pickard prior to the 1991 election. The bill incorporates those changes, including those outlined by the Minister for Natural Resources in his second reading speech. I commend the Minister and the Parliamentary Counsel on the plain English format and style of the bill which makes it easier for the public and even parliamentarians to read. The bill flows much more sequentially and can be easily understood. Former Minister Pickard in his second reading speech on the introduction of the original bill spoke of knockers of any development of mining of coal or other minerals. I assure honourable members that knockers do not come from this side of the House. The Opposition encourages development of the mining industry and anything that will facilitate improved minerals extraction which generates revenue and jobs in this State.

Total production of coal for the last year on record, 1990-91, increased by 2.6 per cent to a record 80.12 million tonnes, following a rise of 14.5 per cent in the previous year. Production in 1980-81 was 49.48 million. The unions have contributed to this increase. Annual output per employee of the saleable tonnage of coal for all mines increased in the same period from 2,660 tonnes to 4,730 tonnes - almost 100 per cent. Those employed in the industry should be commended. In 1990-91 the industry directly employed 16,433 employees. A significant number of others depend on the industry for employment. It is difficult to gauge the health of the industry from reports. For example, in January of this year the Coal Association, in referring to the industry's performance said that the New South Wales coal industry had recorded a decline of 39 per cent in net operating profit after tax to $103 million, excluding abnormal and extraordinary items. The report stated that 43 per cent of New South Wales coal companies recorded losses for the year. The association pointed out that this was of great concern and provided evidence of the poor financial health of the industry as a whole. One company alone accounted for more than half of the industry's profit.

The New South Wales coal industry is the State's largest export industry, with export earnings of $2.7 billion in 1990-91. The industry is making a significant contribution to the economy of New South Wales in particular and to Australia as a whole. Queensland exports a large amount of coal. Coal is now the nation's major

export earner. That gloomy outline of the industry from the association contrasts with other recent reports. I do not have those details with me because, as the Minister for Natural Resources will understand, the debate has been brought on earlier than was originally anticipated. A recent clipping from the *Sydney Morning Herald* gave a very rosy outline of the industry. After discussions with industry heads the reporter stated that the industry was looking very rosy indeed. I hope that view prevails rather than that of the Coal Association early this year.

The latest figures for mineral production in my possession are those for the June quarter of 1991. Gold production increased from 2,206 kilograms in 1986-87 to 9,116 kilograms in 1989-90. I do not have the figure before me but I believe that, after coal, gold is the second or third major export of this nation. Though New South Wales is not a leading State in gold production, the gold mining industry is bright. Production of other minerals is a mixed bag. Silver recorded a decrease, as did copper and other

metals. The Opposition does not oppose the bill because it wants the facilitation of mineral development in this State. The streamlining of mining development applications and the introduction of various other measures are necessary parts of the bill. Having dealt with general points concerning this legislation I now turn to the detail of the bill. I shall not go through the bill clause by clause but I shall take points about important aspects.

Fossicking for minerals is important to a number of people who really enjoy this activity in the countryside. When I reach retirement or have spare time I would like to take up fossicking. Clause 12 states that fossicking is a lawful activity and it will no longer be necessary for people to obtain licences to fossick. The permission of a landholder or of the Crown will still be required for a person to enter property for the purpose of fossicking. I hope that this leisure or hobby activity - I am sure that it generates revenue but it is mostly a hobby activity - is not inhibited by this legislative deregulation. I spoke earlier of the need to encourage more development of minerals in this State. In that respect the streamlining of the system of titles is very encouraging.

The reduction of the number of titles from 10 to five so that there will be only opal prospecting licences, mineral claims, exploration licences, assessment leases and mining leases, together with the other measures contained in this legislation will, one hopes, facilitate a quicker process from exploration to the mining stage of mining generally, whatever form that may take. It is hoped that this legislation will streamline the process. Minister Pickard, who first introduced this legislation in 1991, in his speech said, "In line with the Government's comprehensive environmental policy considerable emphasis is being placed on environmental aspects of mining". It was at that time my intention to move an amendment to the legislation so that at this point I would have expected to foreshadow that amendment, dealing specifically with clause 74 of the bill as it relates to environmental controls.

I would have to say generally of the industry, not specifically, because there are exceptions - perhaps too many - that the industry has made remarkable advances in its approach to environment concerns of the community. Recently I attended the opening of the display by the titanium industry at the Earth Exchange where emphasis there was significant on the environment. Many of the legislative provisions regarding the environment relate to the original Environmental Planning and Assessment Act, 1979 so that now there is a requirement on industry to take a greater account of the environment. Perhaps also there has been public pressure for the industry to perform in this regard. Whilst there are exceptions, the industry overall is doing far better in environment matters than it did previously.

The proposed amendment that I was going to move I will discuss in more detail when I come to the relevant part of the legislation. Part 2 of the bill contains clause 11 which deals with property and minerals lawfully mined. It is not my intention to move an amendment to this clause but where clause 11(3) operates, it needs to be made clear that any dealings with stockpiled minerals by persons other than the lessee should be in accordance with the terms of any lease or claim. I am not sure that the legislation in its present form deals specifically with that. If a miner went broke and another miner took over the mining lease, provisions and stockpile, would the conditions that applied to the original lessee also apply to the person who takes over? This is something the Minister may consider when he replies to the second reading debate.

A lot of pressure has been brought to bear to have environmental impact

statements prepared for exploration licences. The Opposition at this stage is not proposing to move along those lines but the present Act and this bill provide that the Minister for minerals or natural resources, whatever the portfolio title, can require that an environmental impact statement be undertaken if, in the view of the Minister, environmental damage will be done that would warrant it. It has been drawn to my attention there have been a number of such activities. Indeed, I understand that in one case something like half a million tonnes of coal was produced and exported under an exploration licence without the provisions of the environmental impact statement. That is something that would have to be looked at. It is time to consider whether there is a need for environmental impact statements to be done during the mining exploration stage dealt with in part 3 of division 1 of this bill.

Debate adjourned on motion by Mr Rogan.

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

MATTER OF PUBLIC IMPORTANCE

Mr Speaker advised the House that he had received from the honourable member for Baulkham Hills notice of a matter of public importance, which would be listed for discussion at the conclusion of formal business.

QUESTIONS WITHOUT NOTICE

HEALTH COSTS

Mr CARR: My question is directed to the Minister for Health Services Management. Is the Minister aware that health costs made now make the highest contribution to the national consumer price index? Is he aware that health insurance and specialist fees were the biggest components of this figure? Why is the Minister continuing to encourage people into private insurance and the privatisation of public hospitals?

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

Mr PHILLIPS: One wonders why the Opposition continues to change tack on the various issues that arise across all portfolios, particularly the health portfolio. Let us look at the facts about health. It was not too many days ago at the Ministers' conference

in Sydney that my colleague the Minister for Health and Community Services made a clear statement which was headlined in the media relating to the grave concern of the New South Wales Government about the effect that the declining number of people with private health insurance is having on the public health system. The headline stated that that is expected to cost the State about $400 million during the coming years. Since the Federal Labor Government came into office in the early 1980s, the number of people with private health insurance has declined by more than one million. That trend continues. As people can no longer afford private health insurance or find there is no real incentive to have private health insurance, the pressure on the New South Wales health system increases.

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

Mr PHILLIPS: This year the health budget in New South Wales will be dramatically affected by the number of people who no longer have private health insurance undergoing operations in the public health system. That is putting significant pressure on hospital budgets for two reasons. The first is the reduction in revenue. It has been clearly announced that revenue in the public health system will decline because people are no longer taking out private health insurance. The second reason is that because these patients are public patients, the additional costs of their operations and the fees of visiting medical officers have to be met. New South Wales and every other State in Australia faces severe problems because of the collapsing private health insurance system and because fewer and fewer people are privately insured. Unless the Federal Government comes to grips with that problem, the private health insurance system will collapse completely and the pressure on the public health system will continue to increase dramatically. Every member of this House should call on the Leader of the Opposition, who has asked the question, to make strong recommendations to the Federal Government about coming to grips with this severe financial problem within the New South Wales and Australian health system. It is a critical problem and the Federal Government must face up to it.

GRAINCORP

Mr CRUICKSHANK: My question without notice is to the Premier, Treasurer and Minister for Ethnic Affairs. What action is the Government taking to conclude arrangements to sell Graincorp? Has the Premier been advised of the likely price to be paid and of the terms under which payment will be made?

Mr GREINER: I thank the honourable member for Murrumbidgee for his question and, indeed, the honourable member for Port Stephens, who has been helpful in this matter. I am pleased to advise the House that an hour or so ago, the shareholders of Graincorp completed negotiations on the heads of agreements for the sale of New South Wales Grain Corporation Holdings Limited to the Premium Wheatgrowers Association Limited. In accordance with the commitment the Government gave to Parliament at the time of the corportisation exercise, there has been consultation with the Opposition. Further detailed advice will be provided this afternoon to the shadow minister, whom I acknowledged a few moments ago. Advice has also been provided to the crossbenchers.

The signing of the heads of agreement is a major step in the Government's program of getting out of businesses in which it has no place. More importantly perhaps, it is part of the program of improving the efficiency of our major export industries, of which the wheat and grain industry is a most significant one. This move has the full support of the New South Wales Farmers Association and, in addition to the written

support from the president of the organisation, it received renewed and total support from a meeting of the general council of the association. The basis for the sale recognises the volatility of the wheat industry due to the vagaries of weather and markets. It will provide the Government with a minimum of $90 million in present value terms and, if there is a series of large crops, as much as $110 million. This price accords with the retention values which have been calculated by Rothschilds, the Government's independent commercial adviser. There is no actual or implied government guarantee in the arrangement.

When one takes into account the cash and the residual real estate assets which

will remain with the Government, the present value to the Government of this exercise is in the order of $130 million. This is a sound deal for the New South Wales wheat growing industry as basically it puts the wheat handling system under industry control. It will ensure that it remains competitive. Indeed, the chairman, Mr Schwartz, said at the press conference a short time ago that the view of the PWA was that there was scope for some reduction in charges. That is an appropriate matter for the industry. The industry is the user. The industry is the beneficiary of greater competitiveness and efficiency. I certainly wish the PWA well in its purchase.

It is also a good deal for the State. It gets out of a business in which the Government has no place and returns some funds to consolidated revenue - approximately $7 million per annum with more in good years. The most important thing to say, perhaps, is that this is a major part of the microeconomic reform program announced initially in June or July 1988, when the Government outlined its desire first to corporatise and subsequently to privatise the Grain Handling Authority. I congratulate the board of GrainCorp particularly its chairman, Mr Farrer, and I congratulate the Prime Wheat Association for the work it has done in the past 18 months or so to arrive at this position. I might say in passing that the other major privatisation and microeconomic reform initiative of the Government for this year - the privatisation of the GIO, which the Minister Assisting the Premier is marshalling - is also proceeding satisfactorily and the Government would expect that to be completed on target, both in a financial and a time sense. This is an important change as far as the wheat industry is concerned. It will be good for the grain growers of New South Wales and it will be good for the taxpayers of New South Wales.

CITYRAIL

Mr LANGTON: My question without notice is directed to the Minister for Transport. Is CityRail about to employ private security guards to collect and check tickets at railway stations? Will these private guards replace all current CityRail ticket collectors? Why has he kept this plan a secret?

Mr BAIRD: The answer is, no.

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

POWERHOUSE MUSEUM

Mr PHOTIOS: My question without notice is directed to the Attorney General, Minister for Consumer Affairs and Minister for Arts. Is the Minister aware of promotional material being run on Australian Broadcasting Corporation television for tonight's edition of "7.30 Report", claiming his involvement in the appointment of his personal staff at the Powerhouse Museum? Can the Minister provide honourable members with details of this appointment and the claims being made by the "7.30 Report"?

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Mr COLLINS: I thank the honourable member for Ermington for his question and I want to assure the House that the allegation is wholly scurrilous and without foundation. I understand it has come from a Ms Vanessa Eley, the former marketing manager of the Powerhouse, whose position was one of three abolished during a restructuring of the museum's organisation and management last year. I want to say at the outset I do not reflect adversely on Ms Eley's competence or her rights to argue her

case publicly and on television, as she will do tonight, but I am compelled to correct errors in her assertion. Ms Eley has claimed that I influenced the museum to appoint my former press secretary, Jane de Teliga, to a senior position at the museum. I did not. The fact is that my former press secretary was already on the Powerhouse staff. She had been employed at the Powerhouse as a curator. She was seconded to my office for a year in 1990-91 to serve as my press secretary.

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

Mr COLLINS: She returned to the Powerhouse at the request of the director -

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

Mr COLLINS: - who asked for her return in a letter to me of 26th November last year. She returned to her original position at her original classification of Curator Grade 2. Upon her return, the director asked her to assist him in certain duties relating to promotional, marketing and sponsorship matters. She has been carrying out those duties. She was not appointed to any new position at the museum. I am advised that no new position relating to these duties exists or has been created to date. I would only add that, to my knowledge, Ms de Teliga's work, both in my office and at the museum, has been entirely satisfactory. Her employment -

[*Interruption*]

That got a couple of sniggers from some members of the Opposition, who do not understand who I am talking about. A number of members of the Opposition do know the person I am speaking about and know that she is one of the most highly regarded museum professionals in Sydney. Indeed, she was the person behind the Australian fashion exhibition which was on display at the Powerhouse Museum a couple of years ago. She received an invitation to display at the Victoria and Albert Museum in London and also, through the Department of Foreign Affairs, in Tokyo and Seoul as part of the Seoul Olympics. I never influenced or sought to involve myself in appointments at the museum, or in the duties carried out by members of staff. Except in respect of the appointment of chief executive officers, I do not involve myself in individual staffing matters.

When Ms Eley and her family persisted in allegations of malpractice and illegality against the Director of the Powerhouse Museum - and when the honourable member for the South Coast made representations on behalf of Ms Eley - the Secretary of the Ministry for the Arts closely examined the history of the matter and questioned the director at length. All the issues were examined in consultation with a senior officer of the Office of Public Management of the Premier's Department. The secretary concluded that, at all times, the director had acted within his delegated authority and in accordance with all relevant provisions of the Public Sector Management Act, and that no illegality or malpractice had occurred at any time. Last night the "7.30 Report" ran a promotion of a story that it presumably intends to show tonight which said that from the Powerhouse

Museum to the Minister in charge there is no public comment. I cannot be any more public than I have been. My comments have been placed on the public record. Also I have indicated to the "7.30 Report" my availability and the availability of the Director of the Powerhouse Museum to appear on the program tonight, both of which have been declined.

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

Mr COLLINS: I look forward to viewing the "7.30 Report" show tonight. For the information of honourable members, at the conclusion of my answer I will lay upon the table a letter from the secretary of the ministry to Ms Eley dated 12th March setting out the ministry's conclusions; a letter of 26th November from me to the Director of the Powerhouse Museum requesting Ms De Teliga's return to that institution; a letter from Ms Eley to me of 24th October; and my reply to Ms Eley of 13th November, making it clear that it is not my practice to involve myself in staff appointments at the institution. On 13th November in response to a letter from Ms Eley I underscored my policy as Minister and emphasised that I will not interfere in staff appointments. The relevant paragraph of the letter reads:

> For your information, I did not intervene or in any way seek to influence an appointment to a senior Powerhouse position for which my brother-in-law was shortlisted. I therefore have no intention whatever of reversing my arms-length policy on management and staff appointment decisions.

I did not intervene in any way in relation to my brother-in-law's appointment to a senior position at the Powerhouse Museum a couple of years ago. My brother-in-law is a well-qualified museum expert who recently enjoyed a scholarship to the historic site at Williamsburg in the United States of America. I did not in any way intervene on his behalf, nor will I intervene on behalf of anyone else be they staff, former staff, party member or any other person. I assure the House that this matter has been handled appropriately. It is an industrial matter and the trust of the Museum of Applied Arts and Sciences has every right to determine who will be appointed and every right to determine the structure of the staff. I reserve my right to have a say about chief executive officers of arts institutions, and the head of the arts ministry. So far as other staff positions are concerned, I will leave that for the appropriate staff procedures to be followed. I thank the honourable member for Ermington for his question and for his long-standing interest in arts issues.

HOMEFUND

Mrs GRUSOVIN: My question without notice is addressed to the Minister for Housing. Did my representations today result in the sheriff and locksmith being directed to leave the premises of a Hillsdale HomeFund borrower without effecting an eviction? Will the Minister now accept that people are being evicted? Will he guarantee a moratorium on the eviction of HomeFund borrowers?

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

Mr SCHIPP: That question has almost as much credibility as the cheque article in today's *Daily Telegraph Mirror*. The honourable member well knows there is no cheque, there never was a cheque, there never was intended to be a cheque and there never will be a cheque for that family. It was an arrears adjustment on record. That is all that the matter was about. I said yesterday, and the honourable member for Heffron does not seem to comprehend anything in regard to HomeFund, that there is a

reassessment of all applications where people sought lower repayments because of certain circumstances. That has been going on now since the new audit procedures were introduced last year. The family in question was given eviction orders. As a result of the reprocessing of those repayments that has been put on hold. It is not a very good track record.

Mrs Grusovin: The sheriff was there.

Mr SCHIPP: If the honourable member wants these people's record to come out in the open, keep pressing because -

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

Mr SCHIPP: I can recall in this Parliament where a number of -

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

Mr SCHIPP: A number of honourable members took exception that I was prepared to go back on people who make false allegations about their particular circumstances in those days on the rent they were paying to the Department of Housing. If the honourable member wants the track record of the family she is talking about to come out in the open or any other family that you -

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

Mr SCHIPP: I have got it here. If you want to keep pressing, we will go down the line and see about the amount of defaults that the people have made, the false information that they have given in their loan applications - and a few other issues in that regard.

METROTEN

Mr PETCH: My question without notice is to the Minister for Transport. Is the Minister aware of claims that the Metroten ticketing system on State Transit buses is unreliable and open to fraud? If so, will the machines be replaced by modern technology, and what effect will this have on fare evasion?

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

Mr BAIRD: I thank the honourable member for Gladesville for his question and for his obvious interest in the reform of public transport in New South Wales.

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

Mr BAIRD: Some newly-elected Opposition members made cracks about the Metroten ticketing system but who was it who introduced the system? It was the former Labor Government.

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

Mr Mills: What about the JetCats that were built at Newcastle?

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

Mr BAIRD: In reality the JetCats will prove to be the best ferries that have ever been used on Sydney Harbour in comparison with the el cheapo Metroten ticketing system that the former Labor Government installed.

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

Mr BAIRD: That system has been a failure and this Government has had to put it right. Many people know that rorting has gone on. In fact Paul Mullins from Channel 10 highlighted this situation. The system is outdated and has outlived its usefulness.

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

Mr BAIRD: That is why new ticketing equipment has been installed on more than 600 State Transit buses.

Mr Langton: Which was rorted on day one as the Minister well knows.

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

Mr BAIRD: The honourable member for Kogarah keeps on getting it wrong as honourable members will hear at the end of question time. Opposition backbenchers should check his track record. He gets it wrong 95 per cent of the time. The new technology is known as STATS - State Transit Automated Ticketing System. In the coming weeks this equipment will be provided on buses from Ryde, Burwood, Leichhardt, Kingsgrove, Port Botany and North Sydney.

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

Mr BAIRD: By August green ticket machines will be installed in every State Transit bus in Sydney and Newcastle.

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

Mr BAIRD: The new system has been trialled successfully already on buses between Curl Curl and Wynyard. Passengers and bus operators involved in the trial overwhelmingly supported the STATS system and said that the new green machines were easy to use. The time has come to extend their use. Initially the new machines will be used by drivers to issue cash and pensioner tickets only. It will not affect Metroten, travel passes or other passholders at this stage. Passengers buying a cash ticket will be issued with a new style paper ticket with more information about their trip than ever before. It will include information about the time and date of purchase, the bus route number and the number of sections for which the ticket is valid. This will be useful in particular for inspectors when checking overriding, which has been a problem. It will provide all the information needed to monitor the origins of various trips, the use and changes in pattern of usage of the bus system so that bus services can be adapted to meet the demand in particular areas.

We expect to be able to introduce a new travel pass ticket from 3rd August. The temperamental MetroTen ticket will be replaced by the new look TravelTen pass from 31st August. It is hoped that these magnetic strip tickets, which will replace the paper

tickets, will dramatically reduce fare evasion, which is estimated to cost the State $10

million a year. This new equipment is a major step towards the introduction of a more compatible ticketing system with CityRail. As we know, CityRail is introducing later this year automatic ticketing machines, and the tickets will be compatible. There will be a minimum of fuss, shorter queues, ticket machines and less fare evasion. The new system will enable us to use information about every bus journey taken in the metropolitan area. Savings to State Transit are estimated to be $10 million a year, which is the current cost of fare evasion. The elimination of the fraud that currently occurs will be a major step forward. We continue to correct the mistakes made by the Labor Government when in office.

PRINCE CONCERT

Ms MOORE: My question without notice is addressed to the Minister for the Environment. Does the Environment Protection Authority licence for the Prince concert at the Sydney Cricket Ground include the standard limitation on noise levels? If the noise levels exceeds the permitted level, as it did at the recent Concert for Life, will immediate action be taken to lower the volume?

Mr MOORE: I am sure the House would appreciate that I am the person who would most appreciate the irony of the remarks I am about to make - and I am sure the irony will be enjoyed by all members present; probably we will hear the cackles of the jackal from Smithfield. I am more than pleased to advise the honourable member for Bligh that the Environment Protection Authority at the insistence of this Chamber is an independent statutory organisation. I have every confidence that its inspectors will carry out their functions in that fashion.

INFLATION

Mr LONGLEY: I direct my question without notice to the Premier, Treasurer and Minister for Ethnic Affairs. Do the latest Australian Bureau of Statistics figures show that New South Wales recorded a drop in prices for the March quarter? If so, how does this compare with the State's performance on taxes and charges?

Mr GREINER: The House would be aware that the record of New South Wales on the most important criteria of employment and unemployment is easily the best in Australia. Our unemployment rate is by far the lowest; indeed, of the last 35,000 jobs created in Australia, some 30,000 were created in New South Wales. This question goes to the information released yesterday by the Australian Bureau of Statistics with respect to the consumer price index and information released the week before on taxes and charges. The Australian Bureau of Statistics figures on the CPI released yesterday reveal that Sydney prices actually fell in the March quarter compared with those of the December quarter. At 1.2 per cent, the increase in Sydney prices compared with those of the previous 12 months was well below the national average of 1.7 per cent and below those of every other State except Western Australia.

The remarkable performance of the New South Wales economy goes well beyond that. Not only did we have the best employment performance and effectively the best inflation performance, but with respect to government charges - which are absolutely within this Government's control - the Australian Bureau of Statistics figures confirm that we are keeping a tight lid on government charges. These show that the quarterly increase in charges was the lowest of any State of Australia. The annual increase of 3.1 per cent in New South Wales was the lowest of any State except Queensland. Increases for the

other States range from 3.3 per cent in South Australia; 5 per cent in Victoria; 6.1 per cent in Western Australia; and 8.2 per cent in Tasmania. Those figures come on top of the recent Grants Commission figures, which indicate that tax rates in New South Wales are now less than in all other States except Queensland. Excluding Queensland, the Grants Commission has found that tax rates in the other States are between 3 per cent and 26 per cent higher than in New South Wales. In fact, since the coalition came to office in 1988, tax rates have gone from being 9.3 per cent above the average of other States to only 0.9 per cent higher. The only reason for that is that the Queensland tax rates are dramatically lower; they are about 20 per cent lower than the national average.

Furthermore, this reduction in tax rates in New South Wales compared with that of other States is evidenced in the Australian Bureau of Statistics figures. They show that since 1987-88 tax revenue in New South Wales has increased by only 31 per cent compared with 40 per cent for South Australia; 42 per cent for Tasmania; and 47 per cent for Queensland. The Government is continuing its outstanding management of the State's finances and economy - despite the revenue collapse that I mentioned yesterday and despite Commonwealth cuts and the effect of the recession, which has contributed to the broad $1.5 billion deficit - in a way which will absolutely continue to guarantee that New South Wales will be the State which has the best performance so far as living standards, employment, inflation, taxes and charges are concerned. If we take the totality of those, we can see quite clearly that New South Wales taken as a whole continues to outperform every other State of Australia quite easily.

GOODWOOD ISLAND WHARF AND WILCOX'S QUARRY

Ms ALLAN: My question without notice is directed to the Minister for Natural Resources. Does his press release of 13th March support the upgrading of Goodwood Island wharf near Yamba and a crushing operation at Wilcox's quarry at Ashby? Does his cousin, Mr Brian Lewis, have a direct interest in both of these developments? What other covert support has he given to these projects?

Mr CAUSLEY: I welcome the question from the honourable member for Blacktown because it shows her real character. Of course I support the upgrading of the Goodwood Island wharf, and so does the member for Page who happens to be a member of the Australian Labor Party.

Ms Allan: Mr Lewis is not his cousin.

Mr CAUSLEY: I will go into that. All the people of the Clarence Valley support the upgrading of the Goodwood Island wharf. We also support it as a port of first entry because at the present time we are encouraging trade from that port to the islands of the Pacific. I would have thought that was good for the whole of the North Coast.

Mr SPEAKER: Order! I call the Deputy Premier, Minister for Public Works and Minister for Roads to order.

Mr CAUSLEY: Let me talk about two things that have happened, first, Wilcox's quarry which the honourable member has mentioned and, second, the upgrading of the port at Goodwood. Yes, Mr Brian Lewis is my cousin. I am related to a lot of people on the Clarence River.

Mr SPEAKER: Order! I call the honourable member for Auburn to order for the second time. I call the honourable member for Manly to order. There is far too much interjection. It is very difficult to hear an answer when there is such a barrage of interjection. I ask all members to co-operate in allowing question time to proceed in an orderly fashion. I call the Deputy Premier, Minister for Public Works and Minister for Roads to order for the second time.

Mr CAUSLEY: My family has been on the Clarence River since 1860. It is very proud of being part of the community of the Clarence River.

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

Mr CAUSLEY: Mr Brian Lewis got the contract to upgrade the Goodwood Island wharf. It was a legitimate contract. He had every right to put in a bid for it. It was assessed, and he got the contract. There is nothing unusual about that - nothing at all. Let me talk about Wilcox's quarry, which is quite interesting. We have an interesting situation on the Clarence River at present. At new council has been elected, and a couple of people are muscling their way around. One is a councillor called Marianne Witzig and another is a councillor called Joy Mathews. She happens to be a Labor Party member - of course. They are making all sorts of allegations at present about Wilcox's quarry at Ashby. We have been through this in this Chamber. We know that Marianne Witzig approached the planning department. She also approached other departments. She had the quarry stopped, which had effects right across this State so far as quarrying operations are concerned. I am sure many people realise that. Because of the vendetta that she is carrying out, operations at Wilcox's quarry have ceased, much to the detriment of the shire council. That vendetta stopped the operations of Wilcox's quarry, much to the detriment of the shire council and the upgrading of Iluka port. The quarry is the only source of good aggregate. Marianne Witzig and Joy Mathews, both councillors of Maclean shire, are completely responsible for these actions. Let me also say something about Councillor Witzig which is quite interesting. Councillor Witzig deserves this because she obviously invited the honourable member for Blacktown up there recently. While I was overseas the honourable member sneaked up to the Clarence River but did not tell anyone.

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

Mr CAUSLEY: In her usual gutter way she informed no one. She did not inform the local member or any of the local councils. In fact they were looking for her on the Clarence saying: "Where is this shadow that is supposed to be around the Clarence today? Where is she?" She was probably under the wharf - water rats usually live under a wharf. It is interesting to note that Maclean council was sitting that day and that at lunch time two of the councillors disappeared. Guess who? Marianne Witzig and Joy Mathews. Where were they? They had found the shadow and that is where they were. Marianne Witzig should come out in all her glory in this issue. She will thank the honourable member for asking this question, because Marianne Witzig has a subdivision on her property - she did not tell the honourable member that - and the access road breaches the rules. Before Marianne Witzig got on the council she was told -

Mr SPEAKER: Order! I call the Leader of the Opposition to order. It is quite obvious that the answer to this question is creating a certain amount of interest in the Chamber. However, honourable members will be able to hear the answer to the question if they remain silent.

Mr CAUSLEY: Marianne Witzig was told by the council that it would agree to the subdivision but the access road did not comply, and council asked her to come back with a better access road. In the meantime Marianne Witzig was elected to council and she went and leaned on a member of council to use his delegated authority to approve the access road. That is what she did. I have never raised this issue. I did raise the issue of the quarry because I believe that was an irresponsible action -

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

Mr CAUSLEY: - by a councillor who deliberately set out to destroy the quarries in the shire and to stop all roads that were being built in the shire. I thought that was irresponsible.

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

Mr CAUSLEY: The orang-outang opposite is at it again. He has changed seats but he is still swinging from the branches. I have to say that I have never raised this issue because I did not think it was fit and proper but I thank the honourable very much for the question -

Mr SPEAKER: Order! I call the Minister for Agriculture and Rural Affairs to order.

Mr CAUSLEY: - because now the local people will know who they have as a councillor and exactly who her friends are and exactly who supports the illegal actions. I would gladly accept a supplementary question if the honourable member wishes to ask one.

AUSTRALIAN FLAG

Mr FRASER: I address my question without notice to the Minister for Local Government and Minister for Cooperatives. Is the Minister aware of an increasing demand by people to fly the Australia flag on their property? If so, what action is being taken in New South Wales to make it easier for these patriots to fly the flag?

Mr PEACOCKE: I thank the honourable member for Coffs Harbour for his extremely timely question. The Australia flag has been of great prominence since the attacks made on it by the Bankstown bandit Paul Keating. At the present time the right of patriotic Australians to fly the flag, which represents their pride in this country's past and future, is in question. As I travel throughout New South Wales I see the very real attachment that the people of Australia have to our flag, which has represented Australia for so long. Unfortunately, it recently came to my attention that a number of councils throughout New South Wales are hampering the easy erection of flagpoles by bogging down the whole process in bureaucracy and expense. In one recent case that was reported on radio a pensioner in western Sydney, who wanted to erect a flagpole in his front yard to express his patriotism, met with incredible resistance from the local council. That council wanted to charge more that $100 for a development application for the erection of the flagpole.

Mr SPEAKER: Order! I call the honourable member for Coffs Harbor to order. There is far too much interjection from both sides of the House. Though it is always pleasing to see the House in a reasonable state of good humour, that can get out

of hand and create an atmosphere conducive to disorderly conduct. I ask honourable member to co-operate by being silent during the remainder of question time to enable the Minister to complete his answer.

Mr PEACOCKE: A person who wants to erect a flagpole or similar structure must ensure that it is safe and not an eyesore to neighbours. No one would want a flagpole to be put up in a haphazard fashion and fall on an unfortunate passing pedestrian.

Mr Schipp: Depends who it is.

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

Mr PEACOCKE: Name a few. In the normal course of events some councils require a development application to be submitted, and in any event a building application must be submitted. However, it is not right or acceptable that an application for the erection of a simple flagpole on a residential property should be subject to outrageous application fees. Nevertheless, many councils apply such fees. That practice is completely wrong and should cease. Even more ridiculous is that councils have always had power to waive fees to make the process simpler. The happy ending for the pensioner and his flagpole, after he had a little chat with the council in question, was that the council decided to waive all charges in that case and for such structures in the future. I am pleased to say that, in the majority of cases if a council is reminded of its powers to respond sympathetically to the community, it will do just that. I have taken steps to highlight this flagpole issue to all councils throughout New South Wales.

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

Mr PEACOCKE: This is one area in which councils can be user-friendly and do their bit to promote the patriotism of real Australians - and there are many of those. Let us get out there and put our flag up and show it proudly in our suburbs. After all, if Mr Keating has his way, it will not stay our flag much longer. There can be no doubt that our flag is in dire danger and at the mercy of a man who twists the fabric of our history for his own political purposes. The Prime Minister is attempting to do what the enemies of this country could never do, that is the humbling and destruction of our flag and the spirit it represents. He has decided quite cynically and arrogantly that he needs a new flag -

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

Mr PEACOCKE: - to suit the new Keating model of Australia. Even his own party members and, I suggest, many members opposite are trying to cool him off because they know that most Australians identify with and want to keep the flag as it is. There has been a lot of talk about removing the Union Jack from our flag. Let me cite some statistics which show that the vast majority of people across all age groups want the Union Jack to stay. From 1967 to 1984 five surveys were taken on this subject and every time the response was overwhelmingly to keep the Union Jack. It is not just older people who want to retain the Union Jack and who want our flag to stay as it is. Some of the strongest feeling came from 16 to 20-year-olds, of whom nearly 70 per cent said that it should stay. I say to Keating: do not think you are fooling the public. This sudden

interest in patriotism is nothing more than a smokescreen so that the people of Australia will be diverted from the truth of the terrible mismanagement of the finances of this country by Paul Keating and his Government.

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Recently a radio commentator suggested that this is just a red herring Keating dragged across the stage to divert attention from the real issue. What does Keating want with his flag? Perhaps we could have a flag with an undertaker rampant on a field of bludgers. Perhaps we could have a flag with a red star in the middle. One of my honourable friends has suggested a flag covered with yellow bananas to signify the banana republic that has been created by the Labor Party. In all seriousness, many people in this country, the majority, see our flag not only as an attractive and dignified flag but one that represents our history. The cultural cringe of people who want to change the flag is utter madness. It signifies the weakness of their regard for our history. Only yesterday when travelling in a cab I talked to a Macedonian cab driver. He talked about the Yugoslav situation. He said: "I escaped from a republic to come to a free country that is free because of the system it has had for hundreds of years. That flag is my flag". And he was a migrant. The feeling on the flag among people who have come to this country from overseas is very strong. Does Mr Keating seek to create a situation in which every few years as things change we will change our flag? It is nonsense. All members of this honourable House should be greatly concerned about this issue. If we change our flag, we will change our way of life, because we have to match the flag with the way of life. That would be rejecting our heritage. Having the Union Jack in the top left hand corner of the flag shows that this country was initially formed by a nation which gave us our system of justice, freedom and loyalty, which is unequalled anywhere in the world. I say to Mr Keating: get your hands off our flag and get back to trying to get this country out of the muck you have dragged it down into.

PETITIONS

Public Sector Employment

Petition praying that the House ensure that vital jobs and services in the public sector be retained and public infrastructure projects be commenced as a matter of urgency to create jobs and reduce the unacceptably high unemployment levels, received from **Mr Rumble**.

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**.

Newcastle Rail Services

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

Newcastle Buses

Petition praying that the House support the continuation of the public transport system provided by Newcastle Buses, received from **Mr Gaudry**.

Hospital Waiting Lists

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

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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**.

JOINT STANDING COMMITTEE UPON ROAD SAFETY

Message

Mr MOORE (Gordon - Minister for the Environment) [3.7], by leave: I move:

That the following message be sent to the Legislative Council:

Mr President

The Legislative Assembly desires to acquaint the Legislative Council that on Wednesday, 29th April 1992 it agreed to the following resolution:

That the Joint Standing Committee upon Road Safety have leave to make a visit of inspection to the United States of America and Canada and the Legislative Assembly requests the Legislative Council pass a similar resolution.

Legislative Assembly **K. R. Rozzoli**
30 April 1992 **Speaker**

I also propose for future consideration by the Standing Orders and Procedure Committee that the principal resolution for those matters that require messages to be sent to the Legislative Council should include permission for Mr Speaker to send such message to the President. This would streamline the procedures that are currently required in the House.

Motion agreed to.

BUSINESS OF THE HOUSE

Order of Business

Mr SPEAKER: Order! I wish to make a short statement regarding procedures at the beginning of the sitting tomorrow morning. I inform the House that at the commencement of the sitting tomorrow at 9 a.m. it is my intention, with the consent of the House, to follow the procedure I commenced last sitting Friday, that is, to go through general business notices of motion and orders of the day with a view to the placing or disposal of that business. This is in effect a call-over seeking an indication of what business is likely to be conducted. As it is not appropriate under our standing orders for

matters to be dealt with by proxy, it would be appreciated if private members who have items of general business on the paper would attend at their places in the Chamber at 9 a.m. to facilitate the call-over.

COMMITTEE ON THE OFFICE OF THE OMBUDSMAN

Report

Mr TINK (Eastwood) [3.10]: I bring up and lay upon the table a report of the Committee on the Office of the Ombudsman upon the role of the Office of the Ombudsman in investigating complaints against police, minutes of evidence taken before the committee, and associated papers.

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Ordered to be printed.

Mr TINK, by leave: This is the first report of the joint committee and I am pleased to announce that it is a totally unanimous report. Interestingly, a draft copy of the report was circulated to the Ombudsman and the Commissioner of Police and their views were sought on the draft recommendations. As a result a round table conference was held in camera in Parliament House to thrash out the draft report and to come up with the report as it now appears in its final form. Consequently, I believe I can say that there is substantial agreement on the contents of the report and its recommendations, both on behalf of the police commissioner and the Ombudsman. Given the history of the matter of police complaints over the past couple of years and the way in which the matter has been investigated by the Parliament the presentation of this report is no small achievement by the committee, the commissioner and the Ombudsman. The proposals contained in the report essentially involve a rejigging of the current system to place greater emphasis on the conciliation of minor complaints and to empower the Ombudsman to have greater involvement in the investigation of matters in the public interest and also to participate and monitor police internal investigations.

One of the key features of the recommendations in relation to the types of matters that should be conciliated is the provision of a sliding definition, a class-and-kind definition, to determine which classes of matters are to be conciliated from time to time. Agreement will be reached on the matter between the Commissioner of Police and the Ombudsman. The precedents for this can be found in section 19 of the Police Regulation (Allegations of Misconduct) Act. This is a very important initiative in as much as it, when taken together with the proposals to provide an auditing function for the Ombudsman to conduct random audits of matters that are being conciliated, will provide a powerful incentive for police to act in the proper manner.

I am very mindful of the Australian Broadcasting Corporation program "Cop it Sweet" and of the reported comments of the police constable in that program who said, essentially, that once on the beat all one learns at the Police Academy can be forgotten. The committee is firmly of the view that such an attitude is absolutely not on. Having regard to recommendation 228 of the report of the Royal Commission into Aboriginal Deaths in Custody, which placed great and ongoing emphasis on educating police officers about Aboriginal culture, clearly there has to be proactive and ongoing monitoring of the provision of education in the police service. It seems to the committee that this floating definition will provide a series of incentives, of checks and balances, of carrots and sticks, to ensure that police are doing the right thing. The Ombudsman and the commissioner may agree that a whole class of matters are to be conciliated. If, when

that system has been running for a short time, in relation to a complaint of incivility it appears there is a problem with control of a specific command area and that, for example, the "Cop it Sweet" type problems are emerging, that particular patrol may be denied the privilege of being able to conciliate matters within the command structure. In that way there will be incentives for those members of the Police Service and in the command structure who are doing the right thing to be given progressively more freedom to conciliate more matters. Those who are in difficulty or not able to cope, or for other reasons are not able to deal with matters, will be pulled back and monitored closely for a particular time.

The other provisions in the report relate to increasing the Ombudsman's powers. He will now have power to directly investigate matters and be involved in ongoing police internal investigations, especially in more serious matters - again in the public interest. The Police Association may have some concerns about this aspect. In this regard it is important for all police to bear in mind - as the Operation Raindrop example showed -

that quite often it is the police themselves who, in the context of ongoing internal investigations, may require independent and outside assistance to oversight investigations being conducted by internal affairs. I might say internal affairs was not involved in Operation Raindrop. It was the Police Internal Security Unit. What became apparent in the Court of Appeal was that the investigations carried out by that unit were woefully inadequate. They were absolutely pathetic. The investigations were severely criticised in the Court of Appeal. When there is a serious allegation, when something has gone off the track, it may well be in the interest of members of the Police Association - members of the police service who themselves are under investigation - for that type of power to be vested in the Ombudsman so that they can go to him for assistance when they need it.

The essence of conciliation is really in the context of the police commissioner and the Ombudsman agreeing to a situation where police admit that they have made a mistake and they apologise for it. There has been ample evidence before the committee that in many minor matters that is precisely what the complainants want. What has tended to happen, however, is that because of the issues involved, because of the proactive involvement of the Ombudsman in all matters as required by law, police tend to adopt a defensive mode very early so that everyone gets bunkered down and the matters are not sorted out in a commonsense fashion. The Aboriginal Legal Service expressed grave concern about Aborigines being involved in the conciliation of matters. The committee understands and recognises that concern. Therefore, with regard to the Aboriginal community and other minority groups who may have difficulty in terms of literacy and an ability to speak English and so forth, the rule will be that if complainants do not want to be involved in the conciliation process, their right to go straight to the Ombudsman will be maintained. Police will be required to advise those people that, in fact, they have a right to go directly to the Ombudsman.

The Ombudsman himself said in evidence to the committee that huge resources are being taken up by his office to deal with every matter that comes up whether it be a complex or simple matter - whether or not the complainant wants it dealt with that way. In attempting to introduce more discretion and flexibility into the system the committee's hope is that the Ombudsman will be able to use his resources more flexibly in areas of greatest need - in particular to focus them away from complainants who may be well educated - who live, for example, in the Eastern Suburbs, on the North Shore or in the southern suburbs - who may be well able to look after themselves and are not particularly concerned to have the Ombudsman involved. The Ombudsman, therefore, could direct more resources to, say, the Aboriginal community and other minority groups. With regard to resources, the committee specifically acknowledges the significant increase in

the workload which has taken place. The Ombudsman's office has come to grips with that. The committee, at its next inquiry - to start as soon as this matter is out of the way - will be looking at the question of the Ombudsman's resources. I want that put on the record clearly and unequivocally at this stage. That is not to say that at the end of the day there will not be a better allocation of resources as a result of the report being implemented - as I hope it will be. Overall the recommendations for change are in the public interest.

To encourage police officers to become involved in conciliation negotiations in relation to unsubstantiated matters, those records will not be placed on their promotion reports. What is said in the context of conciliation negotiations will not be admissible against police officers in subsequent proceedings. In summary this report is about giving the Ombudsman more teeth as a watchdog over police. It is about creating an environment where police officers feel they are more able to admit mistakes and apologise. It is about making police more responsible for minor matters, subject to

strong oversights by the Ombudsman, and about redirecting scarce resources to areas of greatest need, particularly the Aboriginal community. Honourable members should remember the checks and balances contained in these proposals which were formulated specifically with the Aboriginal community in mind. I am pleased the report is unanimous. I am pleased also that both the Commissioner of Police and the Ombudsman agree broadly with the thrust of the report and the recommendations contained in it.

PUBLIC ACCOUNTS COMMITTEE

Report

Mr LONGLEY (Pittwater) [3.20]: I bring up and lay upon the table of the House the sixtieth report of the Public Accounts Committee and the minutes of evidence taken before the committee.

Ordered to be printed.

Mr LONGLEY, by leave: It is with a great deal of pride that I table the report on dividend payments by statutory authorities to the Consolidated Fund prepared by the Public Accounts Committee. As Chairman of the Public Accounts Committee, I am grateful for the opportunity of presenting to the House a short account of the committee's finding. In tabling this report, the first produced solely by the new Public Accounts Committee, I wish to give special thanks to the committee members, in particular the Vice-Chairman, the honourable member for Northern Tablelands, the honourable member for Fairfield, the honourable member for Illawarra and the honourable member for Ermington. The members of the committee worked well as a team and this first report produced solely by the committee is one of significance and, indeed, a report of which all honourable members can be proud. The purpose of the report is to examine the principles and processes of dividend payments by statutory authorities to the Consolidated Fund. In particular, the committee was concerned to explore four matters: the principles according to which dividend amount payable by statutory authorities are determined; the processes followed when dividends are negotiated and set; the effect of dividend payments on the current financial decisions and future plans of statutory authorities; and the principles according to which statutory authorities are included on the list of those required to pay a dividend.

The nature of the report is twofold. First, it seeks to express in clear, non-technical terms for general readers some of the terms, concepts and principles behind

dividend payments. It is thus intended in part to play an educative role. Second, it seeks to bring to light some of these principles which have been put into practice during the last few years and to recommend practical changes where necessary. The Public Accounts Committee has highlighted two main areas of concern. The first is that there needs to be greater openness and transparency in the dividend-setting process, in other words, that the Parliament and the public at large need to know more about how and why dividends are determined. The second is that in the dividend-setting process there needs to be flexibility of and sensitivity to the individual requirements of statutory authorities, rather than the adoption of across the board, blanket formulas for dividend determination.

The policy of dividend payment has been adopted by coalition and Labor governments alike. In 1981, for example, the State Bank was paying a dividend. The list was further expanded in the mid-1980s. Dividend payments have grown steadily from $103 million six years ago to an estimated $857 million in the current financial year. Legislatively, the main basis for this growth has been the Public Finance and Audit Act 1983, which gives unfettered and absolute power to the Treasurer to demand

dividends from statutory authorities. Conceptually, the growth in dividend payments has emerged from a change in government's basic approach to government trading enterprises or GTEs. Until the mid-1980s governments tended to provide ready subsidies to GTEs, although recognising that those subsidies contributed to some of their undoubted inefficiency. In this model there was no real distinction drawn between government and authority.

In the mid-1980s, however, in an attempt to reduce the inefficiencies of GTEs, the Government began evolving a new approach which placed GTEs over a spectrum according to their degree of commerciality. Those operating commercially were now viewed as being owned by the government on behalf of the tax payers, in much the same way as subsidiaries of private companies are owned by their holding company parent. As such, they were considered as far more separate and independent entities than before. Dividends, for example, could be legitimately demanded from them. Indeed, it was considered desirable to require dividends because the obligation to pay them would help discourage GTEs from making excess investment and indulging in other inefficiencies. Other reasons have been cited as justification for the Government's claim to dividends: that the Government will use those funds for more beneficial purposes than a GTE ever could; that the Government is basically entitled to a dividend because it is the financial source of last resort in the event of any GTE failure and can thus be considered as the true owner of the GTE; and that, just as private companies pay dividends, so should GTEs which operate commercially. These arguments are discussed in the report.

The actual method of calculating dividends can vary from a blanket requirement of, say, 4 per cent of the valuation of assets or 50 per cent of operating profits to a more flexible approach that takes into account the enterprise's future capital needs and current operating requirements. The committee was concerned to emphasise that it favoured a flexible, case-by-case approach to the blanket unvarying method of calculating dividend payments. This would clearly require a high degree of consultation between Treasury and the GTE. The committee found that in practice there was room for improvement in the consultation process. The committee believed that initial consultation on dividend payments should take place at a higher level than has prevailed up until now; that consultation should as a matter of course covers the funds the enterprise believes it needs for capital works and operating costs; and that it should allow flexibility for changes in circumstances.

So far that has not always happened. There have been instances such as that of

Sydney Electricity where large dividends were required at short notice. This forced the enterprise to borrow to pay the dividend, which is not always a bad thing. There have been cases like that of the Water Board, which considered that the payment of dividends unacceptably compromised its future capital works. There have been disagreements about the method of asset valuations and the consequent level of the dividend payment. Improved consultation would help to resolve these problems before they arrive and as they occur. A related finding of the committee was that there existed considerable uncertainty among some authority listed in the Public Finance and Audit Act as potential dividend payers as to whether they would in actual fact ever be called on to pay dividends. The committee considers there is an urgent need for a re-working of the relevant provisions of the Act to ensure that its list covers only those authorities which are genuinely liable to pay dividends.

Consultation with all those authorities should accompany this amendment. This should also be accompanied by a document prepared by Treasury for public discussion outlining its criteria for selecting an authority to pay dividends, and referring to specific authorities rather than being couched in general terms. The document outlining selection

criteria should be accompanied by other Treasury publications prepared for general discussion. In the committee's view, probably the most important of these is a clear, non-technical exposition of Treasury's general dividend policy and how it works in practice. Again this should refer to specific authorities rather than be couched in general terms. Treasury should also elucidate the effect on dividends of its asset valuation policy, and its approach to community service obligation. The committee's general approach has been to encourage openness and transparency in the dividend payment process. The committee found that among the community at large and even many in the public service, there existed misconceptions and lack of information about dividend payments. This should be remedied. It is undesirable that an important source of State revenue such as dividends should remain the comparative mystery that it is.

The committee's second main concern has been to encourage a sensitive case-by-case approach to dividend payments rather than the adoption of any blanket formula. The committee recognises the comparative newness of some of the concepts, the difficulty for Treasury in obtaining general acceptance of some of them, and the impediments presented by staff shortages. The committee also acknowledges with pleasure the progress that has already been made on some of these concerns. This progress now needs to be followed up. The committee supports the principle of dividend payments from statutory authorities. It considers these payments to be a useful tool for helping to make authorities more efficient, as well as a valuable source of State revenue. The recommendations in the Public Accounts Committee report are designed to improve the process of dividend payments to ensure that the community recognises their value and the fairness of the way they are worked out. I commend the report.

NATIONAL PARKS AND WILDLIFE SERVICE

Report

Mr MOORE (Gordon - Minister for the Environment) [3.30], by leave: I table a report of the National Parks and Wildlife Service as required under the Endangered Fauna (Interim Protection) Act which I am obliged by statute to table by today. I seek leave to make a short statement.

Leave granted.

Mr MOORE: Pursuant to the undertakings given by the Minister for Conservation and Land Management and myself during debate on the Timber Industry (Interim Protection) Bill earlier this year and an amendment to the Endangered Fauna (Interim Protection) Bill, I have today tabled a report prepared by the Deputy Director, Policy, of the National Parks and Wildlife Service concerning the activities of the National Parks and Wildlife Service under the Endangered Fauna (Interim Protection) Bill. I have tabled the report in the form of the briefing note as provided to me by the National Parks and Wildlife Service and as noted by me, because I believe it is important for the integrity of the National Parks and Wildlife Service that there be no suggestion that there has been involvement of the Minister in the administration of this legislation, as I had indicated in this House on a number of occasions.

I also wish to take, briefly, the opportunity of the tabling of this report to place on the record of the Parliament my commendation of a number of officers of the National Parks and Wildlife Service in their administration of the statutory obligations given to them under this Act. I wish particularly to place on record my appreciation of what I believe is the outstanding scientific work undertaken by two officers of the service's southeastern region - Mr Shepherd and Mr Saxon - and three external consultants to the

National Parks and Wildlife Service. I have had the opportunity recently to read a most detailed report and proposal on issues relating to compartment 1402 of the Nalbar State Forest, in what is known as the Nalbar special prescription area. I am of the view that the science contained in that report is of outstanding value, and also contains proposals for the future which may well give a new and innovative alternative to traditional methods of dealing with prescriptions for logging that will enable the resolution of some significant areas of difference between the National Parks and Wildlife Service and the Forestry Commission whilst at the same time ensuring that significant protection is given to areas of critical habitat for threatened or endangered fauna. I repeat my confidence in the integrity and scientific validity of the work undertaken by those scientists, at my first reading of the document, and to place on record my commendation for them producing, within a one-month period, an extraordinarily detailed document of some 50 pages, containing that innovative proposal.

BUSINESS OF THE HOUSE

Bills: Suspension of Standing and Sessional Orders

Mr MOORE (Gordon - Minister for the Environment) [3.34], by leave: I move:

> That so much of the Standing and Sessional Orders be suspended as would preclude the following bills being brought in and proceeded with up to and including the Ministers' second reading speeches:
>
> National Parks and Wildlife (State Conservation Parks) Amendment Bill
> Crown Lands (State Recreation Areas) Amendment Bill
> Swimming Pools Bill
> NSW Grain Corporation Holdings Limited Bill

The purpose of the motion is to enable honourable members opposite to have access to the bills.

Mr WHELAN (Ashfield) [3.35]: I had the opportunity this morning to speak on several legal bills. I indicated to the Government at that stage that the House was lacking work. What is patently clear now is that, following the matter of public

importance and other than the concession just made to have second reading speeches from Ministers, there will be nothing more than the Minister's notice of motion reporting on Aboriginal deaths. The standing orders - which the Minister well knows - provide for 47 members to speak for three minutes each. The next matter is notice of motion No. 3, standing in the name of the honorable member for Campbelltown and relating to the member for The Hills. I am sure the honorable member for The Hills is anxious to stand up in the Parliament, acquit himself, defend himself against what he would regard as salacious allegations against himself, as every member of this Parliament has an opportunity to do. It is not often that members of Parliament have an opportunity to defend themselves under a notice of motion. Usually they have to make a personal explanation. I speak from experience, having done that on several occasions in the Parliament. That is the reason behind the Government's action.

[*Interruption*]

I know it comes on next and it might be of great interest to the member for The Hills if the Government did the decent thing and arranged a time for that debate to come on. One thing is absolutely certain, it is not doing him any good. This motion should come on for consideration.

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Mr W. T. J. Murray: You are a joke. You are a hypocritical worm.

Mr WHELAN: I would be very happy to have the honourable member for Campbelltown move with the Deputy Premier's support, for a suspension of standing orders to enable this matter concerning the honourable member for The Hills to be debated in the House after the matter of importance. I know that the Deputy Premier's going to support me, and that is very important.

Mr W. T. J. Murray: I would never support you while you are alive.

Mr WHELAN: The Government cannot continue to filibuster this very important issue. Here is a long outstanding notice of motion. I inform the Government now that the Opposition will not consent to any further second reading speeches until after the conclusion of business of the House No. 3 standing in the name of the honourable member for Campbelltown, which is a priority of the Government today.

Motion agreed to.

BUSINESS OF THE HOUSE

Order of Business

Mr MOORE (Gordon - Minister for the Environment) [3.39], by leave: It is the Government's view that any examination of the standing orders requires business of the House notice of motion No. 3 to come before the House automatically at the conclusion of the matter of public importance. It is not the intention of the Government, and never has been the intention of the Government, and it has never been the request of the honourable member for The Hills, nor has it been any matter entertained by me to seek to alter or draw back from that, whatsoever.

Mr WHELAN(Ashfield) [3.39]: I accept the Minister's undertaking that the motion moved by the honourable member for Campbelltown will be considered at the

conclusion of the matter of public importance this day.

GARIGAL NATIONAL PARK (EXTENSION) BILL

Suspension of Standing and Sessional Orders

Mr WHELAN (Ashfield) [3.40]: I seek the leave of the House to move a motion to suspend standing and sessional orders to enable the resumption of debate on the Garigal National Park (Extension) Bill.

Leave not granted.

BUSINESS OF THE HOUSE

Order of Business: Suspension of Standing and Sessional Orders

Mr KNIGHT (Campbelltown) [3.41]: I seek the leave of the House to move a motion to suspend so much of the standing and sessional orders as is necessary to permit consideration of notice of motion No. 4 standing in my name at the conclusion of debate on the matter of public importance.

Leave not granted.

[*Interruption*]

Mr SPEAKER: Order! There is no opportunity for further debate on the matter.

AUSTRALIAN FLAG

Matter of Public Importance

Mr MERTON (Baulkham Hills) [3.42]: I move:

> That this House notes as a matter of public importance the historic importance of Australia's national flag and deplores any attempt to change it without the consent of the people.

I have great pleasure in moving this motion. The people of New South Wales, indeed, of Australia, are entitled to demand that there be no change to the Australian flag until such time as the people have had an opportunity to speak about the matter. The Australian flag has been flying high and proud for more than 90 years. Indeed, the Australian flag first flew over the Exhibition Building in Melbourne in 1901. It was not a flag forced on Australia, rather the result of a worldwide competition, which attracted more than 30,000 entries. It was a popular and instantly recognisable flag and it has since come to have deep emotional significance for Australians who have carried it through two world wars and many other battle zones. A minority of Australians have elected for change, I believe it is change for the sake of change. One of the leaders of the push to change the Australian flag is the Prime Minister, a man who has embarked upon a program of diversionary tactics to hide the real problems confronting Australians; a man who has resorted to attacks on the British, has used the republican thrust, and the Australian flag is his latest device to hide the real issues facing the Australian people. These issues include unemployment in excess of 10 per cent. More than one million Australians are

out of work with little hope of finding employment. Australia has suffered the worst collapse of business and industry for the past 60 years. Perhaps the greatest tragedy of all is this symbolic attitude by a party that does not care.

By the Prime Minister's own admission, this was a recession that we had to have and the architect of the banana republic has crushed the life, spirit and soul of this country. His Government has absolutely no policy, no solutions for our economic mess. It is perhaps ironic that the only pathetic attempt at a policy that might rescue Australia has been put forward in the so-called One Nation program yet the idea of changing the Australian flag is of itself sufficient to divide the nation. This is a tactic that I deplore. The move to change the Australian flag is a sad and tragic admission that the Labor Party is a party without policy, a party of the ultimate policy vacuum. The vacuum is so big that all the for lease, foreclosure, and mortgagee sale signs created by the recession could be parked in it. It is ironic also that the Labor Party in its own logo, in its own election material, features prominently the Australian flag. It is strange, to say the least, that the Australian Labor Party, whose leader is one of the instigators of changing the flag, resorts to using the Australian flag as part of its logo in an attempt to induce the community to vote for the party. People have woken up to that tactic. I suggest there will be more results like that of the Wills by-election when a massive 19 per cent of voters in the heartland of Labor turned against the party. The once great Labor Party has deserted the working class and offers them no hope, only despair for the rest of their lives. If there is one issue that will crystallise the feelings of Australians, harness their emotions and make them stand and be counted, it is the issue of a republic or a change

to the national emblem, the flag. The Australian flag is steeped in tradition, allegiance and emotion, all of which go far beyond party-politics. Recently, the *Northern Territory News* published a letter from a Mr Frank Alcorta which read:

> A few days after the carnage of the battle of Long Tan on August 16, 1966, my platoon went back to the site to pay homage to the dead . . . After hooking up the flag on the beach, the bugler played the Last Post while 16 ragged soldiers, wet to the skin and covered in mud, presented arms. We did not care a lot whether Charlie was listening or about breaking their orders. We did it for our mates and never has the mournful sounds of the Last Post (played against the backdrop of a small flag hanging limp under rain and thick canopy) been more soul stirring and this is the problem the Prime Minister, Mr Keating has. He will find it very difficult to convince those 16 diggers that the flag they saluted on that dismal afternoon is flawed and should be changed.

Mr Alcorter has expressed eloquently the feelings that so many Australians felt on Anzac Day as thousands of Australians marched through the streets proudly bearing the Australian flag and proud to say that it is the flag for which their comrades have died. This is the same flag that was tenderly created by inmates of the Changi prisoner-of-war camp on the pain and penalty of death. With bamboo needles they stitched together from the pieces of rag they managed to gather a replica - a replica of the national flag, a flag of which they could be proud and a flag of which we can be proud also. I am sorry for those members of Parliament who have no ideology, and for those wandering lost souls of the community who are being used for political purposes in the change of the flag. The great majority of Australians are content with the Australian flag and have a sense of attachment and commitment to it. When I say the great majority of Australians I do not include only those of Anglo-Saxon descent or those third and fourth generation Australians, but those we have welcomed to our shores during and after the second world war, the refugees and those who escaped the political tyranny of the odious Nazi regime in Europe are amongst those who cherish and treasure the Australian flag.

A small band of malcontents would like to cut off our ties with Britain, a country which many of them love most to hate. The very same people are seeking to make up in noise what they lack in numbers and, more importantly, in force of argument. Some people seem to see in the Union Jack an affront to their personal hatred of Britain and the British. Our parliamentary, judicial and civil service systems are based on their British counterparts. History cannot be changed. The British settled Australia, nurtured us and gave us support, although they were humble beginnings, which led to us becoming the great nation we are today. The majority of Australians see in the flag a reminder of that era of our history when six colonies were founded, grew to adulthood and were welded together to form the Commonwealth. It is part of our history in which most of us take pride and to suggest that it symbolises continued colonial status is without any substance whatever.

In February, 1947, a great Labor leader, Mr Ben Chifley, issued a press statement encouraging the application of a directive given in 1941 by the then Prime Minister, Sir Robert Menzies. Mr Chifley said that there should be no restriction on the flying of the Commonwealth Blue Ensign. The greater use of the flag at public buildings and schools and by private citizens was encouraged, provided it was flown in a manner appropriate to the use of a national emblem. Australian merchant vessels were to continue to fly the Commonwealth Red Ensign. When the Australian flag was raised on 3rd September, 1901, it was hailed and celebrated by people. This was the beginning of Australia's nationhood. The new flag emphasised the ideals of self-determination, national sovereignty and personal freedom. Little did the people know that, just after the flag had been launched, it was to become an essential part of Australia's history, tradition and heritage. Within 15 years, the flag was to receive its first baptism of fire in World

War I. It went with the soldiers who heard the call to do battle overseas. It was carried up the steep hills of Gallipoli and was there with those soldiers in the trenches. It watched courageous Simpson bring out the wounded on his donkey. It breathed the dust of deserts and rode in glory with the charge of the Light Brigade. It saw its fine sons fall and lie still in death.

[*Interruption*]

I do not think this is amusing. In 1918 the war to end all wars was over, but the flag remained as a symbol of a lonely vigil upon the graves of the fallen and stayed to watch the poppies grow in Flanders fields. In the 1920s the flag was again held high as Australians celebrated peace and hopefully a new era. In the midst of the Great Depression, the flag remained a cherished family possession when often all other items had gone. In 1939 the clarion call was heard again as our brave new country sent soldiers, sailors and airmen to fight for freedom. The flag was trodden in the mud, red with the blood of those brave young Australians who paid the price in the battlefields and in the prisoner of war camps. Korea and Vietnam introduced more conflict, and again the same blood-stamped banner led Australians into war. Today in a small school at Villiers in France the Australian flag still flies high. The people there do not forget their debt to the Australian soldiers.

The flag has been used in every official ceremony since 1901, draped on the caskets of our national heroes, used by sporting identities - it was used by Mick Doohan recently in Singapore - and used to carry the remains of our national leaders, sporting identities and many great Australians to their resting places. It flies proud and high over the buildings of many thousands of offices, factories, shops and indeed homes in Australia. This motion simply says that the present Australian flag should not be changed without the consent of the Australian people being obtained. It says that before any

change can be made, the Australian people should be consulted. That is a fair and equitable proposition and it follows democratic principle, which the Labor Party is short of. We do not believe in hoisting change on the people of the State of change.

The Federal Government should have a mandate to change the flag and the present Prime Minister has none. In fact he was not even elected by the people to the office of Prime Minister. He is a de facto leader. I ask honourable members who are looking to change the Australian flag for the sake of change, and those looking towards a republic, to ask themselves whether we would have a better economy, less unemployment and more money for schools and hospitals if we had a different flag? These are the real issues of concern to ordinary, decent Australians. The people are far more concerned about the state of the economy, the tragedy of mass unemployment and the quality of schools and hospitals than they are with the changing of the Australian flag.

I commend this motion to the House. It is fairly simple in content and in application. There should be no change to the Australian flag until such time as the Australian people have had an opportunity to say, "Yes, we want a change". Although statistics suggest otherwise, the people may actually want a change. If the majority of Australians want a change, so be it. But I believe that the people of Australia do not want a change. They are more interested in the fundamental issues - in their security, the security of their families and the future of all Australians, which at present the Federal Labor Government is unable to guarantee. I ask the House to accept this motion.

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Mr CARR (Maroubra - Leader of the Opposition) [3.54]: This motion is another brilliant tactic. I knew something was afoot last night when upstairs in the building I caught a glimpse of the Minister for the Environment -

Madam DEPUTY-SPEAKER: Order! The Leader of the Opposition will address his remarks through the Chair.

Mr CARR: - in the uniform of a Lieutenant Colonel in the New South Wales Field Artillery -

Madam DEPUTY-SPEAKER: Order! I call the Leader of the Opposition to order. I remind him that the Chair has ruled against using stunts and documents to illustrate points in the House.

Mr CARR: Honourable members will note that amongst civilians this is not always a sign of sanity. The Minister for the Environment appeared as though he had just been fired out of a field cannon. Is this the best the Government can come up with? Patriotism is the last refuge of the scoundrel. What a ludicrous attempt to divert attention from the problems of this Government! The only flag going up on the other side of the House is the white flag of surrender. Liberal members are all coming back from doorknocking in Davidson, where they have been told that the big complaint, the one issue, is Greiner. One Liberal doorknocker found a little old lady who said, "If Mr Greiner went on television and admitted that he was lying, I would not believe him". This debate on the flag is because of the leadership challenge. Alan Jones took the Minister for Transport and Minister for Industrial Relations and Minister for Further Education, Training and Employment to lunch the other day to urge them not to challenge the Premier. There is mutiny in the Cabinet. Honourable members would have heard of the mutiny on the *Bounty*; this is a mutiny on the *Titanic*.

Mr W. T. J. Murray: On a point of order. Although I expect activities from the Leader of the Opposition, I point out that there is a motion before the Parliament and I ask the Leader of the Opposition to speak to that motion.

Madam DEPUTY-SPEAKER: Order! I uphold the point of order. I have allowed the Leader of the Opposition some leeway in his introduction to his remarks, but I ask him to come to the substance of the motion before the House.

Mr CARR: We have a debate on the flag for one reason. The Government Whip went to the Premier the other day and said, "We need a debate on the flag - "

Madam DEPUTY-SPEAKER: Order! The Leader of the Opposition should listen, so that he will know what is going on. Order! I call the honourable member for Broken Hill to order. I have just upheld a point of order taken by the Deputy Premier, Minister for Public Works and Minister for Roads which relates essentially to relevance. It is quite in order for the Leader of the Opposition to make a few introductory remarks. The motion before the House relates to the flag, and I ask the Leader of the Opposition to debate that motion. Order! I call the honourable member for Broken Hill to order for the second time.

Mr CARR: The Government should not read us lessons on patriotism. It should not read the Carr family lessons on patriotism. My father served in Papua-New Guinea. He was knocking on the door of the barracks in the 1930s in an attempt to get into the army, but it was not taking any recruits because of the policies of the conservative
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Government of the day. That Government was not building up the armed forces of this country. As soon as my father could serve his country, he did so. He fought in Papua-New Guinea. The Government should not read the Refshauge family lessons on patriotism, because Major General Sir William Refshauge served his country from 1939 to 1946 in Greece, Crete and New Guinea. He won the Anzac Peace Prize in 1991. He was a Queen's honorary surgeon from 1955 to 1964. During World War II he was mentioned in despatches four times. The Government does not read us lessons on patriotism. When young Ted Carr and young Bill Refshauge were off to fight for their country in World War II, they were not fighting for the symbol of the flag no matter how much they valued it; they were fighting for something much more profound than that symbol. They were fighting to hold this continent for this nation.

They were fighting to smash Nazism, they were fighting to make this a world safe for democracy. Members opposite, Philistines who know nothing of history, should not dare to trivialise the sacrifices made by those patriots by saying that they fought for a symbol. They fought for a real living, beating reality. In World War I Australians fought against Prussian barbarism and for the rights of small nations - and, by the way, not under the Australian flag but under the Union Jack. Australians were at El Alamein among the armies that inflicted the first ever defeat on the Nazis and turned back the Wehrmacht tanks. Australians at Milne Bay inflicted the first defeat on the Japanese. What motivated those men who delivered those defeats on the Germans and the Japanese? Not the symbol of a flag but the reality of a deeply felt Australian patriotism. Patriotism grows out of a knowledge of and feeling for a country's history, geography, its people and culture. Members opposite have no such feelings and never have had.

The fact is that the Liberal Party has only just discovered the Australian flag. Right up to the mid-1960s the only flag flown at Liberal Party meetings or conventions, or displayed at the front of a Menzies election meeting, was the Union Jack. The

Liberals have only discovered a loyalty to the Australian flag since John Howard mentioned it. Yesterday honourable members honoured the late Pat Hills. One of Pat's proudest achievements was to be the first Lord Mayor of Sydney to fly the Australian flag, not the Union Jack, above the Town Hall. This lot opposite never thought of it but Pat did. Government members have never read any of Australia's history and would not know the speech by Menzies in 1953 on the Flag Act, reported in Commonwealth *Hansard*. In that speech Menzies acknowledged the Australian flag but he said that the Union Jack is still the preferred symbol. We have every reason to be proud of our British heritage, and no member is prouder than I of that heritage parliamentary democracy, rule of law, free institutions and the love of them, the beautiful language of England, Shakespeare, Macauley and Orwell, Anglo-Saxon ingenuity that has given us some of the great inventions of this and the last century, and the record in World War II. In truth it is said that never have so many owed so much to so few.

But this country has grown, matured, and developed. Australia has absorbed people from other cultures and other civilisations. At the same time Britain has absorbed itself and will continue to do so within a united Europe. So together with our loyalty to our past is a vision of the future. The patriotism of members on this side of the House runs deeper than a mere fixation on symbols, as important as symbols can be. Our patriotism acknowledges the occupation of this country for 40,000 years by the Aboriginal people. Our patriotism acknowledges their profound feeling for this country, and their knowledge, unrivalled to this day, of its flora, fauna, its climates and characteristics. Our patriotism acknowledges the unpromising and rather comic beginnings of this nation in 1788 when, not far from this Chamber, a gaggle of troopers, marines and bedraggled convicts came ashore to start, in the most unpromising circumstances, our 200 year history as a country with a western culture.

Our patriotism acknowledges the emergence of parliamentary government and free institutions in the early nineteenth century and beyond. The development of an Australian national character emerged in the first generation of native Australians in the early years of the nineteenth century. The Opposition takes pride in this country becoming a home for diverse peoples, for Chinese, for Jews, for Indo-Chinese and all the others who have made this country what it is today - truly the most generous and most tolerant country in the world. That is our patriotism, and it means a great deal more than flag waving. Our patriotism means a love of Henry Lawson's stories such as "The Union Buries Its Dead" and others that tell of an Australian character emerging in the 1890s. Our patriotism means an Australian freedom and tolerance. Are Government members really saying that successive generations of Australians are unable to assess their symbols? We did it with a national song. In the 1977 referendum 2,700,000 Australians voted for "Advance Australia Fair" and 1,182,000 voted for "God Save the Queen". We assess our symbols and develop our maturity. Obviously, change will come only when it has the overwhelming support of the Australian people. That is the position taken by the Opposition.

The debate ought to continue but can be advanced in no way by self-serving diversionary motions of this kind. The plain fact is that matters of this kind involving historical associations, memories and interpretations of history always involve deeper emotions and attitudes. But attitudes do change. The whole process of the development of an Australian nationhood and true Australian identity has been one of continuing change. New South Wales would still be a British colony if there had been no change. The conservative establishment in New South Wales opposed every part of that process of maturity and evolution. They opposed the emancipist policies of Governor

Macquarie. They opposed Governor Bourke and trial by jury. The conservative establishment of this State opposed the abolition of the transportation of convicts, the introduction of responsible government, and the establishment of this very Legislative Assembly. They wanted a bunyip aristocracy. The Deputy Premier still wants it. The motion is a ludicrous attempt at diversion.

Honourable members were told that the Metherell affair was paralysing true government. The Metherell affair has been shunted off to the Independent Commission Against Corruption. Yet on the first day in this Chamber free of that affair, the first opportunity to get back to the problems of the people, the Government has brought on a debate about the flag. It is said that the Whip went to the Premier and said, "We need a debate on the flag, the backbench are revolting". The Premier said: "I know. They are treacherous, their personal hygiene is terrible. They are disloyal and are muttering all the time". The Whip said to him: "No, they are revolting against you. We need a debate on the flag". In New South Wales the conservative establishment, among the leading opponents of the movement towards Australian Federation, argued that Federation would weaken ties with the British Empire. If Australia had followed the approach of that conservative establishment we would not have become a nation because our nationhood was deemed to be an affront to Queen Victoria.

The simple fact is that things do change, as change they must. Let it come with debate. Let it come with maturity. Let it come with evolution. Let it come with the fullest consultation with the Australian people. Let Australians have a referendum as they had under the Fraser Government on the question of the national song. Barely 20 years ago the conservatives bitterly resisted efforts to make "Advance Australia Fair" our national anthem. Let existing feelings, sensitivities and historic ties be acknowledged. Let it be acknowledged that we have a proud heritage. Let it be acknowledged as well that Australia is evolving and maturing. Let the debate continue, let the process of

change continue. But I ask the Government in New South Wales in 1992, under all the pressure it suffers from, with all the problems on its plate, a white flag of surrender fluttering on its backbenches and a challenge to the Premier's leadership, please to try to offer something more realistic and urgent than this failed, bankrupt and diversionary tactic.

Mr W. T. J. MURRAY (Barwon - Deputy Premier, Minister for Public Works and Minister for Roads) [4.9]: It is rare that I agree with the Leader of the Opposition but I agree on this occasion that it is true that the Prime Minister of Australia is engaged in a diversionary tactic. The worst aspect of it is that he did not launch his attack on the Australian flag in Australia; he went to Indonesia and, in a foreign country, attacked the very principles of our nation. He denigrated this nation in a foreign country. His actions mean that he no longer has the right to have the privilege of the title of Prime Minister of Australia. The debate on the flag is occurring in the Federal arena for all the reasons the Leader of the Opposition spoke about. The desperate diversionary tactic is necessary because of the scurrilous activity of Mr Keating as Treasurer and Prime Minister. He is trying to get out of the mire in which he has put himself and the people of the nation.

The Prime Minister is grasping in the same way that his mentor Jack Lang did in 1932. He tried to divide the people of this nation and to get them to talk about matters irrelevant to their future but vital to the bringing together of a nation. The Prime Minister lauds Jack Lang as his mentor, the person on whom he has based his political life. When Jack Lang reached the stage of destroying this State, as Prime Minister Keating is destroying this nation through his Prime Ministership and his former

Treasurership, he decided that the best way to get himself off the hook would be to create a diversion by destroying the principles which the people of this nation prided themselves in. Jack Lang attacked in the same way that the Prime Minister is attacking today. One cannot hope to gain by denigrating and destroying the principles of a nation. As Jack Lang went down in the greatest political defeat of this State, so Paul Keating will go down in the greatest Federal defeat in this nation.

The comment of the Leader of the Opposition about the Premier's appearance on television accentuates the paucity of his speech. The Leader of the Opposition is afraid to present himself to the people of New South Wales outside this Parliament? He is running away. The Premier appeared on television but the Leader of the Opposition will not appear in the media because he is afraid to do so following the attacks he has made. The flag, the standard, the banner have been part of life in this world since about 4000 B.C. and indicated to all that people under that flag, standard or banner gained succour from that. This tradition continues throughout the world today. Many people from around the world have left the tribulations in their former home to come to Australia to gain succour, and they will gain it under the Australian flag.

Mr SCULLY (Smithfield) [4.15]: I rise to speak on this waste of time matter of public importance that was raised by the honourable member for Baulkham Hills. It is obvious that he wants to waste our time. He does not want to confront the issues that are facing this State now. Has it not dawned upon him that the Flag Act is a national Act? It is not a State Act. I take the opportunity of congratulating the Prime Minister on bringing to the forefront of national debate the issues of republicanism, the flag and national identity. These British sycophants opposite would have us believe that the Australian flag came down from the mount in its present form. That is contrary to fact. I invite honourable members to consider the cultural cringe of the Deputy Premier, Minister for Public Works and Minister for Roads. Read his speech on the Address in Reply. I found it so disgustingly disloyal to this country that I could not stand to listen

to it so I turned the monitor off. It was despicable. He should be ashamed of himself. That speech is rubbish, and after this debate I am going to throw it in the bin, because that is where it belongs.

These people opposite forget that one of our great historical episodes is the Eureka Stockade. Did the people there fly the Union Jack? No, they did not. They flew the Southern Cross. And what is in our flag now? The Southern Cross. The Union Jack represented the oppression of those people, who at that time had much to complain about those in the establishment. These people opposite see themselves as the establishment. This is an opportunity to consider some of the issues that the Prime Minister, thankfully, has raised. I read the debate on the matter of public importance raised by the Federal Leader of the National Party. The matter has already been debated. How can the honourable member for Carlingford not say that he is wasting our time? On 28th April the national flag was debated as a matter of public importance in our national Parliament. I intend to throw in the bin not only the speech of the Deputy Premier but also the speech of Tim Fischer. It also was disgraceful, grovelling sycophancy and disloyalty. How can the people opposite tell us that they are proud to be Australians?

Madam DEPUTY-SPEAKER: Order! Honourable members might be enthusiastic about the debate but it would be appreciated if they could lower the tone of their voices, because I do not think many members are deaf. If members on the Government benches would cease interjecting, the debate would proceed more smoothly.

Mr SCULLY: The message of this debate to the people opposite is: cease the sycophancy, cease the disloyalty. I do not object to a referendum. The Australian people will carry a referendum to delete the Union jack from our flag. I am glad the Attorney General, Minister for Consumer Affairs and Minister for Arts is in the Chamber. I would like him to talk about the Royal Australian Navy flag being changed in 1967 at the request of the British Government because it was embarrassed that the flag on our ships may in some way have connected us with Britain. The sycophantic Brits who were running the Australian Government at the time said, "Aye, aye, captain", and changed the flag. But when we want to change it the people opposite get up in arms. The people in my electorate, who are primarily of an ethnic background, cannot understand why we have a Union Jack. They have no problems with a referendum. What about the Federal Leader of the Opposition? What a hypocrite! He goes to other countries and bags the hell out of our work force and our attitudes. What happened in Indonesia? The people opposite are the ones who opposed independence. They wanted the Dutch East India Company in charge. They did not want independence in Asia. They are the representatives of colonial outposts. It is an absolute disgrace. How dare they get up here and say that they are proud to be Australians. They know they are not. The sooner a referendum on the flag is held the better. I will quote from what the Prime Minister said and I endorse his comments of 28th April. Those opposite do not comprehend the notion, they do not advance our nationhood, they have never understood it, they have always thought it subordinate. They are not interested in national pride. [*Time expired*.]

Mr COLLINS (Willoughby - Attorney General, Minister for Consumer Affairs and Minister for Arts) [4.20]: I was not going to speak on this motion but I was so motivated by what the Leader of the Opposition said that I must now enter the debate. I am disgusted with the performance we have seen from the Australian Labor Party in this Chamber this afternoon. The motion states that this House acknowledge the historic importance of Australia's national flag and deplores any attempt to change it without the

consent of the people. I repeat without the "consent of the people". I am merely one Australian, like many other members of this House, prepared to consider the issue of constitutional change. As Attorney General I would be expected to consider issues of constitutional change. I am prepared to do that. What I am not prepared to see and what we on this side of the House are not prepared to see is an attempt, a gross base attempt by the Australian Labor Party, to claim a monopoly on patriotism.

Mention was made of the achievements of the forebears of some members opposite, and I have no doubt they were fine achievements. I have no doubt they were achievements under the Australian flag during various wars. Many such claims can be made by members on this side of the House. I remain a member of the Royal Australian Naval Reserve but I do not claim that is a great achievement because my predecessors in my family have done far more distinguished things. My grandfather came to this country as a member of the Royal Navy, a ship's carpenter - he was not one of the officers, he was not one of the toffs as they used to call them, he was a ship's carpenter. He served on the flagship of the Australian squadron when we first had an Australian squadron. That makes me a second generation Australian but along the way my father served in the Australian air force in the southwest Pacific. My uncle served in Korea on the Australian destroyer "Anzac". My cousin served on HMAS "Voyager" and, fortunately, he was one of the survivors. He was not one of the officers, he was one of the ship's crew. So I do not want you lot to come in here and start lecturing us about your monopoly on patriotism.

I deplore, like all members of this Parliament should, the antics of our Prime

Minister in Indonesia in recent weeks. As I say, we are certainly prepared to consider constitutional change. We are certainly prepared to consider all the issues that go with that, including flags and so on, but we are not prepared to have rammed down our throat that members opposite are the only people who care about this nation; that they are the only people who understand our history and are the only people who have a right to speak about our symbol. I reject that. It was said that this motion is a self-serving diversionary tactic. I ask, who started the debate? The Prime Minister started the debate; he started the debate by single-handedly debating our constitutional framework, disowning our flag, and insulting Australians - who are perfectly capable of moving with the times - around the world. The reaction to our Prime Minister - while it may have appealed to certain traditional elements of the Australian Labor Party - is that his actions are an appalling indictment on him and he has brought great shame to the office he occupies.

The honourable member for Smithfield has raised the question of the Royal Australian Navy Ensign, which was introduced in the late 1960s. Yes, it was introduced during the Vietnam war; yes, it distinguishes the fact that Australian and New Zealand ships at the time were serving there and not British ships, but at about the same time the Canadian Navy also introduced its own ensign. We can certainly move with the times. We are proud of the RAN ensign. I am proud to see that fly at the stern of Australian ships. As to the flimsy references of the Leader of the Opposition to the conservative establishment of New South Wales suggesting we are stuck in some sort of Victorian time warp, I say that they are the ones stuck in the time warp, they are the ones who keep talking about the working-classes and trying to bring everything down to some sort of class warfare. Surely members opposite must realise that we have got to move on from there. We are not back in the early 1900s. We will consider the constitutional issues, but we will consider them with the consent of the Australian people. We on this side want the Australian people to have a say in that. That is the point of this motion and that is why I so strongly support it. All members on this side of the House resent - [*Time expired*.]

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Mr HARRISON (Kiama) [4.25]: I am pleased to participate in this debate because on matters which members of the Australian public feel emotional about they rarely get a chance to publicly state their view. I am particularly pleased I have a chance to put my point of view forward today. I sincerely regret and I deplore the fact that the discussion has been politicised, with many references to the national economy and other things quite superfluous to what we are supposed to be discussing. I for one will not allow the question of our national symbol to be politicised or factionalised. I have not just discovered the national flag in the past five minutes or in the past few days; for the past 11 years I have flown the Australian flag every day in my front yard. I am proud to do so, and for the rest of my life I will continue to do just that. Having said that, I am not an imperialist, I am not a crawler, and I am not a bosses man of any sort. I do not care whether any member on either side of the House particularly likes what I have to say, but on some things you have just got to say what you feel and what comes from your heart. I do not have a volume of prepared material; I only found out when I entered the House at question time that this debate was to take place. I requested permission to take part in the debate and say the things that I feel.

The Australian flag and whether or not it continues to remain in its present form should not be confused with the question of whether Australia becomes a republic; they are two completely separate issues. Even though I am not a mad republican, I accept the inevitability that Australia will become a republic because England is drifting more and

more into the European scene, and for better or worse, we are drifting more and more into Asia. Whether we become a republic or not, I cannot see any reason to change the flag. It is a symbol that represents the part of the world in which we live and it represents also the heritage of Australia as a nation.

As an Australian citizen I am proud of the things we have received from the British people. I refer to the parliamentary system of government - it might not be the best but it is certainly better than the rest; the legal system, the incorporation of trial by jury, consideration of the guilt or innocence of persons accused of a crime by their peers; and the Anglo-Saxon toughness, which was very much evident in both my grandfather and my father. They were very proud Australians and were willing to let anybody know it in no uncertain terms. Also, I respect the fact that from Mother England and from Scotland we received the great Australian trade union movement. I do not know if there would be too many "hear, hears" from the other side of the House, but I am a proud trade unionist. I think that the trade union movement is the greatest thing that ever happened to working-class people worldwide. In countries that have a viable trade union movement the working-classes enjoy reasonable living standards. In the countries that have not got a trade movement, the working-classes are ground into the dirt. I attribute much of the standard of living that I have enjoyed throughout my life to the trade union movement, which came directly from Mother England.

The State of Hawaii in the United States of America preserves the Union Jack in the corner of its flag. To demonstrate that point to my friends I brought one back with me from Hawaii. Merely because one day Australia may sever its connections with England so far as being a colony or part of the Commonwealth of Nations is concerned does not mean that the flag has to be changed. The symbolism of the flag is not about England; it is about our heritage. I should like to make one final point. About two years ago I was horrified to read in the media that a group of dissidents of some sort in Melbourne burnt an Australian flag. I am equally horrified that no government of any persuasion during the last 90 years has had the guts, the foresight or whatever, to introduce legislation which imposes severe penalties for such behaviour. So far as I am concerned, any citizen - [*Time expired*.]

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Mr MERTON (Baulkham Hills) [4.30], in reply: You should have seen them squirm! Opposition members did not know which way to take this motion. I have a dreadful admission to make: we let them off the hook. The motion is precise and specific. It says that no change to the flag should be made without the consent of the people. Imagine what the scene would have been like in this House today if those words "without the consent of the people" had not been included in the motion. Comrade Scully would have been frothing at the mouth. In fact he was. I had the benefit of reading the *Hansard* of Federal Parliament when a similar motion was debated. I suppose I did so in a moment of weakness, I read the speech of the Prime Minister. While I listened to Comrade Scully I thought: I have heard this before.

Mr Scully: On a point of order. I ask that the recipient of the Richmond report refer to me by my electorate rather than by my name.

Madam DEPUTY-SPEAKER: Order! I would take the point of order if the honourable member for Smithfield cares to couch it in proper terms. If he wishes to be referred to by his correct title, he should extend that courtesy to members on the other side of the House. The honourable member for Baulkham Hills will refer to all members by their correct titles.

Mr MERTON: Comrade from Smithfield Scully will never suffer from a headache; he has no brains and is, tragically, among the select group of people with room temperature IQs who seem to be attracted to the Australian Labor Party. Having said that, let me return to the outburst of Comrade Scully. I thought: I have heard this somewhere before. The reality is he was regurgitating and rehashing word for word the speech of the Prime Minister. His interjections were almost as good as those of the Prime Minister. The real question is: where does Comrade Scully or Comrade Smithfield - I apologise to him and to you, Madam Deputy-Speaker - stand on these issues? He was boxed into a corner and, under sufferance, implied that perhaps the people should decide. I do not think he admitted that but I am giving him the benefit of the doubt.

The real ploy was used by the opening batsman of the team, the Leader of Her Majesty's Opposition. He had the distinction of speaking about everything except the motion. He told us - and I have no objection to this, I respect it and it was his right to say it - about the records of some Labor people and their fathers. I appreciated that; it was totally consistent with what I said in my contribution. I have absolutely no problem with that at all. However, he then spoke about the conservative establishment and how it was trying to change the issues, run for cover, deviate from the real issues and adopt diversionary tactics. That is simply untrue. We do not propose to change the flag; the Federal Labor Party wants to change the flag. It is embarking on diversionary tactics, not us. We want to preserve the status quo. We have no agenda for change because we are doing a good job in New South Wales. We do not have to hide behind the shame of the republic debate on changing the flag to take the attention of the people away from the real issues. The real issues are the many people who will go home tonight without jobs, the families who are battling to pay their mortgages, and the people who have no hope for the future.

Members of the Opposition think that is funny. They can laugh. We will note their names. I am sure their constituents would like to read about it. The Leader of the Opposition spoke about everything except the motion. Under sufferance he said he believed the people should decide. I am glad he said that because that is exactly what the motion is about. That is what we started out to achieve about one hour ago. Towards

the end of his oration, the Leader of the Opposition accepted that as a sound premise. The final speaker was the honourable member for Kiama. What a good fellow he is! He is like a breath of fresh air - a good, honest, traditional Aussie. He knows where the real values are. He was prepared to accept that the Australian flag as it presently exists has great tradition and significance. I have no complaint about what he said. I only wish he had more mates on the other side of the House. I am sure that deep down others share his view. The motion is fairly simple. It refers to the flag not being changed without the consent of the people. However, it has been suggested that Australia should be more independent as a nation. The Prime Minister says Australia should look to new neighbours and friends. I have no problem with that.

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

Mr MERTON: But when undertaking that process we should not forget our allies of years gone by, and the people who gave us a start, populated this country, and nurtured us through difficult times. Of course we should not forget the many people who died while fighting under our flag.

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

Mr MERTON: I do not mind the interjection of the honourable member for Blue Mountains. He means well and his heart is in the right place. In the Prime Minister's search for independence, new friends and a national identity, he has forgotten one fundamental factor.

Mr Fraser: The economy.

Mr MERTON: The economy. Since 1983 in the course of that process the Federal Government has taken the overseas debt from about $5 billion or $10 billion to $145 billion. It seems to have been longer than that and it has probably been a life sentence for most people. What that means is this: Keating says that Australia should be independent, have more influence in the world and throw off its shackles. At the same time he is crippling Australia financially and mortgaging its future. We are in a hopeless financial situation. Clearly the ideology of changing the flag and Australia becoming a republic cannot be given any substance when it comes from a man who has mortgaged Australia with an almost impossible debt. It will be many years before honourable members will see Australia in a situation in which it is not mortgaged to such an extent. It is plain inconsistency.

I believe the majority of honourable members accept that the flag is of great significance. It has played a great role in Australian history. Earlier I spoke about the two world wars and other conflicts. I spoke about sporting events and about the flag flying high in times of adversity. I have spoken about the flag being used on the caskets of people who have passed from this earth and have been promoted to glory, to use a wonderful Salvation Army expression. All of those things have been done with great pride and dignity under the one flag, a flag that I believe unites all ordinary, decent Australians. The flag is not the monopoly or sole claim of the so-called conservative establishment, which is virtually non-existent in any event, thanks to the Labor Party. It belongs to true decent Australians who are not concerned about change but are concerned about where their next meal is coming from and how next week's rent will be paid. In conclusion, let me say this about people who are critical of the flag and the way it portrays allegiance and an inferior status so far as Britain is concerned. It does not

mean Australia owes allegiance to a forgotten imperial dream. I quote the following, "We've the stars to show where we're going, and the old flag to show where we've been".

Ms Allan: Touching!

Mr MERTON: Yes, it is touching, and the honourable member for Blacktown may well think it is touching. It was touching for the diggers and those who marched on Anzac Day. They marched with pride and that is what we are all about: pride in Australia and our flag. I ask honourable members to carry this motion because I believe the majority of decent Australians - not trendies seeking change for the sake of change but people with real Australian values - support the Government.

Motion agreed to.

BUSINESS OF THE HOUSE

Printing of Papers

Motion by Mr Moore agreed to:

That the following papers be printed:

Report on Aboriginal Deaths in Custody, Overview of the Response by Governments to the Royal Commission.

Report on Aboriginal Deaths in Custody, Response by Governments to the Royal Commission, Volumes 1, 2 and 3.

Environmental Impact Statement Strategy Progress Report, dated March 1992.

MEMBER FOR THE HILLS

Mr KNIGHT (Campbelltown) [4.42]: I move:

That Anthony Charles Packard be ordered to attend in his place in this House on the next day of sitting to respond to the notice of motion given by the member for Campbelltown on 27 March 1992.

I felt compelled to move this motion in this form because it is the only way the House can debate the serious matters involving the behaviour of the honourable member for The Hills. Of course, there is a precedent for such a motion. This motion is in the same mould as that moved by the current Premier in 1986 concerning Richard Charles Mochalski.

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

Mr KNIGHT: The circumstances are similar.

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

Mr KNIGHT: Only the names have been changed to identify the guilty parties. My motion calls upon the honourable member for The Hills to be ordered to attend on the next sitting day to answer the serious allegations made against him. For three reasons such a motion is necessary. The first reason relates to compelling the Government to stop its cover-up and bring on the long, overdue debate concerning the honourable member for The Hills. The second reason relates to natural justice - to ensure that the

honourable member for The Hills has the opportunity to defend himself in this House before we pass judgment on his activities. The third reason relates to ensuring that the honourable member for The Hills is compelled to give to this House an account of himself rather than sit in mute contempt of the Parliament. I will deal now with each of the three reasons why the motion is deserving of the support of the House. I deal first with the matter of putting an end to this Government's protection of the honourable member for The Hills and its refusal to allow the House to debate his behaviour. The notice of motion I gave on Friday, 27th March, concerning the behaviour of the honourable member for The Hills is one of the most serious motions concerning a member to come before this House since the commencement of the Fiftieth Parliament.

Mr Moore: On a point of order. I submit that the precise terms of the motion do not permit the honourable member for Campbelltown to address the terms of the notice of motion given by him on 27th March. He is permitted only to address those issues which will enable him to canvass the reasons why the honourable member for The Hills should attend in his place. He should not deal with the merits of the motion. The honourable member for Campbelltown might be asked to commence by indicating why,

if the motion is so important, he has postponed it on a significant number of occasions.

Mr Knight: On the point of order. I am grateful that I have been given 30 minutes, with the possibility of an extension of 10 minutes, in this debate because it is clear that the Minister for the Environment intends to take up a large amount of time taking points of order.

Mr SPEAKER: Order! The honourable member for Campbelltown will give me the benefit of his contribution on the point of order.

Mr Knight: For the benefit of the House and for your benefit, Mr Speaker, I wish to reiterate the sentence I was uttering at the time the point of order was taken. I said that the notice of motion I gave on Friday, 27th March, concerning the behaviour of the honourable member for The Hills is one of the most serious motions concerning a member to come before this House since the commencement of the Fiftieth Parliament. I said that this is a serious matter. We are now debating a motion which seeks to compel the honourable member for The Hills to come into the House and respond to it. Quite apart from the fact that I should be entitled to talk about the motion in some form, I have not even reached that stage. All I said was that it is a serious matter. The Minister for the Environment is a little quick out of the blocks today.

Mr Moore: Further to the point of order. The point of order does not relate to the seriousness or otherwise of the motion, notice of which was given by the honourable member for Campbelltown on 27th March. The terms of the motion of 27th March are monumentally irrelevant. The motion of 27th March could require the honourable member for The Hills to come into this Chamber and fulsomely embrace the honourable member for Campbelltown, pat him on the back, or do what the honourable member for Campbelltown frequently does - knife someone in the back. I submit that the nature of the motion of 27th March is irrelevant. All that is required is for that notice of motion to be in existence and to have been given and, therefore, to be in the possession of the House. The nature of the motion, the terms of the motion and any matters relating to the merit or otherwise of the motion are totally irrelevant. The only matters which the honourable member for Campbelltown is entitled to address are why Anthony Charles Packard should be ordered to attend in this House and what reasons the honourable member for Campbelltown has for believing that the honourable member for The Hills, who has been in this Chamber on every sitting day, will suddenly suffer from

Legionnaire's disease, pleurisy, or something else and not attend in the Chamber tomorrow. That is the whole purpose of that part of the motion. The honourable member for Campbelltown should deal only with the question of why the honourable member for The Hills should respond to the motion, without dealing with the merits of the issues in that motion. He knows that debate is confined to those matters.

Mr Whelan: On the point of order. The Opposition anticipated that points of order would be taken because of the subject-matter of the motion. There are ample precedents for this. Former Speaker Kelly was in the Chair when the present Premier was arguing for the former member for Bankstown to attend in his place. The terms of this motion are specific. If this motion is carried we will have to entertain debate on the motion notice of which was given on 27th March. For that reason the House should be made aware of why Anthony Charles Packard should be ordered to attend in his place. The fact that the honourable member for The Hills is in this Chamber is not relevant. What is relevant is that the motion states that the honourable member for The Hills should be ordered to attend in his place to respond to this motion. If this motion is carried, the honourable member for The Hills will be asked a series of serious questions

which are included in notice of motion No. 3 on the general business paper of today. The Leader of the Government was too quick out of the blocks. In my view, the honourable member for Campbelltown clearly was in order. He had only been on his feet for a short time. Mr Speaker, your ruling on this point of order is very important. It is obvious that this whole debate will be rendered useless, which might be the Government's intention. A vast number of honourable members wish to speak in this debate. We need to ensure that there will be free flowing debate so that this matter can be properly discussed by the Parliament. I want you to think seriously about the prospect that this Government may be intending to frustrate free speech in this Parliament.

[*Interruption*]

Honourable members opposite established the rules yesterday.

Mr Collins: On the point of order. It is better for this threshold discussion to occur now rather than later on the motion moved by the honourable member for Campbelltown. I thoroughly endorse the point taken by the Leader of the House. I draw to the attention of the House the specific terms of this motion, that is to say, why the honourable member for The Hills should be called before the House on the next day of sitting, which is tomorrow, when this has been on the parliamentary notice paper since the honourable member for Campbelltown raised it more than a month ago. The honourable member for Campbelltown must demonstrate to the House why tomorrow is so pertinent. He has raised a series of allegations which are currently under investigation by the New South Wales Police Service. I would have thought that what the honourable member for Campbelltown should be looking at is bringing on a debate after the results of that investigation are known. Why pick this time? Why pick this particular moment? There has been nothing new added to the allegations, which have been given to the police department.

Mr Knight: Further to the point of order. I will deal with two matters raised by the Attorney General. First, he is correct that there has been a notice of motion on the business paper for quite some time, as a private member's motion. He is not correct in saying that I have not attempted to bring that on. As recently as earlier today I attempted to bring it on and, as always, the Minister for the Environment, refused me leave. The motion says to the member for The Hills, "Attend and answer the

resolution". It does not say, "Turn up and vote with the Government because they are a vote short and they need you". It does not say, "Turn up because we like to look at you across the Chamber". It says, "Turn up to answer this resolution".

Mr Moore: Further to the point of order. The honourable member for Campbelltown should have his attention drawn to the terms of the notice of motion, the terms of which do not require the honourable member for The Hills to answer; they require him to respond. It is one of the unfortunate things of the modern transcription service that they cannot include in *Hansard* the sound that would be the appropriate response.

Mr SPEAKER: Order! I anticipated that a point of order of this type could be raised. The closest parallel to be drawn in terms of precedence is the rules of debate which, until recently, applied to the suspension of standing orders in question time to discuss a substantive motion that may or may not be of concern to the House. Honourable members will be aware of the rulings I gave ad nauseam in regard to the parameters of those debates. Those rulings made it clear that the member wishing to move a suspension motion to bring on a substantive motion cannot deal in depth with the

subject-matter of the substantive motion.

The honourable member for Campbelltown raised a point that the Government may be attempting to block free speech in this Parliament. Government, Opposition or crossbench members may use whatever devices are available under the standing orders of this House to seek to do whatever they wish, and it is for the House to determine the course it should take based on the procedural rules of the House. I think the matter raised by honourable member for Campbelltown was somewhat of a red herring.

The Minister for the Environment submitted that when speaking to the procedural motion the honourable member for Campbelltown had no right to allude to the seriousness of the substantive matter. I believe that is an overstatement of the level of restriction which should be placed on debate of this particular procedural motion. It is clear that the honourable member has to establish why this matter should take precedence of other business on the next sitting day. Therefore, to some extent, in support of his case he has to allude to reasons why it is important enough to take precedence at that time. It will then be for other members of the House to put a counter argument. In this debate, instead of just having one speaker from each side - as would have been normal, under the old suspension motion - more than one member from each side may, and I have no doubt will, contribute. I warn all honourable members at this stage of the debate that they are confined to generally arguing why this subject-matter should take precedence of other business on the next sitting day. The terms of the substantive motion that will be brought on if this procedural motion is carried are very detailed and explicit. Neither the honourable member for Campbelltown nor any other member may give explicit detail of the matters set out in the substantive motion. Within those terms, I propose to allow the honourable member for Campbelltown to continue but I warn him that I will apply the same rules as I would apply to a motion to suspend standing orders under the old rules.

Mr KNIGHT: If the member for The Hills is unable to satisfy the House that he has an adequate defence to the serious allegations raised about his behaviour, it could well lead to a later resolution to expel him from the House. The Westminster tradition is to bring on, at the earliest opportunity, serious matters affecting the standing of members and governments yet these conventions appear to mean little to the Greiner-Murray-Windsor government as it desperately tries to cling to office while it lurches from crisis to crisis. This Government, in its death rattle, is terrified of any exposure of the

skeletons in its cupboard. No member of the Government will stand up and defend the behaviour of the member for The Hills. Indeed many Government members have indicated privately they wish to see him gone.

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

Mr KNIGHT: The Premier will continue to protect the member for The Hills until the end of the parliamentary session for the basest of political motives. The Government cannot afford to be one number down in the parliamentary sitting. Indeed in the early hours of Wednesday morning of this week the Premier was saved by a single vote from being compelled to stand aside while the subject of the Independent Commission Against Corruption inquiry -

Mr Moore: On a point of order. I submit that the honourable member for Campbelltown is now addressing matters that bear no relationship whatsoever to the

motion before the House, which is why Mr Packard, as named, should be required to attend in his place to answer a motion on the next sitting day. Even to assume the most charitable interpretation and substitute "answer" for "respond", the honourable member for Campbelltown is restricted to an extraordinarily narrow compass. You, Mr Speaker, have advised him so, as recently as three minutes ago - which is within the limited attention span of the honourable member for Campbelltown. I would suggest you bring him back to that which he is allowed to address.

Mr Knight: On the point of order. The Premier has publicly indicated his support for the member for The Hills. He has said that he supports Tony Packard. We are here to debate a procedural resolution as to why the member for The Hills should be compelled, on the next sitting day, to come and answer charges. The reason that we have even to debate this procedural resolution is that the Government is engaged in a cover-up to protect him. The Premier's behaviour in protecting him from parliamentary scrutiny is surely within the limits of this debate.

Mr Collins: On the point of order. The honourable member for Campbelltown has just suggested that the honourable member for The Hills has to come and face charges. There are no charges, to the best of my knowledge, and I ask him to withdraw that comment.

Mr SPEAKER: Order! I call the honourable member for Ashfield to order. A member cannot, on behalf of another member, request that a matter be withdrawn. I was concerned that the honourable member for Campbelltown was straying a little beyond the tight limitations of this debate. It is extremely difficult for the Chair to define the lengths to which a member can go. I will have to make a determination from time to time as specific matters arise. I warn the honourable member for Campbelltown at this stage that he is restricted to establishing why this subject should take precedence on the next sitting day. That does not necessarily permit him to encompass argument on a motion which may be brought on at another time. He may only argue why it should take precedence.

Mr Packard: On a point of order. The honourable member for Campbelltown said that I was to be summonsed to answer charges. No charges have been laid. I request that you direct him to withdraw his remarks.

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[*Interruption*]

Mr SPEAKER: Order! I am grateful for the suggestion that the honourable member's remarks should be regarded as a personal explanation. I am not certain that the remarks of the honourable member for Campbelltown called for a withdrawal. There will be ample opportunity in this debate for these remarks to be refuted.

Mr KNIGHT: If the member for The Hills wants to say something, he can speak in this debate. Honourable members await a contribution from him with great interest. To conclude what I was saying about the reason this procedural motion is necessary, one only has to observe the behaviour of Government members in their attempts to prevent this debate today - let alone the next debate - and their consistent and persistent attempts to refuse leave to bring on the substantive motion to establish clearly to the satisfaction of any genuine person why the Opposition has to resort to moving this procedural motion today. In turning to the second aspect of the motion, I want to quote the words of the Premier in the debate on the motion to compel Richard Charles

Mochalski to come before the House. The Premier, while Leader of the Opposition, provided a powerful argument to support why a member should be compelled to explain to the Parliament actions that may reflect on the dignity and integrity of the Parliament.

Mr Moore: On a point of order.

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

Mr Moore: The position you just drew to the attention of the honourable member for Campbelltown is that he has to address a number of elements, the primary and imperative one of which is why this should come on on the next sitting day, why a matter earlier proposed to take priority over matters on some earlier sitting day is irrelevant, and I suggest to you that the honourable member for Campbelltown should be required to address why the matter that he proposes in his notice of motion of 27th March should take priority over a range of other matters listed on the business paper for tomorrow. I draw to your attention that not once has the honourable member for Campbelltown addressed, for example, notices of motion Nos 1 and 2 under general business for bills tomorrow, the various orders of the day for private members' bills tomorrow or the private members' general motions, which have precedence over the honourable member's motion for tomorrow. But one critical element -

Mr SPEAKER: Order! The Minister for the Environment is starting to debate the motion. Honourable members are well aware of the point of order. I can only repeat at this stage that the challenge the honourable member for Campbelltown has to face is to keep his remarks relevant to the question.

Mr KNIGHT: I intend to quote what the former Leader of the Opposition said in an identical debate before Speaker Kelly, who was not known for his leniency to the Opposition. On 19th November, 1986, the honourable member for Ku-ring-gai spoke on the motion calling on the then member for Bankstown, Mr Richard Charles Mochalski, against whom allegations of business impropriety had been made, to attend the Parliament to respond to a notice of motion. The then Leader of the Opposition stated:

> The Opposition believes it to be the obligation of any Parliament to bring before it a member who is under attack, so as to give that member the opportunity to answer allegations.

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He went on to quote Sir Henry Parkes approvingly as follows:

> Every member of the Assembly will forget what is due to himself and the great institution to which he belongs, if he, for a moment, seeks to remit the defence of its honour and dignity to any court of law . . . It may be that the parties concerned in this transaction will have to be proceeded against by criminal information in the courts; but that is not the course for us to take in relation to members of our House. We are custodians of our own character, and the moment we forget that we stand in that august position we shall have no character to preserve . . . If it becomes known abroad that members of the House have acted in a way in which . . . Mr Baker . . . has acted, and we take no notice of it, we cannot complain of whatever other persons may say . . .

The Premier, the then Leader of the coalition Opposition, went on to say:

> We all have duties as members of this House that transcend party loyalties, that are more important than our obligations to the Executive Government.

The test of whether or not a member should be called before the Parliament is laid down in those words of the Premier. The test is not whether a member is charged, or has been convicted; the only test should be that he must answer allegations that impinge upon the character of the House. The Opposition has raised numerous allegations against the member for The Hills relating to his activities as the head of the Packard Motor Company. I can confirm for the House today that the most serious of those allegations are now the subject of extensive investigation. I do not intend to deal with them, but just in passing, before the Minister for the Environment gets completely out of his seat, to indicate that the Australian Securities Commission has a large team engaged in a formal investigation of the business dealings of the member for The Hills. Similarly, the New South Wales Police Force - senior officers of the serious crime squad - are investigating the bugging and covert activities in surveillance of the member for The Hills. But these are not matters -

Mr Moore: On a point of order. I suggest it does not matter what matters they are not, in the words of the honourable member for Campbelltown; it is what they are that is important, and they are a gross flouting of your ruling as to how far the honourable member for Campbelltown is able to go in addressing issues.

Mr SPEAKER: Order! I cannot uphold the Minister's point of order. As I have said, it is within the ambit of the motion for the honourable member for Campbelltown to emphasise the seriousness of the matter in general terms as the reason why the matter should be brought on.

Mr KNIGHT: These are not matters merely for the police or the Australian Securities Commission in relation to which the member for The Hills may, in the short term, refuse to answer questions on the grounds that the answers may incriminate him. The obligations placed on a member of Parliament are greater than those placed on an ordinary citizen. The member for The Hills is under an obligation to this Parliament and to his electorate to explain his actions as principal director of the Packard Motor Company; otherwise, the dignity and integrity of this Parliament are seriously impugned. The member for The Hills sat silently, day after day, while the Opposition produced documents, including statutory declarations that raised serious doubts as to the propriety of his activities as a member of Parliament. It is not as though the member for The Hills does not know about the allegations made against him. Unlike Richard Charles Mochalski, the member for The Hills is not physically absent from the Parliament. [*Extension of time agreed to.*]

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Indeed, the Government depends upon the vote of the member for The Hills for its very survival. It must have him here. The Government knows full well that the Opposition would not grant a pair. It is not as though the honourable member for The Hill is not often in the Chamber. Indeed, in my 11 years in this House I have never seen a member consistently spend so much time in the Chamber as the member for The Hills. He cannot leave the building in case the Government falls, yet he cannot remain in his room in case the media catch up with him. The dining-room closes between meals -

Mr SPEAKER: Order! The honourable member for Campbelltown is now straying from the reasons why the motion should be brought on. I direct him to return to the substance of the motion.

Mr KNIGHT: The member sits in mute contempt of the Parliament. He offers no explanation, no excuses, no apologies, no defence of his actions. He can run, but he

still has a very thick hide. It is not as though the member for The Hills is the first member to have serious allegations raised against him. It has happened to many members. Yesterday allegations were made against the honourable member for Ashfield. Within minutes he was on his feet to confront the allegations and to offer a persuasive defence and an indication and vindication of his integrity. When serious allegations were raised about the Premier concerning his involvement in the White River Timber Company, he confronted the allegations in the House. Though some honourable members might have been somewhat underwhelmed by his defence, he did make a case that his party could support, which precluded the Labor Party moving for his expulsion. Similarly, a former member for Balmain, Roger Degen, defended himself in this House against serious allegations. His defence was satisfactory to his party, satisfactory to the media, and the honourable member for South Coast voted against his expulsion.

Mr Moore: Why did you bring on this motion while the honourable member for South Coast is away ill?

Mr KNIGHT: He would be speaking on our side.

Mr Moore: That is not what he said.

Mr KNIGHT: The Minister should not verbal the honourable member for South Coast. On other occasions the honourable member for The Hills has taken the view that silence is golden. I can reveal to the House that in his first election campaign he profited from a donation of $1,243.67, the source of which he declined to reveal.

Mr Moore: On a point of order.

Mr SPEAKER: Order! On this occasion I accept the point of order that I anticipate is about to be taken by the Minister for the Environment, which I uphold. The honourable member for Campbelltown is beginning to debate substantive matters.

Mr KNIGHT: What does it say about a member who will not, cannot and does not defend himself? Under our criminal code a person is presumed to be innocent until proved guilty but the standards expected of members of Parliament are justifiably higher. Sir John Fuller, a former leader of the then Country Party - a predecessor of the Deputy Premier, Minister for Public Works and Minister for Roads - in the Legislative Council in debate to expel the Hon. A. E. Armstrong said:

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> We are members of a sovereign law-making body and for this reason the House itself is given a measure of responsibility in the control of the behaviour of its members. In our democracy, in the Parliamentary institution in the free world, it is essential that the standing of members of Parliament in the eyes of the community should be maintained at the highest level. It is necessary to maintain standards for the very preservation of the institution of the Parliament itself.

Yet the Government, which is hellbent on self-preservation, seeks to reduce the standards the Premier swore to uphold when in Opposition. The Premier, who wants the honourable member for The Hills out of the Parliament, acts like a political St Augustine. His prayer is, "Let Tony Packard be chased out of the Parliament, but not just yet". Contrast this with the behaviour of the most recent Labor Premier, Barrie Unsworth. When Rick Mochalski failed to come before this House to satisfactorily answer allegations made against him, Premier Unsworth made it clear that the parliamentary

Labor Party would not support Mochalski. Mochalski resigned in disgrace even though he was not then, or at any later time, convicted of a criminal offence. At this point I shall summarise the case for this motion.

First, the Government is adopting a parliamentary stonewall stance in the face of serious allegations against one of its own members, a member whose support, however dubious, it depends upon for its survival. This motion gives the House the opportunity to tear down that wall and expose the honourable member for The Hills to the scrutiny of Parliament, the media and the people of New South Wales. Second, the motion orders the honourable member for The Hills to attend in his place on a day in which the House can resolve what it might do about the allegations made against him. It sets a date for that debate and it ensures that he is here for it. No one wants to condemn the honourable member for The Hills in his absence. Third, the motion compels the honourable member for The Hills to respond to the nature of the motion concerning the serious allegations made about his behaviour. The allegations about the honourable member for The Hills are of the utmost seriousness. When compared with the situation of Richard Charles Mochalski they appear not merely as bad but also unflattering. As the proprietor of the Packard Motor Company, the honourable member for The Hills or his employees engaged -

Mr Moore: On a point of order. The honourable member for Campbelltown is now seeking to traverse matters of substance encompassed within the notice of motion he gave on 27th March. Even taking the most charitable view of the time lost from that allocated to him because members on the Government benches have felt it necessary to raise points of order to have him brought back to the motion, he has nevertheless had a significant period of time to address his motion. He should not now, towards the conclusion of his remarks, be permitted to canvass those matters that are contained in or related to the motion of 27th March. It is clearly outside the order of debate, and such discretion as you, Mr Speaker, have permitted him in which to make passing references to the matter has certainly been more than charitably extinguished prior to this time.

Mr SPEAKER: Order! The honourable member for Campbelltown cannot go to specific detail and I direct him back to leave of the motion.

Mr KNIGHT: Without going into the specific detail, I remind the House of the seriousness of the motion which I am seeking to have the House compel the honourable member for The Hills to answer. It is clear that at every opportunity the Government will attempt to prevaricate, use parliamentary procedures, tricks and outright attempts to suppress the truth to prevent this happening. The reasons why Parliament needs to compel him are because the motion asks the member to answer allegations about breaches of the Listening Devices Act, which is a criminal offence if proved.

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Mr Moore: On a point of order. The honourable member for Campbelltown is now seeking to deal with the specific nature of matters contained in his notice of motion. He should not be permitted, no matter how inferentially, to go through it paragraph by paragraph at this time, he having had a more than adequate fair go from this House to deal with matters within the standing orders.

Mr Knight: On the point of order. I am referring to a motion that asks the honourable member to answer another motion which details allegations of breaches of the civil law and the criminal law. I have not yet debated the substance of those, and I will not have that opportunity because of the activities of the Minister for the Environment.

Surely even the Minister for the Environment cannot be frightened of my mentioning matters that are on the parliamentary notice paper and which have been reported already by the media.

Mr SPEAKER: Order! It is in order for the honourable member for Campbelltown to list the matters if he wishes. Certainly as this motion refers to that motion a reiteration of the motion is in order.

Mr KNIGHT: We have a motion asking the honourable member for The Hills to be compelled to respond to another much longer motion which deals with a range of scandalous conduct, starting at item (a) and ending at item (m). I am sorry that notice of that motion was given some weeks ago because the matters that have since transpired indicate that it could be extended considerably. Despite overwhelming documentary evidence provided by the Opposition, the honourable member for The Hills has refused to defend himself. The Premier, the Attorney General and the Minister for Industrial Relations and Minister for Further Education, Training and Employment have accused the Opposition of gutter politics, yet none of them has been prepared, and I challenge them tonight to be prepared, to defend the record of the honourable member for The Hills. I assure them that if they do so I, for one, will not be taking points of order saying that they are outside the leave of the debate. However, I would be surprised if anyone needs to canvass that position. They have wanted to shoot the messenger rather than face the implications of the message. If the Premier were fair dinkum about the ethical standards of this House and if he were half sincere in what he himself said as Leader of the Opposition five years ago, he would have insisted long ago on a full and proper explanation in this House from the honourable member for The Hills. In conclusion I wish to quote again the Premier's own words in the Mochalski debate on an identical motion. The Premier said:

> The charges against the honourable member are of the gravest kind. In any business in New South Wales if a responsible employee had been adjudged guilty on the balance of probabilities of this sort of conduct, that employee undoubtedly would be dismissed. The charges are so grave that they cannot do otherwise than reflect upon the character of every member of this Parliament.

Only a full explanation can dispel the cloud over the member. Until that is done the cloud remains, not only over the member but over the Premier, the Government and indeed over the entire House itself.

Mr MOORE (Gordon - Minister for the Environment) [5.17]: Earlier this week I had occasion to liken the honourable member for Campbelltown to a Carpo of the einsatz kommando extermination squads.

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

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Mr MOORE: The honourable member for Campbelltown asks me is he getting a promotion. He understands the classic admission, that is, that he is sliming for a promotion; he wants to be an obersturmbahnführer in the einsatz kommando of the Reich.

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

Mr MOORE: And indeed it comes with the uniform, the Sieg Heil and the rest

of the other fascist attitudes that are behind this motion.

Mr J. H. Murray: On a point of order. I take offence at the manner in which the Minister is directing his remarks to the honourable member for Campbelltown. Earlier in the debate, Mr Speaker, your predecessor ruled that a member should address another member in the House, in particular the honourable member for Smithfield, by his electorate name. I ask that the Minister do the same here.

Mr SPEAKER: Order! Certainly that is the case. Members should address other members by their electorate names.

Mr MOORE: I was addressing the honourable member for Campbelltown by his electorate name and attributing to him a variety of moral and ethical attributes associated with those who hang first and try later. They are the fascists, the totalitarians who reject any notion of decency and fair play. The honourable member for Campbelltown is probably the only person who could jump from left to right and raise the average IQ of both factions. He is also probably the only honourable member who could jump from left to right and raise the moral standards of both factions, although in the case of the right it is an incrementally and infinitesimally small part of that process.

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

Mr MOORE: The motion that has been moved by the honourable member for Campbelltown seeks to set aside all business of the House tomorrow to require the honourable member for The Hills to respond to a notice of motion given by the honourable member for Campbelltown some time ago. The business of the House notice of motion we are now debating itself went on the notice paper some time ago and the honourable member for Campbelltown declined to bring it on.

Mr Whelan: On a point of order. The Government Leader of the House knows the truth of the matter and must affirm the truth of the matter. This afternoon and on two other occasions to my knowledge the honourable member for Campbelltown or I attempted to move the suspension of standing and sessional orders to enable this debate to come on. There has been no delay at all.

Mr SPEAKER: Order! The member for Ashfield should appreciate that that is not a point of order but an explanation which he is at liberty to put into the debate at a later time.

Mr MOORE: I repeat for the record that I have challenged the honourable member for Campbelltown to move a motion in the proper form, namely a censure motion - a motion that the Premier and I were prepared to face - that I acknowledged across the Chamber would be taken upfront. If the honourable member for Campbelltown wishes to talk about the prioritisation of business to deal with issues, even the most cursory, even the most humble and new member of this Parliament - which

certainly does not apply to the honourable member for Campbelltown who is neither humble nor new and has few other attributes to attract us to him - he must know in his heart that if on 27th March he had had the guts to move a motion to censure and condemn the honourable member for The Hills, or any of the forms of motion that comprise within the Westminster tradition a censure motion, which is a very precise and formal nature of condemnation that someone can put on a member, then he knows, because I have told him so in this House, that the Government would bring it on as demanded by the

Westminster conventions. The honourable member for Campbelltown has not had the guts to do it up until now.

Mr Photios: No guts Knight.

Mr MOORE: No guts, no start. That is what the honourable member for Campbelltown is all about. What he is really all about is paying his dues - blood money. The honourable member for Campbelltown is demonstrating that there is no price too low that he is prepared to pay. There is absolutely no reason why all of the business of the House for tomorrow should be set aside to deal with this matter when the honourable member for Campbelltown knows - because I have advised him in this Chamber - that if he used the proper forms of the House, if he had the guts to move a censure motion, it would be brought on for debate. He also knows that if he had the guts to move a censure motion, the same view would be taken by me as I took about the censure motion about me, that I was entitled to a fair trial and investigation elsewhere on issues, without having this man, using the word at its most charitable, this person who is a spiritual descendant of the Eichmanns of World War II - I invite honourable members to look at his haircut -

Mr SPEAKER: Order! There is far too much interjection. The Chair has been as tolerant as possible, given the nature of the debate. If members wish me to be far more severe with them than I have been in the need to maintain the order of the House, I shall be more severe. I ask all members to co-operate and use common sense in this debate.

[*Interruption*]

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

Mr MOORE: The honourable member for Campbelltown is a case of "if the peak leather fieldcap with silver eagle and flashing silver lightning stripes fits wear it" -

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

Mr Knight: On a point of order. My point of order is not the abuse that the Minister for the Environment heaps on me but my worry for his health as he proceeds to become more and more excited. He is under great pressure. Mr Speaker, I ask that you restrain him a little.

Mr SPEAKER: Order! No point of order is involved.

Mr MOORE: The solicitude of the honourable member for Campbelltown for my health rivals only that of Dr Mengele for the twins of Belsen.

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Mr Photios: On a point of order. If it is not offensive to the honourable member for Campbelltown - he probably delights in the commentary - on behalf of the honourable member for Campbelltown I am offended, even if he treats those comments as a compliment to his character.

Mr SPEAKER: Order! The honourable member for Ermington knows full well that, first, there is no point of order and, second, he cannot take a point of order on

behalf of another member. If another point of order of that nature is taken, the member will be removed from the House forthwith.

Mr MOORE: The Government -

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

PRIVATE MEMBERS' STATEMENTS _____

CABRAMATTA CREEK CATCHMENT LEVY

Mr NEWMAN (Cabramatta) [5.30]: On 8th April this year, I received a letter form Mrs A. K. Stafford from Smiths Avenue, Cabramatta, drawing to my attention her concern about an impending Water Board service charge of $60 per annum for five years to be introduced from July this year on top of the present $80 special environment levy. My further inquiries reveal that the levy will apply to the Cabramatta Creek catchment areas of Mount Pritchard, which have as their boundaries Elizabeth Drive and Cabramatta Creek to the south, Hemphill Avenue, Anderson Avenue and part of Townview Road to the west, and Cabramatta Road in the north; and Cabramatta Central, which includes all properties between Cabramatta Road to the north, Cabramatta Creek to the south, and bounded by Orange Grove Road to the west and the railway line to the east. These catchment areas involve 2,568 homes paying an additional $15 levy per quarter as a service fee, which will cumulate to $770,000 in the proposed five-year period.

I understand that the proposed service is the initiative of the Water Board and has the agreement in principle of Fairfield City Council. The overall concept, excluding the service fee, is commendable. It is high time the Water Board directed its resources to the southwest areas of Sydney and gave particular attention to our creeks and drainage systems. I understand that the works proposed by the Water Board take in catchment areas on the southern side of Cabramatta Creek, which involves people in the Liverpool electorate and the Liverpool City Council area. The total number of houses affected will be 15,000. I understand that the Liverpool council has great reservations about this levy being implemented. The overall capital cost of works is estimated to be $22.8 million, comprising detention basins at a cost of $15.7 million, gross pollutant traps at $3 million, and flood mitigation in existing urban catchment at $4.1 million.

The Water Board has indicated to me that the present State environment levy, the $80 levy, from the Cabramatta Creek catchment will raise $5.8 million during the next five years and is to be allocated to the following work: $2.5 million directly to improve sewerage systems in the Cabramatta Creek area, $1.5 million to prevent flooding of the sewerage system, and $1.8 million to upgrade the transfer system from the catchment to the Malabar treatment plant. The board proposes to raise additional income from the capital contributions from developers of $22,000 to $25,000 per net hectare

from future residential and industrial developments and by levying a service charge of $60 per annum for the next five years. The board claims that the service charge has components for both capital costs and ongoing maintenance.

I have little doubt that residents in the aforementioned Cabramatta Creek catchment area have nothing but sympathy and praise for the proposed improvement work in Cabramatta Creek. I am sure that they are as concerned as the Water Board about recent water quality sampling identifying Cabramatta Creek as a major source of pollution to the Georges River, and I am sure that those who are close to the creek

welcome mitigation work to give protection to their homes. But I am sure they will question the concept of a service levy. Residents in our flood action groups have for years been asking the Water Board and council to give greater attention to funding in this area. What is the justification of the service levy when the special environment levy has come to the rescue of other communities in similar situations? Are we again indirectly providing funding for cleaner beaches at Maroubra or Palm Beach? Why are we not part of direct access to major funding from the overall SEL, as is the case for the people of the Blue Mountains, who will benefit from an $88 million allocation for a major sewerage tunnel development.

It is time the Minister for Housing, who is responsible for the Water Board, recognised the growing pains of people in the southwest and applied some equity in the allocation of funds. There is still $970,000 from the Federal Government waiting for allocation to what is labelled as a western Sydney drainage initiative. Why is this State Government hesitating in applying for this money, which would be beneficial in cases like this? I call on the Water Board to fully consult the residents of the Cabramatta catchment on this impending levy and call on Fairfield council to reconsider its part in endorsing the concept of the special levy in principle. The words of Mrs Stafford, who lives in the Cabramatta catchment area, best describe residents' concern:

> Has any thought gone into what effect this additional cost will have on families now battling to make ends meet, and to people on fixed incomes who cannot claim reductions on their rates, as I understand this levy is an ongoing thing and subject to revision every two or three years? One thing we can be certain of, the cost will escalate, especially if further development takes place in this catchment area.

I question whether the proposed levy is constitutionally sound and consider it discriminatory against people in this area. I call for a complete review of the funding program based on there being no levy, with Federal Government western drainage money and general SEL funds being used. I warn the House and other members, particularly those representing electorates in the west, that this is the first State water control levy to be trialed. The Greiner Government would not have the hide to test the introduction of a levy like this on the North Shore. It has chosen the southwestern suburbs to attempt to implement an iniquitous levy.

BURRANEER SAILING CLUB

Mr KERR(Cronulla) [5.35]: I speak on an incident affecting residents in my electorate who are attempting to assist the youth of our nation. In doing so, it is appropriate that I welcome the First Turramurra Brownies and Second A Brownies, who I am sure, both individually and as an organisation, will make a great contribution to our nation in future.

Mr J. H. Murray: It is a marginal seat.

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Mr KERR: I can assure the honourable member for Drummoyne that the seats of the Premier and the Minister for the Environment are hardly marginal seats. Nor will the contribution of these wonderful young people be marginal to our future. By way of background, I mention that the Burraneer Sailing Club was set up because parents who were members of that club and residents in the Sutherland shire believe that sailing is a healthy outdoor sport for the children of the Sutherland shire. For a modest family club membership fee, children are taught to sail and enjoy the benefits of the Sutherland shire,

particularly its waterways. At the moment that club has about 25 boats, comprising mainly Manly Juniors and Flying Ants. These boats are owned by the parents and children. In the main, the Manly Junior class is a most suitable training boat for boys and girls in the age bracket of eight to 14 years learning to sail. The Flying Ants are more advanced boats and are sailed after the children have mastered the Manly Juniors. The club is a non-profit organisation which relies on fund-raising activities and membership. The modesty of its fees is reflected by its annual turnover of approximately $3,000 per annum. In December 1991 a sailing regatta was organised. Previously the headquarters for the regatta was at Gunnamatta Park. The club decided not to use Gunnamatta Park as its headquarters. Instead, it enlisted the help of the Cronulla Sailing Club, whose premises are adjacent to Gunnamatta Park. It was from that club that the regatta was run and presentations were made. The intention was that boats were to be rigged on the property of the Cronulla Sailing Club and on the beach adjacent to the club in front of Gunnamatta Park. Honourable members can imagine the club's surprise when it received the following letter from Sutherland Shire Council:

> It has come to the attention of Council that your Sailing Club members used the facilities of Gunnamatta Park, Cronulla for the purpose of rigging and launching sailing craft on Sunday, 1st December, 1991.
>
> A search of Council records reveals an access licence had not been granted, applicable fees paid or appropriate insurance cover provided. Complaints have been received from members of the public concerning the use of the reserve by your Club with particular regard to the manner in which club members drove vehicles through the reserve causing potential hazard to other users.
>
> In view of the circumstances, you are requested to retrospectively apply for an access licence for the use and pay the appropriate fees. It should also be noted that Council will not condone any future breach of the requirements relating to access licences.

Neither would officials of the club, present or past, condone any breach; nor did its members seek to do so. Inquiries were made, but no members were identified in relation to the alleged breaches. Gunnamatta Park was not used by the club. The council should inform the club if it has evidence of club members using the park, as is suggested in the letter. I would have hoped that common sense and perhaps an interview with the shire president would have resolved this matter. But an underlying principle is involved: the council simply must not make allegations unless it has sufficient evidence. That is a right that all the residents of the Sutherland shire should enjoy. It is particularly so when people are trying to help the youth of the shire by providing them with recreational skills. It is time that a degree of co-operation and, if necessary, tolerance were exhibited. I know that the Minister for Justice will be interested in this matter because of his connection with the Scout Association. He has had a great deal to do with youth activities and has devoted his time selflessly to the future of our young people. I am sure he will be sympathetic. I do not believe that the bureaucratic approach should be that guilt is assumed. [*Time expired.*]

Mr GRIFFITHS (Georges River - Minister for Justice) [5.40]: How could one not concur with the honourable member's comments about the lovely Brownies in the public gallery? Our youth are our future and when I look to the public gallery I see what a magnificent future we have. To come to the point about the sailing club to which the

honourable member referred, it is a disgrace and a shame that Sutherland Shire Council should treat a club in such a shabby way. It is time the council acted responsibly and began to do things for the youth of this country. I will refer the honourable member's comments to the Minister. I hope he will add his weight to them. As a shire resident I

am appalled at what has happened and apologise to the honourable member for the way the club has been treated.

CONCORD WEST RAILWAY OVERPASS

Mr J. H. MURRAY (Drummoyne) [5.42]: I draw the attention of the House to a continuing problem that is placing the safety of many rail users at risk. I refer to the condition of the pedestrian rail overpass at Concord West railway station. Members of the public who regularly use the overpass are unaware of the risks they are taking. In November 1987 Concord West station underwent a cosmetic upgrade to cater for users of the Bicentennial Park in Homebush Bay. In 1988 it was well known that the bridge was unsafe and that the work would be only of a temporary nature. Unfortunately, no further major maintenance or upgrading of this structurally unsafe pedestrian bridge has been undertaken. One does not have to be a civil engineer to realise that the rail overbridge is in need of immediate attention. State Rail is fully aware of the dangerous condition of this pedestrian overpass. Yet it is putting the safety of passengers at risk by failing to abide by the recommendations of Commissioner Lear who on 4th February ordered State Rail to provide for the safety of rail passengers. He said, inter alia:

> I also wish to convey real concern for the safety of the travelling public and the State Rail Authority is on notice that it must accept any responsibility or blame for any mishap or accident that may occur due to the procrastinating qualities of the State Rail Authority in the matter.

This is a most serious situation. I call on the Minister for Transport to investigate this alarming matter immediately. It is obvious that we have all the ingredients of another Granville disaster unless immediate attention is paid to the upgrading of the pedestrian overpass at Concord West station. I am most concerned that passengers using the station are unaware of the structural inadequacies of the bridge that they must use daily to gain access to the station. The Minister has said that he is a can do Minister; but I submit that since 1987, for almost five years, there has not been any can do action on the Concord West pedestrian overpass. That overpass is virtually now a series of steps. A wooden footing has been placed over the structurally impaired concrete areas. That footing has been subjected to the elements and as a consequence is falling apart. Occasionally new boards have been placed over the worn ones. The top section of the overpass has been overlaid with a chipboard product which, as all honourable members will be aware, expands when exposed to the elements. Recently one of those sections caught fire and was replaced. However, this was only cosmetic action by the State Rail Authority.

Four years ago the Government promised a new overpass. In February this year it again promised a new overpass. The latest information is that it will be done in the near future. This is just not good enough. The Minister keeps crowing about the use of the RiverCats for the transportation of spectators to the Homebush Bay Olympics site. Just as many spectators will be using Concord West station and then walking to the games as will be transported by the RiverCats. Later this year an evaluation team from the Olympic movement will be visiting Sydney to assess progress and the provision of infrastructure for the 2000 games. It will be a disaster if they seek to inspect rail facilities such as the Concord West railway station, which will serve as part of the transport network for the games. Members will recall my bringing this matter and a similar problem at Homebush station to the attention of the House last year.

Thankfully, action has commenced on upgrading the Homebush station pedestrian

overpass, and I commend the Minister for taking that action. He has done a good job there. All I ask of the Minister now is that he institute the same action at Concord West station to protect the lives of rail users in this area. I am certain that if Concord West railway station were in the North Shore area - and certainly if it were in the Davidson electorate - the Minister would have no hesitation in providing the funds necessary to upgrade this railway station. Unfortunately, it is not located on the North Shore but is in an electorate held by a Labor Party member. It was in a Liberal Party held electorate, but that has become a Labor Party electorate since I became the member for the area. I am sure that if the Minister does not take some action pronto, between now and the end of the year when this Opposition will occupy the Treasury benches and the seat of Davidson falls, and Maitland falls also, action will be taken then.

Mr GRIFFITHS (Georges River - Minister for Justice) [5.47]: I thank the honourable member for Drummoyne for bringing his dramatic hysteria to the House. I have taken the opportunity to check with the Minister for Transport on what has occurred. The honourable member has represented the Drummoyne electorate for many years. He said that four years ago this Government promised to do something. What happened during the 12 years of Labor administration when he represented the electorate? He allowed the Government of his political persuasion to neglect his electorate. That was irresponsible. The honourable member should resign. I am sadly disappointed in his performance. Now let me outline the facts. Contrary to the claims of the honourable member for Drummoyne, inspections by SRA engineering staff have confirmed that the bridge, though unsightly, is in a safe condition. The honourable member for Drummoyne said he is not an engineer. We have learned also that he is not a competent member, because he has not properly represented his constituents.

Of a total of 1,400 railway bridges on the Sydney rail system, about half were built before 1900 and stand as a testament to the years of neglect under previous governments of both political persuasions. There has been neglect by both parties. Passenger safety is the number one priority under this Government. We have no hesitation in providing the $43 million necessary to rebuild old railway bridges throughout Sydney. In all conscience the honourable member for Drummoyne could not fail to admit that this Government has done more about railway overbridges, railway stations and the SRA in general than the Labor Government did in 12 years. It will take us 10 more years to overcome the neglect by the previous Government. The honourable member was remarkably quiet during those years. He did not actively represent his constituents.

Renewal of that bridge, which is situated in a marginal Labor seat, is at the top of the 1992-93 bridge renewal program priority list. The Government is being truly responsible in placing safety first. The previous Labor Government failed to do that. The Government cares about the honourable member's constituents, even if he does not. In view of the pending renewal of the bridge, it would not be prudent to allocate funding at this stage for the sorts of cosmetic improvements requested by the honourable member. The job should be done properly and not given bandaid treatment. The Government and CityRail are aware of the need to eliminate a significant proportion of maintenance-intensive bridges. Accordingly, a five-year bridge renewal program is in place. The honourable member may rest assured that the Government will solve problems in relation to which the previous Labor Government failed. I am amazed at, and perhaps should apologise for, the previous Labor Government's failure to assist its constituents represented by the honourable member opposite.

ROADS AND TRAFFIC AUTHORITY

Ms MACHIN (Port Macquarie) [5.50]: I wish to devote my statement to clarification of certain matters that affect the Port Macquarie electorate and the town of Port Macquarie in particular. Recently announced changes to the Roads and Traffic Authority involved statewide restructuring and a downsizing of about 2,000 jobs. That unhappy position was not taken lightly by the Government but has been forced on it by these difficult economic times. Originally the Port Macquarie office of the RTA was scheduled to be downgraded essentially to a works office. At present it is a divisional office employing about 56 people in Port Macquarie. At the time the changes were first being mooted a number of my colleagues, in particular the honourable member for Oxley, formerly the honourable member for Port Macquarie, other National Party members, and I suggested to the RTA, through the Minister, who has been most co-operative in this whole exercise, that it should decentralise more widely rather than only in places such as Newcastle and Wollongong. That proposal was examined. As a result, towns such as Port Macquarie have been the recipients of the benefit - and I emphasise the word benefit - of these changes. However, if one believed the negative press that occurs frequently in Port Macquarie or if one listened to the comments of those with their own political agenda, one would think that the Government was about to close the RTA office in Port Macquarie.

The Government is upgrading the Port Macquarie divisional office to a regional office. Port Macquarie will be the regional centre and staff employed there will be increased by a net 19 positions. Those 19 positions are fairly specialised jobs. The RTA is bringing 40 jobs from Newcastle to Port Macquarie. Some jobs in Port Macquarie will be abandoned but the net increase will be 19. Those 40 specialised positions from Newcastle will bring 40 salaries at a higher rate, which it is estimated will bring about three-quarters of a million dollars to Port Macquarie each year. That is not to be sneezed at. I should have thought that everyone in town including the unions would say, "Good on you, Wal" to the Minister for decentralising in this way and for upgrading the status of the Port Macquarie office. Currently the office has 56 positions. As a regional office that number will increase to 75 - an increase of 19 jobs. The people who will be affected when sections of the Port Macquarie office or its functions are transferred have expressed understandable concern. Some staff members will have the option of being redeployed but, given the present reduction in the total work force, employment opportunities are not great. Jobs will be coming out of Newcastle and the people in those positions will have the choice of coming with the job. However, it is anticipated that many of those people, understandably, will choose to stay where they are and not uproot their families and move. Therefore, a number of job opportunities in those positions will be available for people in Port Macquarie if they have the necessary qualifications.

The people who are affected will know more about their position after 8th May. The period of limbo, though regrettable, was requested by the staff association, which asked the RTA for an extension of a few weeks until after 8th May so that it could have a closer look at the details of the proposed changes and make recommendations and suggestions about the restructuring after that date. Any person in Port Macquarie who is affected by the proposed restructuring has an open invitation to come to see me, their local member, to assist them. I am sure that the Government will assist them to find suitable positions or to make some arrangement that will suit their particular circumstances. I should point out that the Government does not have a policy of compulsory or forced redundancy, though critics in the media and elsewhere give the impression that the Government wants to sack people. The Government has not sacked anyone in New South Wales. According to the unemployment statistics quarter after

quarter, New South Wales is ahead in the ratings Australia-wide, contrary to claims that

the Government is creating unemployment by reducing jobs through restructuring.

Mr Griffiths: There are 31,000 new jobs.

Ms MACHIN: That shows that the Government is managing the State in the right way. The critics who have been running around town saying the Government is sacking people are wrong and misleading and are unnecessarily putting the wind up their own colleagues. Those critics should be congratulating the Government for improving facilities in Port Macquarie. [*Time expired*.]

Mr GRIFFITHS (Georges River - Minister for Justice) [5.55]: I congratulate the honourable member for Port Macquarie for so clearly bringing the real situation in Port Macquarie to the attention of honourable members. The honourable member for Port Macquarie continues to be vigorous and competent in her representation of the Port Macquarie electorate. As the honourable member said, the Government is always saddened by any need to downsize caused by the Federal Government having taken $1 billion from this State over the past four years. But even under that tremendous burden the Government has managed New South Wales so effectively that this State now has a 9.4 per cent rate of unemployment, the lowest in Australia. That achievement is incredible in the face of all the adversities heaped on the Government by Canberra. As the honourable member for Port Macquarie has said, there will be no forced redundancies under the Government, which is all about people and families.

SCHOOL BUS PASSES

Mr J. J. AQUILINA (Riverstone) [5.57]: I rarely raise personal issues during private members' statements unless I regard those issues as being extremely serious to my constituents. On this occasion, however, I am keen to resolve a problem that concerns me and my constituents. Though I raise this matter not as a political issue to embarrass the Government or the Minister, it behoves everyone with a genuine interest in it to help overcome the problem as efficiently and expeditiously as possible. The Minister knows that I became aware only five minutes ago that I would have an opportunity to make a private member's statement. I apologise to the Minister for not having warned him this afternoon of my intention to make a private member's statement. However, I take this welcome opportunity to make my statement and hope that the Minister, at an appropriate time, might be able to obtain a suitable response.

Some time ago I received a letter from the dedicated and hardworking Sister Christine Rowan, the Principal of St Bernadette's Primary School, in the Riverstone electorate. Sister Rowan told me in her letter that the Department of Transport had withdrawn bus passes from 10 of her students, aged between seven and 11 years. Members on both sides of the House frequently receive such representations. The issue of bus passes is subject to ongoing review and at times the withdrawal of passes after review is challenged. Members, on behalf of their constituents, take on the responsibility of raising such challenges with the Minister or the appropriate authority. It is my experience that in many cases the appropriate authority has reinstated bus passes when I have queried their withdrawal. Sister Rowan, having raised the matter through the appropriate channels, has been told that the authority has not seen fit to reinstate the bus passes. I regard that as a most serious matter.

The children who held the bus passes live 2.1 kilometres from the school. The

requirement for a bus pass to be issued is that the recipient should be living 2.3 kilometres or further from the school. Without their bus passes these children, aged between the tender ages of seven and 11, will have to cross a major four-lane thoroughfare leading into and out of the Blacktown area. It is one of the major ring roads around the City of Blacktown, a road that is used literally by thousands of vehicles each day. The latest count made by the Roads and Traffic Authority two years ago showed that the number of vehicles using the road per day was 26,000. These children, at the tender age of seven to 11, need to cross that road to get to and from their school. Whenever those road counts are taken they are taken as an average over the whole day, but obviously the greater number of those vehicles are using that road during the peak periods, that is between 7.30 and 9.30 in the morning and 3 o'clock and 5.30 in the afternoon. Possibly two-thirds of those vehicles would be counted within those specific hours. One can only imagine the large volume of traffic travelling those roads when children are either going to school or coming back from school.

The Roads and Traffic Authority said that it has conducted surveys. In fact, it has done so on three separate occasions, 20th May, 1991, 20th June, 1991 and 20th December, 1991. I ask the Minister: what was the point in conducting those surveys when at that particular time those children had bus passes, were using them and were not crossing those roads?. The number of children crossing the road at the time was negligible because they still had their bus passes. However, since their bus passes have been taken away their parents have refused to allow them to cross the road on their own. Parents have been ferrying the children to and from school in their own cars or have been paying their bus fares, in some cases $5 or $6 per week. I put it to the Minister and to the Roads and Traffic Authority that this situation is grossly unfair; it is grossly unjust for these children. The distance involved may only be 2.1 kilometres, but it is totally unjust to expect children of a tender age to cross a four-lane road during peak periods, when some 26,000 vehicles a day, at a minimum, are using that particular road and when radar traps are being set up there by police because of speeding motorists. I ask the Minister to review the situation. [*Time expired*.]

Mr GRIFFITHS (Georges River - Minister for Justice) [6.2]: I thank the honourable member for Riverstone for raising his concern about the situation at St Bernadette's Primary School. I do not have all the information. On the surface of it I share a concern about the matter because I have five children, one of whom is 11. I would not want my 11 year old walking across a four-lane highway to go to or from school. The Minister for Transport is a very compassionate Minister. I know that he will certainly look at the case with a great deal of compassion, and I shall certainly refer that matter to him.

Private members' statements noted.

[*Mr Acting-Speaker (Mr Chappell) left the chair at 6.3 p.m. The House resumed at 7.30 p.m.*]

MEMBER FOR THE HILLS

Debate resumed from an earlier hour.

Mr MOORE (Gordon - Minister for the Environment) [7.30]: Before the House suspended further consideration of this matter to deal with private members' statements I was making a few, I thought, well-chosen remarks about the role being played by the honourable member for Campbelltown in this debate. I thought I would compound the

problems of the honourable member for Campbelltown even further by indicating that, like Dr Metherell, I am prepared to see good in anybody, no matter how disgracefully I feel he has behaved in the House. I thought I would assist the honourable member for Campbelltown by providing him with advice about how he ought to be proceeding on this motion and on other matters. The honourable member for Campbelltown, when he comes to consider and repent - as I am sure he will in time; he will certainly have a considerable amount of repenting to do - will understand that the price he is paying for factional admission is far too high. He is endeavouring to convict without trial, to hang without charge, to behave in a fashion that sits this Parliament ahead of any of the due processes of law. He seeks deliberately to prejudice the honourable member for The Hills. That is an abuse of the processes of this Parliament. That is why the motion that he has moved should not be carried.

A wide range of matters are on the notice paper for tomorrow. The House will be pleased to know that I do not propose to go through them one by one and explain why each of them has more merit than the motion before us - with the undoubted exception of general business notice of motion No. 4 standing in the name of the honourable member for Campbelltown - and ought not to be set aside by this disgraceful performance in which he has attempted to indulge as part of the blood money he has accepted from the Right. What the honourable member for Campbelltown proposes in business of the House notice of motion No. 3 is that the honourable member for The Hills ought to be required to attend in his place on the next sitting day to deal with an array of allegations that the honourable member for Campbelltown wishes to make against him under parliamentary privilege. The honourable member for Campbelltown knows that he provided - but only at the constant prodding of the Attorney General, because the honourable member for Campbelltown was too gutless to put up the few wimpish, scrappy pieces of paper he had in the first instance - allegations to the Attorney, who passed them on to the appropriate places through the Minister for Police and Emergency Services and those allegations are being investigated. It would be a travesty of anything that any member would acknowledge privately to be honest, appropriate and honourable in dealing with these matters in the Parliament for this matter to come on and be dealt with now. I do not believe it is appropriate to continue to divert the Parliament from its proper legislative business by continuing with this charade. The motion is opposed by the Government and I commend its rejection to the House.

Mr J. J. AQUILINA (Riverstone) [7.35]: I rise reluctantly in this debate because it is never a pleasant task for a member in this Chamber to have to call upon a colleague from either side to answer the sort of serious allegations which have been levelled against the honourable member for The Hills. But I do it because of my conviction that this matter needs to be resolved and resolved quickly. Otherwise, the reputation of the honourable member for The Hills will continue to be impugned in a way in which no other member's reputation has been impugned before and because the conspiracy of silence by the honourable member for The Hills and the Government is condemning not only the honourable member for The Hills but the Government, including the Premier and the Minister for the Environment. Before the dinner break we heard one of the most outrageous outbursts that this Chamber has ever been subjected to. It was so outrageous that I challenge the Minister for the Environment to show the same spirit he showed last week and rise in this Chamber to apologise for his words - not just for what he said about the honourable member for Campbelltown but for the way in which he insulted each and every one of his colleagues, each and every member of the Opposition, your position, Mr Speaker, and the dignity of this Chamber. This Chamber should not have to submit to the sort of tirade to which the Minister subjected this Parliament earlier today. It is an absolute disgrace to make a reference to any member

of this Chamber being another Adolph Eichmann. It is an insult to this Chamber and it does the Minister very little good. Members of the community will read his words. Those words will come back to haunt him because he has offended many members of the community with his disgraceful outburst earlier today. I hope the Minister is big enough to acknowledge the error of his ways and take the appropriate action.

I turn now to the honourable member for The Hills. I stated before that I speak in this debate reluctantly. But I do it out of conviction that the honourable member for The Hills has to end his silence and come out in his own defence. Obviously the Government is not going to defend him. When this motion was moved by the honourable member for Campbelltown not one of the colleagues of the honourable member for The Hills raised a murmur in his defence. The paltry defence in relation to the motion is only to the extent of preventing the motion from being discussed. Let us not have any hypocrisy here. It is enough for the honourable member for The Hills to be hypocritical about his actions. But for the Minister and the Government to act with hypocrisy is for them to belittle their status. We know what the standing orders of this House provide: that although a member may move a motion of which he has given notice, that motion cannot be debated except with leave. Each time the honourable member for Campbelltown has risen to move that this matter be debated leave has been refused. He has not done it once; he has not done it twice; he has done it on at least four occasions of which I am aware, and possibly more.

Where is the hypocrisy? The hypocrisy lies with the Government. It is protecting the honourable member for The Hills. Not one Government member will rise to his defence; he knows that he stands convicted. The Minister for the Environment made a statement a few minutes ago that by this resolution the Opposition is aiming to convict without trial, to hang without charge. They were his words. I ask the Minister and the honourable member for The Hills what better trial can there be than this - the most supreme of all trials by the highest court chamber in this State?

Mr Packard: Coward's castle.

Mr J. J. AQUILINA: It is a coward's castle and the honourable member is the coward hiding in this castle, as he has been now for weeks on end. The honourable member has been here because he is too afraid to face his public, his constituents, his employees and those people he has denigrated - the people who have given him years of trust.

Mr Moore: On a point of order. The honourable member for Riverstone should be reminded that if he wishes to launch an attack on matters relating to a member and not relating to issues of parliamentary debate before the Chamber, he is obliged to do so by substantive motion naming the member.

Mr J. J. Aquilina: On the point of order. I was pointing out the urgent reasons that this matter should be debated so that, if the honourable member for The Hills is to be cleared, he should be cleared as quickly as possible rather than go through this silent motion whereby, because of his silence, he remains convicted.

Mr SPEAKER: Order! The honourable member for Riverstone may not have been in the Chamber earlier when I said that the motion before the Chair permits members to give reasons to establish why the substantive motion should take precedence on the business paper for the next sitting day. I believe the honourable member is

straying from the leave of the motion to discuss matters that may well be pertinent to the

substantive motion but are not relevant to the question before the Chair.

Mr J. J. AQUILINA: The motion we are debating calls upon Anthony Charles Packard to attend in his place in this House on the next day of sitting. That is the first point. It also calls upon him to respond to the notice of motion given by the member for Campbelltown on 27th March. It is a motion in two parts. It calls upon him to be here tomorrow to respond to that resolution. If the Government will not allow the resolution to be debated, it will deny the honourable member for The Hills, Anthony Charles Packard, the opportunity to respond in precisely the terms outlined in this resolution. Therefore, if the Government will not grant leave for that matter to be debated, it is urgent that we discuss this resolution today so the Parliament, which is always the supreme authority in these matters, can make the decision, overriding the Executive, overriding the Government and asserting its priority as the major decision-maker in this State. It is the Parliament that has that prerogative. We are debating this resolution today in order that the Parliament may carry this resolution to force the motion to be debated tomorrow. It is urgent that that should happen.

The resolution moved by the honourable member for Campbelltown has been on the business paper since 27th March. It contains very serious allegations that have extremely serious implications for a large number of people. While the honourable member for The Hills is able to spend his time in this Chamber and in this Parliament, there are people in the community, the subject of these allegations, who want to hear the honourable member's answers. They are people who, in accordance with the allegations outlined in these resolutions, have been denigrated by that member. In fact, they have been cheated by him. The seriousness of those allegations deserves an answer. The allegations deserve to be answered now. In fact, they deserved an answer months ago. But the honourable member for The Hills will continue to be silent on these matters. Some of those people have given the honourable member years of loyalty. They have worked to the bone on his behalf. They are the people whom, in some instances, he has diddled out of thousands of dollars.

Mr Moore: On a point of order. The honourable member for Riverstone is now indulging in a series of disgraceful accusations that are unrelated to the motion before the House. I ask that you advise him of the rulings made earlier this day that required the honourable member for Campbelltown to address the limited and specific matters contained in business of the House notice of motion No. 3, which, as I am sure you and I are aware, Mr Speaker - though the honourable member for Riverstone does not seem to be - states that Anthony Charles Packard be ordered to attend in his place in this House. It does not provide the honourable member for Riverstone with an opportunity to make specific and detailed comments on the merits of issues.

Mr J. J. Aquilina: On the point of order. Mr Speaker, earlier today when a similar point of order was taken against the honourable member for Campbelltown you indicated that, in order that this motion could be debated in a logical fashion, reference may be made to the specifics of the motion moved by the honourable member for Campbelltown to place the matter in context. The issues I am raising relate specifically to the terms of the motion of the honourable member for Campbelltown. Among other things that motion lists matters relating to overtime payments or the lack of overtime payments, and to the lack of contributions by the honourable member for The Hills to superannuation funds after certain moneys were deducted from salaries of individuals in his employ. These people have been waiting for an answer for a long time.

Mr SPEAKER: Order! Is the honourable member for Riverstone speaking to the point of order?

Mr J. J. Aquilina: I am speaking to the point of order. That is why I should be allowed to raise some of these specific matters, to place the matters we are debating today in context.

Mr SPEAKER: Order! I believe the honourable member for Riverstone has misconstrued the advice I gave to the honourable member for Campbelltown, who accepted that advice and did his best to contain his contribution to the debate in accordance with advice. That does not entitle the honourable member for Riverstone or any other member to deal in detail with specific matters. I indicated to the honourable member for Campbelltown that I saw nothing to prevent him from reading the text of his motion into *Hansard* if he wished to do so, though I saw little constructive in it, but that was his choice. That does not allow the honourable member for Riverstone to detail matters that will be relevant to the substantive motion. The essence of this debate is: Why should this matter take precedence of other matters on the business paper? There is ample scope to argue that narrow issue. It is not sufficient for a member to state that the matter is serious and should be discussed urgently. Honourable members who use that tactic in this debate will find themselves resuming their seats pursuant to a direction under the standing order prohibiting tedious repetition.

Mr J. J. AQUILINA: Earlier in this debate the Minister for the Environment made the point that during the course of this debate cause has to be shown as to why this matter should take precedence over other matters to be debated tomorrow. He raised the issue of legislation that is before the House. I put it to the Minister, as I put it to all members of the Government, that that is a lot of poppycock. Quite frankly, there are no urgent matters of legislation before this House. Even today we completed debating matters of legislation raised by the Government. The Minister sought to suspend standing orders earlier today to allow a number of second reading speeches to be brought on - not, as he says and as he will no doubt claim elsewhere, in order that the Opposition may have full knowledge of matters being raised by the Government. He cannot run this House, and he has run out of legislation.

Let us put that stupid argument to rest. There is no urgent legislation before this Chamber. The Minister for the Environment is scratching around trying to find legislation for honourable members to deal with. There is nothing to hinder this motion being dealt with. There has been nothing to hinder it being dealt with since 27th March when it was first put on notice by the honourable member for Campbelltown. Let us not get carried away with the argument advanced by the Minister. Why has the honourable member for The Hills been in this Chamber day after day? He is like Quasimodo in Notre Dame Cathedral seeking sanctuary from his constituents, his employees and the media. He has never graced this Chamber as much as he has graced it in the past month. He is afraid to go up to his room because there may be a phone call from the media. He does not go out to his electorate because the media might find him. So paranoid is the honourable member for The Hills that last week he ordered the anti-bugging squad to make sure his office had not been bugged. He was aware that perhaps some of the information the Opposition has obtained in relation to his detailed financial affairs may have come from bugging devices in his office. At one stage the honourable member for The Hills may have thought he had many friends. He now has many enemies now because he has dudded so many.

Mr Moore: On a point of order. Riveting though the attempts at rhetoric and the flourishes of the honourable member for Riverstone might be, I ask you to draw his attention to the terms of the motion. His attention span appears to be somewhat unlimited and they appear to have escaped him. The terms of the motion are both narrow and limited, as you have advised him on a number of occasions. I ask you to draw him back to the terms of the motion before the House.

Mr SPEAKER: Order! There is substance to the point of order taken by the Minister for the Environment. After my last homily to the member for Riverstone, I was impressed by the fact that he returned to the precise terms of the motion before the House. With a certain amount of disappointment I heard him stray again from those terms. I again ask him to return to the precise terms of the motion.

Mr J. J. AQUILINA: I return to the point that the honourable member for The Hills has been in this Chamber day in and day out. I have just heard him mutter to the Minister for the Environment that this is just a character assassination. If it is a character assassination, as he maintains, why does he not defend himself? Why is he so weak-kneed that he merely sits back and does not utter a word to the Chamber?

Mr Moore: On a point of order. I thought the honourable member for Riverstone understood the guidance that you gave him to assist him about the terms of the motion and the nature of the debate that should be taking place. He seems to have ignored that guidance and I ask you to draw his attention to the scope of the motion.

Mr J. J. Aquilina: On the point of order. I was making the point that if the honourable member for The Hills does not find some extenuating circumstances as to why he should not be in this Chamber, and only the Government is preventing the motion being dealt with, why does he not defend himself? If he is in the Chamber, he should either defend the matter which has been before the Chamber since 27th March or merely let everyone know that there is nothing to defend because the motion and the allegations speak for themselves.

Mr SPEAKER: Order! The point of order taken by the Minister generally suggested that the member for Riverstone was again straying from the motion despite the guidance I had given him. However, on this occasion the member for Riverstone was responding to an interjection which he claims was made by the member for The Hills. This House has a longstanding tradition that interjections can be answered. I have always counselled members that if they do not want to prolong or misdirect the flow of a debate, they should not interject. To that extent, the member for Riverstone was in order. However, he has now disposed of the interjection and should return to the scope of the motion.

[*Extension of time agreed to.*]

Mr J. J. AQUILINA: This issue will not go away. The sooner the Government and the honourable member for The Hills realise that, the better it will be for all of us. The fact that the motion of the honourable member for Campbelltown has been on notice since 27th March is an insult to the dignity of this Parliament and of all honourable members. It is a gross indictment on the Government and the honourable member for The Hills. There has been a longstanding tradition within the Westminster system, of which all honourable members are so proud and of which earlier today we heard so many members of the Government speak about at length, that matters which impugn the dignity

of the Parliament or the dignity of any member should be dealt forthwith by the Chamber.

To allow a motion of this magnitude to remain on notice for that length of time is an absolute disgrace.

The Government stands condemned by its silence on this matter and by the fact that it has on at least four occasions prevented the motion from being debated. The honourable member for The Hills stands condemned by his silence. If he had any sense of self-respect or loyalty to his colleagues, his Premier, to the Minister for the Environment and to the Government, he would allow this matter to be debated at length. If he can clear himself, he should clear himself in this Chamber. He owes that to all of his colleagues, as indeed he owes it to the members of the public who are the subject of the allegations contained in the motion of the honourable member for Campbelltown. Some people may ask why I have taken such a strong stand on this matter. If the honourable member for The Hills had carried out some business, as often happens in matters of high finance, during which he had obtained a financial gain from a corporation or an anonymous party, I would say, "So be it". However, as all honourable members know, that is not the case.

Mr Moore: On a point of order.

Mr SPEAKER: Order! I can save the time of the House by anticipating the point of order of the Minister for the Environment. I am sure it has some substance. The member for Riverstone is now starting to discuss matters which obviously would be part of the substantive motion. Members participating in a debate such as this must remember that the House will determine at the end of this debate whether the substantive motion proceeds. If that motion proceeds, members will have ample time to make all the comments they wish about the nature of the comments being made by the member for Riverstone. In attempting to circumvent a decision of the House that the matter not proceed, members should not try to make the contributions they would make in that debate under the subterfuge of this motion. I am unaware whether all members understand that they will have a later opportunity, provided the House decides to give them that opportunity. That is the right and proper time to go down the path the member for Riverstone is now taking. He has now given us the benefit of his views about the seriousness and urgency of the matter on five or six occasions. If he goes down that path again, I may have to ask him under Standing Order 157 to resume his seat.

Mr J. J. AQUILINA: I assure the House that if the substantive motion of the honourable member for Campbelltown is ever debated, I will be much more specific and precise. In the time allowed to me, the details of the allegations will be outlined in specific terms. In this debate I have attempted to be as general as I can without doing undue harm to the honourable member for The Hills. I appreciate the fact that if I make general allegations he may finish standing condemned of far wider matters than the specific matters referred to in the motion of the honourable member for Campbelltown. There are only five more sitting days before this House rises. I have not counted the number of days this House has sat since the honourable member for Campbelltown gave notice of his motion. On a number of occasions the Government has refused to allow this matter to be debated. It should be obvious to every member of this House that unless we unanimously agree to allow this matter to be debated the Government will continue to deny granting leave to bring on the motion. This session of Parliament will be completed with the motion still on the books. The earliest opportunity we will be able to debate the motion will be 1st September. By then many things could have happened. A lot of the people who believe that they have been subjected to gross mistreatment by the honourable member for The Hills could be subjected to other matters unless this issue is resolved.

I urge members of the Government to examine their consciences and allow this matter to be debated. These red herrings should not be left unresolved without the honourable member for The Hills being given the opportunity to defend himself. The honourable member for The Hills should use this opportunity to do so. Earlier I said to the Deputy Premier, Minister for Public Works and Minister for Roads, who is in the Chamber, that members of Parliament are privileged. They have an opportunity that is not available to any other person who is accused of anything in this State. It is the right and privilege of all members of Parliament to get up in this Chamber and defend themselves. Earlier today the honourable member for Campbelltown referred in his contribution in this Chamber to the number of occasions that has happened. On one occasion even the honourable member for Campbelltown was accused of all sorts of things. He used his rights and privileges as a member of this House to get up and defend himself. Yesterday wild accusations were made against the honourable member for Ashfield. He did not wait even five minutes before getting to his feet to defend himself.

But we have heard no defence from the honourable member for The Hills. Allegations against him keep appearing on the notice paper for all to see. Those allegations will remain on the notice paper until this Government has the guts to allow this motion to be debated and until the honourable member for The Hills has the guts to stand on his feet and speak in his own defence. We are deafened by the silence of the honourable member for The Hills. I am sure that many people in the community who are not directly affected by these matters are asking: "When will this man speak? When will this man come out of this coward's castle" - a term that the honourable member for The Hills has used - "and speak in his own defence?" When will he say something that will allay the many fears, accusations and allegations contained in the motion moved by the honourable member for Campbelltown? The honourable member for The Hills is doing himself, the Government and his colleagues no favours by remaining silent on this matter.

Mr W. T. J. Murray: You must be a comedian.

Mr J. J. AQUILINA: The Deputy Premier says that I have to be a comedian. Let me tell him that the public in the western suburbs, in the electorate of The Hills and anyone who has followed this matter is laughing at the Government, the Premier, the Ministers who have protected the honourable member for The Hills and his colleagues who are befuddled by his silence. Finally, people are laughing at the honourable member for The Hills. Gutless as he is in this coward's castle, this sanctuary, he does not have the gumption to stand up and defend himself in this Chamber.

Mr W. T. J. MURRAY (Barwon - Deputy Premier, Minister for Public Works and Minister for Roads) [8.4]: How grubby can members get?

Mr J. J. Aquilina: You should turn around and ask him.

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

Mr W. T. J. MURRAY: I do not have to turn around and ask him. Some members opposite are the most filthy, grubby people who have ever been elected to this Parliament. The action being taken and the statements made by members opposite are pure filth - I will not retract that statement. This motion is one of the most disgusting examples of a kangaroo court - total bastardry in the use of the Parliament in this State. The action taken by the Labor Party condemns it to an extent that is beyond

comprehension. The motion we are debating seeks to bring a person before the bar of this House to face a series of accusations which have no foundation and have no relationship to his guilt or innocence. The matter we are debating tonight is whether a person has the right to go through the due processes of law. At present this is being undertaken by the people of this State - the police, the Crown prosecutor and the Office of the Director of Public Prosecutions. Only after that process has been followed can this Parliament pass judgment on a person's guilt or innocence.

The first criterion in this type of debate is whether a person has the right to remain innocent until he is proved guilty by the courts of this land. This motion calls on the Parliament to make a decision about whether the honourable member for The Hills is guilty or not guilty of a series of accusations made by the Labor Party. Earlier in the debate members of the Opposition referred to Mr Mochalski. It was the vote of the Labor Party that prevented him from defending himself in this House. The circumstances of this case are not the same, although we do not yet know how honourable members will vote. The time chosen by the Opposition to move this motion in itself is quite fascinating. The main motion has been on the parliamentary notice paper for some weeks.

Mr Knight: And you refuse leave. Every time we ask for leave you refuse it.

Mr W. T. J. MURRAY: This matter could have been raised on private members' days. The converted commo who has gone from the left to the right and who has been in this House for a long time would be aware of the parliamentary process and his capacity to bring on such a motion. The honourable member for Campbelltown made a half-hearted attempt today to bring on this motion. He knows full well the rules of this Parliament. His half-hearted attempt today to bring on this motion is a smart alec exercise and has no bearing on the guilt or innocence of the honourable member for The Hills. His action is deplorable. It is interesting to note that there is to be a by-election on Saturday. Everyone knows - I make no bones about the fact - that this side of the House is short of one member; it is a political reality. The Liberal Party has 46 members in this House and the Labor Party has 47. Honourable members opposite chose to move this motion today when the honourable member for South Coast is ill. Is that a coincidence? As I said earlier, it is interesting to note the Opposition's timing in bringing on this motion for debate. I have fond memories of a similar stunt which was pulled on me when the Federal election campaign was being launched in Bathurst on 28th February, 1990.

Mr Knight: On a point of order. Members of the Opposition are happy to allow the Deputy Premier the latitude that I and my colleague the honourable member for Riverstone were not allowed. We are prepared to give him that latitude provided other Opposition speakers are given the same latitude. But if that is not to be the case I ask you to draw him back to the motion. I would prefer you not to do so because we want an open debate; we want all the cards on the table. But it has to be the same for all.

Mr W. T. J. Murray: On the point of order. The matter is the timing of the motion being brought before the House, the resolution to attend this House on the next sitting day. The reason is the motion being brought on by the Opposition today and I believe I have the right to point out why they are bringing the debate on in this manner.

Mr SPEAKER: Order! On the point of order taken by the honourable member for Campbelltown. Restrictions were placed on his comments and those of the honourable member for Riverstone because they sought to address matters relating to the

substantive motion which will be brought on if this procedural motion is carried. I accept the argument put forward by the Deputy Premier, that the remarks he is making at the moment are germane to the timing of the motion before the House tonight, and subsequently the timing of the substantive motion which would follow on the next day. So long as the Deputy Premier remains within that scope, it seems to me the remarks will be germane to the date and timing situation which I have said from the outset is the essence of this particular debate. I rule at the moment that the Deputy Premier is in order.

Mr W. T. J. MURRAY: Returning to the timing of this motion, and the result of the decision on this motion, it is exactly the same situation I went through on 28th February, 1990, when I attended the opening of the National Party campaign for the Federal election in Bathurst. On that particular day someone from the office of the Leader of the Opposition rang my office and said, "Is the Deputy Premier available?" My staff said, "No, he has gone to Bathurst". The same stunt was pulled then as is being pulled now. The Opposition brought on a motion, in my absence, in a circumstance which was most despicable. The relevant circumstance of this type of motion is the urgency of bringing it forward and the capacity to bring forward motion in any other way. There has been for the past number of weeks the capacity for the honourable member for Campbelltown to bring his private member's motion before this House. There have been a number of Thursdays - I believe three - when he could have done just exactly that. He has a private member's motion on the notice paper and it is up to him to bring that forward in the due processes of the House. He is now attempting to do that by bringing it forward tomorrow, Friday, which is well known as private member's day. In attempting to force it forward by motion today, he seeks to prevent other motions listed on the notice paper before -

Mr J. J. Aquilina: On a point of order. I rise to save the Deputy Premier any further embarrassment in relation to his lack of knowledge of the standing orders and the sessional orders of this Chamber. Honourable members will be aware that the statement he has made in respect of the opportunities for the honourable member for Campbelltown to bring this motion on do not exist because the sessional orders and standing orders of this House prevent that from happening without the leave of the Government. He maintains they do; the fact is they do not.

Mr SPEAKER: Order! No point of order is involved. To clarify any doubt which may be in the minds of honourable members, the procedure which exists on a Friday for the bringing forward in the order of business of a particular matter for debate is restricted to the resumption of debate on an order of the day as it affects a private member's bill. It certainly does not extend to general motions.

Mr W. T. J. MURRAY: The basis is that the order is there, the orders of the day for bills. If the Opposition wants to bring on a motion it is up to them to do it. The reality is that, once again, there is an attempt to divert the proceedings and the processes of the Parliament of New South Wales. A motion has been brought before the House to put the Parliament of New South Wales above the due processes of the law. I cannot and do not accept that it is the function of this Parliament to condemn or acquit a person before the due processes of law have been followed. That is where the matter concerning the honourable member for The Hills currently resides. This House is going to look very silly indeed if it comes to a conclusion as to the guilt or innocence of the honourable member for The Hills, by way of these two motions, before the due processes of the law have been completed. I condemn the process being adopted by the honourable member for Campbelltown and the Opposition. It is the sort of stunt that has

become notorious in the exercises of the Labor Party in this Parliament. I appeal to all who are involved,

all decent thinking people. The processes of the law must be allowed to proceed. If there is then found to be a reason why the honourable member for The Hills should not be in this Parliament, it is the right of the Parliament to move that the honourable member for The Hills be called before the bar of the Parliament to explain why he should not be removed from the Parliament. That is when this process should take place, not now.

Dr MACDONALD (Manly) [8.16]: The honourable member for The Hills may or may not have acted improperly. The evidence either way is not before this House. There are mechanisms within this State whereby such issues can be dealt with by various authorities - whether by the Commissioner of Police, the Taxation Office or the Australian Securities Commission. There are mechanisms to deal with such allegations. The issue here is whether or not members of Parliament should be involved, at this stage of the proceedings; whether it is appropriate that we have the dirt raked through the Parliament. I do not distinguish between whether the allegations concern Labor, National Party, Independent, Liberal or whatever. Honourable members need consider carefully their actions now. If this House were to do anything tonight - and there is not an opportunity to do this - it would be better to ask the appropriate Minister to ensure the speedy investigation of the issue by the proper authority. If anything useful were to come out of this debate, that would be the most appropriate action. This House has witnessed a crusade by a particular member. I do not presume to know his agenda. That crusade through question time has now spilled over to the media. A particular member of the Government has been hauled over the coals.

I came to this House only 12 months ago but my view of Parliament then, as now, was that Parliament should not be a kangaroo court. This House has been preoccupied in the past few weeks with the so-called Metherell affair. I do not see any parallel between that issue and the appropriateness or otherwise of this action in respect of the honourable member for The Hills. Another matter before this House involved the member for North Sydney. I believe there was a nexus alleged between his activity and his role as a parliamentarian. I am not convinced that the allegations here fall into that same category. Nonetheless, there has been a preoccupation with the Metherell affair and the propriety of what has happened in the past few weeks. It is time for Parliament to get on with its business. A lot of legislation needs to be dealt with. I see this issue purely as a diversion and quite unnecessary. It may be a purist's point of view but I do not resile from the fact that I hope I will not become caught up in the petty games that the party-politicians play. This sort of issue trivialises the functions and a very important role of Parliament.

I am not familiar with the name of the gentleman on the Labor side who has been spoken about already, Mochalski. Traditionally, character assassinations and personality bashing take place in Parliament. It is about time that honourable members signalled a change; it is about time the Parliament became more mature. I do not say that as the member for Manly but because the public are sick and tired of politicians playing war games and mud slinging. If honourable members think I am wrong, they should ask the people in the street, but not ask only what they think about the member for The Hills. They could do a telephone survey. The results of a survey of the status and esteem in which various professions are held would show that politicians are at the bottom of the ladder. It is the sort of games that are played in this Chamber that lead to that perception. That distresses me. Honourable members are part of this place and should try to act as members of Parliament in a proud way and be proud of what they do. Parliament has a responsibility to ensure that members of Parliament are accountable to

Parliament for the management of their public duties and their management of public moneys. A member of Parliament is to be absolutely accountable to this place in carrying out his role as a representative of the people.

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At this stage in the proceedings the member for The Hills has been condemned before trial. That has been done without any proper assessment; it has occurred through innuendo and constant haranguing by certain people, and the media has picked it up and run with it. If one were to vote in favour of the motion, it would be necessary, even at this stage, for anyone pursuing the matter, such as the honourable member for Campbelltown, to establish, albeit informally, that there is some link between the allegations and the public role. I do not see anything that necessarily provides that link. I feel sad for the honourable member for The Hills. So far as I can tell, the matter is one of private bankruptcy. I do not know why the motion has been moved. I am not privy to that. The member for The Hills could end up bankrupt; he could lose his business, and he might even lose his seat. I ask whether it is correct at this point for the Parliament to make some sort of judgment without the proper information, without the member for The Hills having the proper representation and without going through the necessary processes. If the Parliament were to do anything, the appropriate thing would be for the Minister to act and to direct that the necessary authorities look at the matter. This is a low ebb of parliamentary activities which, first, drives men out of Parliament and, second, perhaps keeps good men from entering it.

Ms Moore: And women.

Dr MACDONALD: And women. The honourable member for Bligh is one of the best women parliamentarians. My apologies to her. This matter is too serious to be taken light-heartedly. It is a sad way for honourable members to spend their time when they have legislation before them to be dealt with. There is no way I can support the motion. If ultimately it is found, through the proper processes, that there have been links between the actions on the part of a member of Parliament and the carrying out of his public duties, that is the time this Parliament should take appropriate action. This motion is totally inappropriate.

Mr J. H. MURRAY (Drummoyne) [8.24]: The essence of this debate is to allow a member of Parliament to clear his name against allegations made by others outside this Parliament, such as employees and creditors, and to allow a matter of public importance to be debated within the confines of this House. The honourable member for Manly was elected in May, and it is obvious he still does not know what he was elected to do. The honourable member for Manly should realise that Parliament is the highest court in the land.

Mr SPEAKER: Order! The honourable member for Drummoyne has the call.

Mr J. H. MURRAY: Honourable members who sit in this Chamber should know the forms of the House. The forms already existed when the honourable member for Manly was elected. They allow the Parliament to operate as the premium law court in this society. Ninety-nine good people and true - not one, not a jury of twelve - have been entrusted with the role of a member of Parliament. Part of that role allows a member of Parliament to fine or gaol a person.

Mr W. T. J. Murray: For what reason?

Mr J. H. MURRAY: I am not talking about a reason.

Mr W. T. J. Murray: It is not for contempt of Parliament?

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Mr J. H. MURRAY: I did not say a word when the Minister was talking. He should listen. I can express a point of view, and I will express an accurate point of view. I am not denigrating anyone. I am telling the honourable member for Manly what the facts are in terms of his role as a member of Parliament. It is a sign of weakness for a member to say that he does not want to make a decision - which is the role of a member of Parliament - but wants to substitute someone else to do that. Honourable members have an opportunity here to undertake the role they were elected to undertake. Honourable members should remember that the business of the House is sometimes unpalatable. There are times when I do not like to make decisions because I know they will have an adverse impact on society at large or on individuals. But there are times when a member must make a decision, and that is what this motion is about. There is another matter to which the honourable member for Manly alluded that honourable members should not lose sight of. He said that members of Parliament are held in low esteem. They are held in low esteem because when allegations are laid against them they do not answer them; they hide behind a parliamentary system that allows them to do that. There are particularly serious allegations against a member of Parliament -

Mr Cruickshank: Scurrilous.

Mr J. H. MURRAY: I am not saying they are scurrilous, right or wrong. I am saying allegations have been made by employees, creditors and others about a member of Parliament. Unless that member answers those allegations in this House it reflects poorly on all members. Whenever one member falls over, the other 98 members of this House are tarred with the same brush. If one used car salesman is sent to court -

Mr SPEAKER: Order! I direct the honourable member for Drummoyne to speak to the motion.

Mr J. H. MURRAY: I wanted to make that point in reply to the honourable member for Manly, because I thought he took a loose attitude to his position as a member of Parliament. When the honourable member for The Hills was elected as a member of this Parliament it was reported that Premier Greiner told him that his greatest problem was that he was Tony Packard, the man in the loud suit from up the -

Mr SPEAKER: Order! The honourable member for Drummoyne is flouting my ruling. He is now debating the substantive motion. Unless he speaks to this motion he will resume his seat.

Mr J. H. MURRAY: The point I want to make is this: when the honourable member for The Hills became a member of this House he had a certain reputation -

Mr SPEAKER: Order! I have directed the honourable member for Drummoyne not to pursue that line. He is deliberately flouting my ruling. I will give him one more opportunity to speak to the motion. Otherwise he will resume his seat.

Mr J. H. MURRAY: The motion before the House calls on Anthony Charles Packard to be ordered to attend at this place to respond to breaches of the company law which have led to an investigation by the Australian Securities Commission. That is the

motion before the House. If that motion comes forward it is because in 1991 there was a change in the law. The important aspect of that is that other matters will become before this House on Tuesday, but here we have a change in the company law.

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Mr SPEAKER: Order! I have given the honourable member for Drummoyne considerable latitude. Clearly, in talking about changes in company law he is addressing the substantive motion, and I ask him to resume his seat.

Ms MOORE (Bligh) [8.32]: Honourable members do not need to go and see the Sydney Theatre Company's brilliant performance of "The Crucible". The honourable member for Campbelltown has brought Salem to this place. I am appalled at what I have heard here tonight. It is not right.

[*Interruption*]

It is perfectly true, and any fair minded person would say so. We are certainly into the pre by-election mode. We did a Keating this afternoon and talked about the flag, and tonight it is muckraking. I believe this is a misuse of Parliament. The debate is very depressing. It is as depressing as the Metherell affair debate, when honourable members had to listen to the sordid history of political appointments and manipulations. What the Independents have sought to do with the charter of reform is raise the standards of Parliament, make them relevant to all members and involve members in the process.

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

Ms MOORE: That is the legislation process. The time of the Parliament is sacrosanct, and I believe strongly that the feeling in the community is that we should get on with the business of Parliament. The honourable member for The Hills is being investigated by the Australian Securities Commission, the Taxation Office, the Commissioner of Police and the Federal Department of Industrial Relations. They are serious allegations and I share the sentiments expressed by the honourable member for Manly. When these investigations are completed the honourable member for The Hills will be subject to the same legal processes to which every other citizen is subject. That will be the appropriate time for the Parliament to decide what action needs to be taken and I seek the Government's assurance that that will occur. The people of New South Wales want us to stop politicking and start legislating.

Mr WINDSOR (Tamworth) [8.34]: I support the words in particular of the honourable member for Manly and the honourable member for Bligh. The honourable member for Manly was spot on in his description of the farce in which we are participating. As a relative newcomer to Parliament I believe this has been a particularly sorry fortnight not only for the members of this House but also for the institution itself. We have witnessed what I believe to be two disgraceful acts perpetuated in the past fortnight: first, the decisions taken in the Metherell affair, and second, the disgraceful performance tonight. I do not agree with what the honourable member for Drummoyne said, that the Parliament is the highest court of the land. If the honourable member for The Hills were called before the bar I do not have the qualifications to determine the law on superannuation or the law on bankruptcy and I do not have the financial expertise to determine whether the honourable member for The Hills has done anything legally incorrect. One of the great problems of this institution is that we have too many lawyers here and that is why these farcical debates are occurring. The honourable member for Manly described that much better than I possibly could.

One point I wish to make is that this is not the place to play God with someone else's life, particularly when we are not qualified to do so. It is not a crime to operate a business. That is something we should all aspire to. Not enough members of this House have been involved in businesses of their own and in taking risks. It is not a

crime to go broke. One of the problems facing this country is that many good people and businesses are going broke. The business of government should be to examine why those people are going broke, not to try to annihilate them on a personal basis in this House. If politicians spent more time looking at the economic reasons that this country is going down the tube, I am sure we would spend our time more valuably than we have in the past few weeks. I agree with the honourable member for Manly and the honourable member for Bligh that it is time for this House to get on with governing the State as we were elected to do and not, as the honourable member for Drummoyne said, being the highest court in the land.

Mr SCULLY (Smithfield) [8.37]: The motion ordering the attendance of the honourable member for The Hills to attend his place on the next day of sitting to respond to the notice of motion of 27th March moved by the honourable member for Campbelltown is both essential and urgent. It is essential because serious and grave allegations have been made and the member should answer them. The honourable member for The Hills will not answer them unless he is forced to do so. The Minister for the Environment, as we have seen tonight, hides behind standing orders, consistently denying us leave to proceed with the motion. The only way this matter can be dealt with is by proceeding with this motion. The first reason to bring on the debate is so that we can deal with something that reflects upon the integrity of this House. The second reason concerns the ancient tradition of both this Assembly and the House of Commons, if a charge is to be made - and to quote the Premier, it is a nonsense that we cannot use the word charge. I suggest to the honourable member for The Hills that he read Erskine May's *Parliamentary Practice*, because that is the term that is used. It is an ancient tradition that where a charge is made against a member, a notice of that charge should be given, that the material in the charge should not be dealt with in his absence, and, to ensure his presence when that matter is dealt with in the Chamber, an order should be made for him to attend.

Put simply, it is beholden on this House to demand that he attend to hear the charge so that it may proceed. The third reason for this motion is to order the attendance of the member for The Hills to provide a right of natural justice. Some of the members laughed, and they laugh again tonight. If this motion proceeded without the member for The Hills being present, he would be entitled to argue that he was denied natural justice. We are giving him that opportunity, to ensure that he must be here. If the motion came on for debate he could disappear and argue, probably quite forcibly, and possibly in other Courts - I think, Mr Speaker, as you would appreciate this House may take action at some later date in respect of his continued membership of this House - he was denied natural justice because the House proceeded to deal with the matter in his absence. We must make an order that he attend while the matter is being dealt with, to preclude him from making that argument at a later stage. The fourth reason is to compel the member to give an account of himself. He is compelled to hear the charge and to answer it.

There is urgency in this motion because the allegations have the tendency to bring this Chamber into disrepute. It must be dealt with and it must be dealt with urgently. This is nonsense promulgated by the Minister for the Environment. Surely, Mr Speaker, you do not want me to go through the notice of motion, general business, private members' bills and so on. Surely the Minister is not seriously suggesting that an

allegation made against a member of Parliament - if the House were satisfied it was true - reflecting upon the continued integrity of this place, does not have precedence over all those other matters. He makes a joke of himself; he makes a mockery of himself to even suggest that any of us even need to get up here to try and argue that it has to have that

priority. Of course it does. The member for Auburn in the Terry Metherell debate referred to res ipsa loquitur: It speaks for itself. An allegation of misconduct against a member speaks for itself. It must be dealt with.

Mr W. T. J. Murray: Why did not you move a censure motion?

Mr SCULLY: I shall deal with the Deputy Premier later because some of the things he said in his address are absolutely nonsensical. He likes to use the word hypocrisy. He is the biggest, largest, most gargantuan hypocrite that ever waddled into this House.

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

Mr SCULLY: The question is: what are the allegations? I understand that within the confines of your ruling, Mr Speaker, I can transgress some of them without actually going into the specifics of them, and I do not intend to go into the specifics of them. It is important that the House hears the global allegations so that it can vote with some sense on this particular motion.

Mr SPEAKER: Order! Before the member for Smithfield embarks on this course of action, I assure him that it is an almost impossible feat. The global nature of the allegations contained in the motion are on the notice paper for all members to read. No doubt they have read them in the past few days. The member for Smithfield may read them into *Hansard*, which is quite permissible. He cannot address them in detail without touching on the substantive motion. If he embarks on that course of action, I shall direct him to resume his seat.

Mr SCULLY: Mr Speaker I accept your ruling but -

[*Interruption*]

Mr SCULLY: I shall respond to those silly interjections because none of the dills opposed have any spine. I challenge any of the jellybacks in the National Party to get up in this debate and defend the member for The Hills. Honourable members opposite should read the Rick Mochalski debate because the Premier, then on this side of the Chamber, said:

> Not one member of the Government will get up and defend the member for Bankstown.

And I can say the same thing here. I will quote the Premier, "Not one member of the Government will get up and defend the member for The Hills because his conduct is indefensible". If the honourable member for Monaro wants to interject and make a fool of himself, he should continue to do so. He gets the prize for being the thickest member in this House. The allegations are of crime, fraud, deceit and non-compliance with industrial awards. They are of conduct unbecoming of a member of Parliament. They are of conduct which, if the House is satisfied they did take place - and at this stage we do not know for sure that they did - places in jeopardy his continued position in this Parliament. How on earth can these Neanderthals, these cavemen opposite, consider it a laughing matter. I am sure the member for The Hills is not going to laugh when he is

dealt with down the track. This is a very serious matter, because an allegation has been made against this institution.

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The Minister for the Environment speaks of how he has been around this place for a long time. Well, it must be a downward curve: the longer he is here, the less experienced he gets. We saw in the Metherell affair what an incompetent he is. He gives a pretence of knowing what it is all about. The fact of the matter is that on a matter of this nature, if the House reacts to conduct of a member, it is not acting on a question of innocence or guilt. I know people have talked about this being the highest court. I beg to differ because I believe this House must act to protect its reputation. I do not believe it is a court, although in some circles some may argue that it is quasi-judicial, and perhaps in some circumstances it may well be. But it is not necessary for the member in question to have all the due processes of the law and all the inquiries against him completed without this Parliament, this House, being able to take steps to protect its reputation. It is not a court. We are not here to make judgment on whether or not he is guilty or innocent. The honourable member for Monaro is so thick. I suggest honourable members opposite read the debate on the Rick Mochalski case. The Premier set the standards. He said just that: we do not have to decide innocence or guilt. We do not have to wait until the courts have found it proved, because the traditions of the House of Commons and the ancient traditions of this Parliament are simply that we must act to protect our integrity. If he is dealt with in a certain way by the courts, inquiries or whatever, that is another matter. We are all acting - and it is a duty upon us all to act to protect our reputation because his continued presence in this Parliament may, and I say may, have the effect of demeaning the integrity of us all.

Where is the member for Manly? He is not here. Where is the member for Bligh? They have all got it wrong. The member for Bligh and the member for Manly are a bit testy. I consider they are now the Government's mates. They are a bit testy because we put the blowtorch to them. We thought, "Enough's enough". We are sick of the namby-pamby way they have been treated. They got a bit testy because on the Terry Metherell matter we stated that we were not particularly impressed with their behaviour. Well, tonight they have got it wrong again. The Minister for the Environment has got it wrong and the Deputy Premier has got it wrong. The intellectual levels of these morons opposite are so low that I will spell it out so they can hear what the Premier had to say. The Premier time and again is being hit by the boomerangs he chucked in the mid 1980s. No jobs for the boys - that one hit him. Well this is another one.

Mr Hartcher: On a point of order. We are all listening with great patience and waiting to hear something from the honourable member for Smithfield.

Mr SPEAKER: Order! The member for Smithfield will resume his seat while the member for Gosford is on his feet.

Mr Hartcher: At this stage he is still not speaking to the motion. I ask that you require him to return to the motion.

Mr SPEAKER: Order! I do not uphold the point of order at this stage. I will allow the honourable member for Smithfield to continue his remarks.

Mr SCULLY: The Premier, lofty as a monk from a monastic mount, brought down these codes of conduct that were his standard for dealing with a member when a complaint was lodged against him. He launched into this Parliament, burdened by the

tablet that he had brought down dealing with the standard of integrity that should be followed. These standards were detailed by the Premier in the *Hansard* of 19th November, 1986. I suggest that those dills opposite who cannot read go to the library,

get library officers to photocopy the relevant sections and have officers read it out to them. I will read it to them now so that they do not have to read it. On page 6714 the Premier said:

> The Opposition is arguing quite properly, as we will demonstrate, that the person accused . . . ought to be in the House in order that we may move the expulsion motion . . . the Opposition believes that the appropriate course of action is to debate that part of the motion . . . which calls for the honourable member . . . to be present in the House in order to be in a position to defend himself . . .

On page 6719 the Premier says:

> The motion for expulsion . . . is a defensive measure designed not to punish but to protect the character of the House. It is designed to rid the Parliament of persons who are unfit for membership; and only prompt and decisive action can have the effect of protecting the reputation of Parliament . . .

The pièce de résistance is on page 6720. This is the stone boomerang. The Premier thought he was grand. He heaped abuse, mud and bile on the Government of the time, never thinking for a moment, "One day I might be in government, and I had better make sure I do not impose too high a standard on myself". This is the standard which the Premier set for the treatment of complaints against members of Parliament. The Premier said:

> There is no requirement that Parliament must wait until there is a conviction before acting to protect its honour.

That is exactly what I have been saying. I agree with the Premier. Those hypocrites opposite should talk to the Premier and ask him to explain how he has put them in an embarrassing position.

Mr W. T. J. Murray: Why did you vote against it?

Mr SCULLY: If the Deputy Premier listened, he would learn something. The Premier continued:

> The Government's argument may be that where criminal charges can be laid the Parliament should take no action to expel until after a finding of guilt or innocence has been established.

This is very interesting. My opponents opposite should hear this. After encapsulating what the then Leader of the Opposition thought was the Government's argument, which is the Government's argument today, the Premier said:

> If so, this is a new principle . . .

Government members are flouting the standard set by the Premier so long ago. I urge them tonight to allow this matter to be debated and to allow us to hear the charges and the allegations. There has been much talk tonight of due process and of inquiries being conducted by police. I understand that the Australian Securities Commission is looking

at this matter. The fact is that no inquiry is looking at all the allegations. Even if findings are made by the police as to bugging and even if the securities commission makes findings about certain practices within the business of the honourable member for The Hills, a litany of allegations will remain unresolved. The only way that this House can satisfy itself as to whether its integrity is being impugned is for it to debate the substantive motion. The honourable member for Tamworth raised a matter I had initially

intended to raise. I erred on the side of not raising it, given the earlier rulings by you, Mr Speaker. As you allowed the honourable member for Tamworth to mention this matter, I think I am afforded some leeway. Far be it from me to suggest that just because a person is in financial difficulty he places his seat in this Parliament in jeopardy. I do not suggest that. The provisions of the Constitution that disqualify a member of this House from continuing to sit because he is bankrupt are colonial relics. We ought to address this. I will say something which may assist the honourable member for The Hills. I argue sternly within my own party room that an amendment should be made to the Constitution to remedy that situation. Unfortunately, in the British tradition that we have inherited, it is a crime to be in debt. In debate earlier today we heard about breaking the nexus with the British. Unfortunately, members opposite are not interested.

That said, we need to go much further. If a member's conduct of his business places his position in this House in jeopardy, such conduct should involve much more than his not being able to pay his bills. We have to look at his practice in business; we have to look at what he did or did not do when the insolvency became known. These practices and factors are of much more importance than the question of insolvency. It is most unfortunate that the honourable member for Manly seems to have conducted another telephone poll. He comes into this House suggesting that he has consulted the telephone book, rung a few people - perhaps on the mobile he obtained under the office goodies allowance - consulted a few other people and decided, "I am a mate of the Government. Just let it be known in Manly that the Liberals have to vote for me, and I will vote for the Government every time it counts". The honourable member for The Hills is bringing this House into disrepute because he fails to respond to serious allegations. Whether or not they are true is a matter for this House to consider. It must protect its honour and integrity. It is a great shame that the honourable member for The Hills, properly described as Quasimodo, only bends over the bench smirking and smiling. He now has the opportunity to rise, put some spine in that back and respond to these allegations. I do not believe he will. I invite any member of the Government to defend him. They will not do so because they cannot.

Mr WHELAN (Ashfield) [8.57]: The motion before the House is probably one of the most important motions ever discussed in this Parliament. Its importance is increasing because of the failure of the honourable member for The Hills to make a contribution to the debate. Sometimes it may be wished that politics could be left aside. Sometimes it may be wished that members of Parliament could divest themselves of their political affiliations.

Mr Armstrong: The honourable member could sit down at that point.

Mr WHELAN: New rules were established in this Parliament yesterday, new rules of the lowest kind - and no one should ever forget that. Honourable members should understand that those rules are the lowest rules of any western democracy - and they apply right here in this Parliament, and will continue to apply.

Mr Armstrong: The honourable member should feel right at home.

Mr WHELAN: I do. I feel very much at home. I want to address a few questions to the honourable member for The Hills. Your advisers have let you down.

Mr Armstrong: On a point of order. Will the honourable member find his seat? I am taking a point of order.

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Mr SPEAKER: Order! The member for Ashfield will resume his seat.

Mr Armstrong: The honourable member for Ashfield has said that he will address some questions to the honourable member for The Hills. I put it to you that he has one option only, that is, to address all his questions through you, Mr Speaker.

Mr SPEAKER: Order! The member for Ashfield will resume his seat, as instructed, while the Minister for Agriculture and Rural Affairs takes his point of order.

Mr Armstrong: I have concluded my point of order.

Mr SPEAKER: Order! In the procedural sense the honourable member for Ashfield should address his remarks through the Chair. I assumed he was making a rhetorical, throw-away remark.

Mr WHELAN: I did not make the remark other than in a rhetorical sense. Now that the honourable member for The Hills has left the Chamber I shall address my remarks to the House generally. This will be the only motion by which a member has been ordered to stand in his place in the House on the next day to respond and on which the member has failed to contribute to the debate.

Mr W. T. J. Murray: Why should he?

Mr WHELAN: He is not on trial. Mr Speaker, you have ruled correctly that it is not possible to go through the matters that will be raised in debate on the substantive motion. The honourable member for The Hills is not on trial. He should simply do what would be done in an American parliament under the Fifth Amendment. He should say, "I reserve my right to a proper judicial forum". What I said earlier was right. The honourable member has been badly and wrongly advised. His advisers have told him not to say anything because he will put himself in jeopardy. The honourable member for Campbelltown has tried to tell the honourable member for The Hills that he is a member of Parliament and as such has parliamentary privilege; he has the right to stand in this Parliament. Members give up no rights in this place. Members opposite will find out about Dr Metherell. They would find out if the honourable member for The Hills stood in this House and defended himself - I withdraw the word defend - if he explained the circumstances in terms that could be as vague as saying either, "My solicitors have advised me that I should say nothing" or "My solicitors have advised me that I have a prima facie case to defend in the civil action" or "The lawyers have advised me that I can defend the criminal action." The honourable member for The Hills has returned to the Chamber. He has done himself untold harm by not even making some form of explanation for his conduct and behaviour. Members on that side of the House have supported that low standard, the standard that is right down in the mud, and they are grovelling in among the pigs.

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

Mr WHELAN: Members on that side enjoy getting amongst it. That is where they have put the parliamentary process. I make no apology for saying that that is how the Independent members will be judged by their electorates. They have agreed to apply certain standards in this debate, and I understand their votes will show that they support the honourable member for The Hills. That will result in no member being responsible for his actions outside this Parliament - not one action. Do members opposite understand what that means? The majority will be able to protect them, but the minority will not.

No matter what offence an honourable member may be guilty of or suspected of being guilty of, there will be no obligation or compulsion on him to stand in this Chamber and explain his actions. Even if we went all the way to the High Court on a variety of matters, under the rules of members opposite no member of Parliament could ever be examined. They have introduced into this Parliament the lowest standards of parliamentary democracy in the western world. The honourable member for Smithfield made an interesting comment about amendments to the Constitution Act. I agree with him that if people go into partnership and the partnership falls on bad times, for instance with farmers or lawyers -

Mr W. T. J. Murray: Especially lawyers.

Mr WHELAN: Especially lawyers. From time to time governments appoint as judges and judicial officers people who are members of legal practices, and in many cases those practices are partnerships. One might ask, what happens about the appointment of a judge, if subsequently, the legal practice partnership falls upon difficult times? I make no criticism of any appointment that any Government has made.

Mr Cruickshank: Stick to propriety.

Mr WHELAN: I will. Undoubtedly those persons deserve the post. In these circumstances the partnership arrangement may not be limited by proprietary limited status, and the person and the firm have gone into voluntary liquidation. Applying the principle to Parliament, does that mean that under section 13 a person should lose his entitlement to be a member of Parliament? The simple answer is, no. If farmers go bankrupt because they have had hard times, that should not happen. In the old days many members of the National Party were farmers. If they go bankrupt because a partnership fails, they should not lose their seats in Parliament. But if a member takes one further action, as the honourable member for The Hills has done - and that was his worst mistake - and introduces the additional consideration of his position as a member of Parliament to seek some refuge from creditors, and the Government has aided and abetted him, that issue should not be resolved by the Parliament. That question will lead to the ultimate downfall of the honourable member for The Hills, and that will be the biggest problem he will have. If the Deputy Premier, Minister for Public Works and Minister for Roads was in partnership in a farm and went bankrupt, but approached the bank - and I know that he would not do this - and said "I am the Deputy Premier, you will not put me into voluntary liquidation" section 13 provides that is conduct unworthy of a member of Parliament. I do not for one minute suggest these are the Deputy Premier's standards, but he would not expect other than that such a person should resign immediately. That is what I say to the honourable member for The Hills: first, he has been badly advised; second, he has made no contribution to the debate. He can sit there and mumble and interject.

Mr SPEAKER: Order! Those members on the Government benches who are conversing should do so outside the Chamber.

Mr WHELAN: The honourable member will not make a contribution to the debate. A five-minute contribution could resolve this problem. I am pleased the honourable member is listening to me. The Opposition will not relent on censure or on motions before the Parliament. He will not have the vast numbers of people that he has disadvantaged - innocently, deliberately, wilfully, criminally or otherwise - relent. He should stand up and answer for five minutes the claims that have been made against him.

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Mr W. T. J. Murray: What right does the honourable member for Ashfield have to make a charge against anyone? He has no right. He is a farce.

Mr WHELAN: Why does the honourable member not stand before the Parliament and say, "I deny any allegations made against me"? Is there anything wrong with his doing that?

Mr W. T. J. Murray: The honourable member for Ashfield is a farce and is making allegations that have no foundation.

Mr WHELAN: No, not at all.

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

Mr WHELAN: In this argument I am really irrelevant.

Mr W. T. J. Murray: You are absolutely right.

Mr WHELAN: I am totally and irrevocably irrelevant and detached from you people because the lowest standards have been introduced into this Parliament today. A member of Parliament has been asked to attend to respond to a motion that is before the House. We have heard weak defences from Ministers who have been embarrassed. There was a pathetic attempt to enter the debate by the Minister for the Environment. If he had not discovered Nazi Germany in history while he was at university he would not have had anything to say. The Attorney General made the same speech he gave on the Metherell reference to the Independent Commission Against Corruption except that he took out the name Metherell and inserted instead the name of the member for the Hills. It was the same leadership speech he intended to make the other day.

Mr Kerr: Is this yours?

Mr WHELAN: I won a lot of money from members opposite after the recent by-election in The Entrance, and I am prepared to bet that Bob Carr will be the Premier after the next State election. I will not be Premier of New South Wales this year, next year or the year after that. Bob Carr will be the Premier and, more important, will ensure that Parliament adheres to the standards that the people of this State expect. With sheer defiance of numbers, members opposite have become jocular knowing that the honourable member for Bligh and the honourable member for Manly will vote with them, which will mean the Government will win on this occasion. The worst thing that has happened is that the member for The Hills was not given an opportunity to make even a five-minute speech, not to justify or to plead, but to do nothing else except explain. By not giving an explanation the honourable member for The Hills has defied logic and his advisers. The Government's program and tactics in the Parliament over the past two weeks have been absolutely brilliant for the Opposition and dismal for the Government.

Mr SPEAKER: Order! The honourable member for Ashfield has expressed similar sentiments on five occasions. Should I hear him express those sentiments again I will ask him to resume his seat for engaging in tedious repetition. The honourable member should take a different tack.

Mr WHELAN: The Government may believe that this issue will be resolved tonight by the votes of two Independent members, but the matter will not end there. That is sad. The matter will always be before the Parliament. The ultimate winners will be

those who have been misled and who have lost money; the ultimate and only loser will be the honourable member for The Hills. Though he is not on trial, he has been asked to explain why he should be present in the Chamber, but he has not given any explanation. We will never know the answer.

Mr KNIGHT (Campbelltown) [9.13], in reply: The Government's response tonight has been symbolised by the Deputy Premier coming into this Chamber covered in the hairshirt of a civil libertarian. He drapes himself in the hairshirt of a civil libertarian and man of due process. That is a simile for the attitude taken by the Government in this matter, which is in fact a massive cover-up and just as unseemly. At every opportunity, whenever any matter has been raised concerning the honourable member for The Hills, the Government has tried to prevent debate. When questions were asked in the Parliament about his various activities, the Ministers who were asked those questions responded by saying, "I don't know", or responded with abuse to the questioner. When members of the Opposition sought inquires by relevant authorities, the Government refused and kept saying: "Nothing to do with us. If you want to see the police, go and see the police. We do not want to know about it". Members of the Opposition were thrown out of the Parliament for being disorderly in producing documents which gravely impugned the behaviour of the honourable member for The Hills. On numerous occasions the Opposition attempted to ask for leave to bring on the lengthy resolution concerning the behaviour of the honourable member for The Hills which I placed on notice on 27th March. What happened? Every time I or another member of the Opposition got up and said, "Mr Speaker, I seek leave to move a resolution that so much of the standing and sessional orders be suspended" so as to bring on the motion, you looked across at members of the Government, and the Minister at the table, and it was usually the Minister for the Environment, said: "No, no leave. We do not want this matter on at any price".

Mr W. T. J. Murray: Have you taken over the Government?

Mr KNIGHT: Yes, this side will take over the Government very shortly, and I thank the Minister for his encouragement. The Opposition is forced to bring on this procedural resolution tonight. Throughout the debate the Government persistently and consistently has tried to limit the ambit of discussion. The Government is really saying that this matter should never come on. The Government does not want to know about it. The Government wants to block the departure of the honourable member for The Hills until the end of this parliamentary session. Honourable members know that he will go. He will be gone. The advice I give to any creditors who are hanging around thinking they may get a slice of his parliamentary salary is to take the money now while they can because he will be gone. But the Government is desperate to stave off his departure until the parliamentary recess. I understand that some of the confidants of the honourable member for The Hills - and there are not many, certainly not in this Chamber - have been told by him that if things get too hot, he will use his British passport and flee the country.

Mr W. T. J. Murray: On a point of order. The honourable member for Campbelltown should be responding to the motion and not discussing passports or the guilt or otherwise of the honourable member for The Hills.

Mr J. H. Murray: On the point of order. The Deputy Premier has not been present in the Chamber for the entire debate. The honourable member for Campbelltown is replying directly to comments made by other members during the debate. At an early

stage in the debate the Chair allowed a complete history of Nazi Germany to be given. It is only right and proper that the honourable member for Campbelltown be allowed to reply to all the allegations that were made during this debate.

Mr Packard: On the point of order. I find the allegation made about my passport most offensive. I ask that the allegation be withdrawn and that the Chair instruct that it be withdrawn.

Mr SPEAKER: Order! I cannot issue that instruction because the remark was made as part of a debate and is not in a strict sense a reference to the character of a person. But I uphold the point of order taken by the Deputy Premier. The honourable member for Campbelltown is outside the limits of reply. Unlike the matters referred to by the honourable member for Drummoyne, the substantive motion, on my reading of it, contains no reference directly to Nazi Germany. However, the substantive motion does mention the honourable member for The Hills. Therefore the remarks by the honourable member for Campbelltown come within the scope of the substantive motion. Consequently, I ask the honourable member for Campbelltown to restrict his reply to the matters that were raised in debate.

Mr KNIGHT: Mr Speaker, I respect your ruling. What did the Minister for the Environment say about the matters raised in debate? The Minister for the Environment, the Leader of the House, at every opportunity has sought to block and prevent this debate coming on. Tonight was no different. The Minister for the Environment took point of order after point of order in an attempt to confine the debate. But when he got up what did he say? He said nothing about the substance of the motion but he abused me personally and other members of the Opposition. He lied to the House by falsely accusing me of failing to bring on the motion when in fact he had deliberately prevented it from coming on. He tried to take points of order to prevent me reading into the record the words of his own Premier on an identical resolution in relation to Rick Mochalski. The Minister for the Environment, the Leader of the House, said that the words spoken by Nicholas Greiner, the honourable member for Ku-ring-gai, who at that time was Leader of the coalition Opposition, in an identical debate about why a member under a cloud should be compelled to appear and answer to a motion before the Parliament, were out of order in a debate of this nature. I know that his relations with the Premier at the moment might be a little strained, but that is going too far.

He attacked me with the most ridiculous and vicious line of abuse about Nazi Germany. Had it not been so pathetic, it is the sort of thing about which I would certainly have sought a withdrawal. I realise that the Minister for the Environment is under a great deal of political and emotional pressure and we have to make some allowances for him. Certainly anyone in the community who reads this vicious, personalised attack - which is without basis - in the absence of any attempt to bring before the Parliament information that would substantiate his charges - the type of information he wants to prevent the Opposition bringing before the Parliament to substantiate its charges and allegations about the honourable member for The Hills -

would dismiss the allegations, but they would not dismiss what such behaviour says about the current state of mind of the Minister for the Environment. I take this opportunity to remind the Minister, who wants to engage in personal abuse, that the Parliament censured him this week, not me; the honourable member for The Hills is the subject of serious allegations, not me.

Let us turn to the contribution of the Deputy Premier. For the second time this week he has presented himself as a civil libertarian and a man concerned about due process. What he does not say is that unless the Opposition raised these matters in

Parliament, unless the Opposition copped this abuse from various members when the matters were raised, there would not be any inquiries at all. He said, "Let the inquiry do its job". It is those people on that side of the Chamber who fought tooth and nail to prevent any inquiry in the first place. What absolute hypocrisy by the Deputy Premier. In 1986 he voted in this Chamber to bring Rick Mochalski before the Parliament to answer a resolution in almost identical terms to the one that I have framed.

Mr W. T. J. Murray: That is rubbish. The resolution is not in identical terms at all. It was an expulsion motion and the honourable member for Campbelltown knows it.

Mr KNIGHT: I must give the Deputy Premier his due. The resolution was not identical. It was even more serious. The resolution I put before the Parliament tonight says: "Let us bring the honourable member for The Hills in and let us hear what he has to say about the allegations; let us hear whether he has anything to say to defend himself. What sort of account can he give to the Parliament for his behaviour?" The Deputy Premier said: "Oh, no, that is a bit rough; that is a bit tough. You cannot do that to a member". The resolution for which he voted was to drag a bloke before the Parliament to expel him. And he has the hide to talk about kangaroo courts! The Opposition has a resolution which says: "Let us hear from the bloke. Let us see what he has to say for himself". The Deputy Premier said, "Too rough, too tough". His resolution said: "Come in here. We will be the court and we will chuck you out". Absolutely appalling hypocrisy! For the Deputy Premier to complain that I did not bring on this resolution at the earliest opportunity is dishonest, he knows it to be dishonest and his party has prevented it from coming on. I want to briefly quote some of the *Hansard* from the Mochalski debate, which was quoted by my colleague the honourable member for Smithfield. I am delighted that the Premier has made an appearance in the Chamber to hear the recitation of one of his finest hours. New members such as the honourable member for Tamworth have got up here tonight and said -

[*Interruption*]

The Premier has left. I was going to say: "Come back Nick. All is forgiven", but that would be untrue. The honourable member for Tamworth said: "We should not be judging other members. That is not our job". The Premier, when he was Leader of the coalition Opposition, said:

> Indeed, in the four instances of expulsion in the history of this Parliament not one has been based upon a conviction.

He said that the Parliament had the power to act even before and without the courts. In words that must come back to haunt him he said:

> The Government's argument may be that where criminal charges can be laid the Parliament should take no action to expel until after a finding of guilt or innocence has been

established.

Does that sound familiar? That is the line the Government is putting tonight. When Nick Greiner was Leader of the Opposition, what did he say?

> If so, this is a new principle, and I challenge the Government and the Attorney General to seek to define it.

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I challenge the Attorney General and the Government to seek to define it. But we have not heard from the Attorney General tonight. After that fulsome defence, that passionate and riveting defence of his colleague the Premier in the censure motion, it is no wonder that even the honourable member for The Hills would not have him speak on this resolution tonight. I turn to the brief contributions of the honourable member for Manly and the honourable member for Bligh. I take a more charitable view of the honourable member for Manly than the view expressed by the honourable member for Smithfield. My colleague the honourable member for Smithfield believes that the honourable member for Manly has the sulks because he was held accountable earlier in the week and he is taking it out on the Labor Party. I am adopting the more charitable view that he is new to this Parliament. He has the enormous and unexpected responsibility of deciding who is the Government and who is the Opposition. That is a difficult and frightening task for any member, let alone one so new to the Parliament. What did he say on Tuesday when the House was debating whether or not the Premier and the Minister for the Environment should stand aside? He abrogated his own rights to make a decision to a survey. He abrogated his own responsibility to a survey. Tonight he goes much further than that. He wants to abrogate the rights of the whole Parliament to decide its own destiny.

In his brief speech the honourable member for Manly said "I want to see a nexus between what the honourable member for The Hills has allegedly done and his role as a member of Parliament. Before the Parliament acts to even discuss this I want to see what the nexus is". I cannot tell him what the nexus is, not because I do not know but because if I try to tell him, if I try to explain the nexus between the honourable member for The Hills' appalling behaviour and his membership of this Parliament, up jumps the Government and says: "Point of order, Mr Speaker. He is talking to the substantive resolution", in relation to which you, Mr Speaker would rule, as you have ruled earlier in the night, that I cannot say those things. The honourable member for Manly said,"Look, tell me what the connection is and then maybe we can have the debate". Unless we have the debate I am not allowed to tell him what the connection is. Unless he changes his mind and votes for an open discussion there will be no chance, at least not on this resolution, to deal with that nexus.

Of all the things the honourable member for Manly said tonight, the thing that most disappointed me was his statement at the end of his speech, "Even if you cannot do that in the Parliament, perhaps it can be done privately or informally". For the honourable member for Manly to suggest that the Parliament's responsibility ought to be abrogated and shifted to some sleazy deal in a back room, behind some closed door operation, ill behoves the role that he claims to be playing in this Parliament. The honourable member for Bligh, like her colleague the honourable member for Manly, did not simply object to the timing of this resolution or the format of it, but she said -

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

Mr KNIGHT: She said, "Never". She said: "The Parliament should not be debating this thing. It is a terrible, nasty, awful thing for those vicious people in the Labor Party to do". She was a little selective. She wanted to give the Labor Party a serve for saying: "We want to come to Parliament and have a discussion. We want to put up our documentation. We want to put up our information. We want to hear what the honourable member for The Hills has to say and let everybody make a decision based on the facts". The honourable member for Bligh said, "That is wrong". She does not have anything to say about the vicious, personal abuse likening myself to Adolph Eichmann, to Josef Mengele and others - most horrific people. Even the pipsqueak member for Ermington realises that is unreasonable, unfair and just plain stupid. The

honourable member for Bligh has nothing to say when the Minister for the Environment makes those sorts of specious and stupid allegations. I want to thank briefly my colleagues who have participated in this debate. I do not want to recapitulate everything they have said, because they have said it so eloquently and concisely in so far as was possible, in the face of constant interruption by points of order. [*Extension of time agreed to.*]

I thank the honourable member for Ashfield, the honourable member for Smithfield, the honourable member for Drummoyne and the honourable member for Riverstone, who summed things up so beautifully when he said: "It is the member for The Hills who condemns himself by his silence and it is the Government that is condemned by his and its silence". In summary, we have had a procedural motion before the Parliament tonight. We have not had a motion actually to do anything except try to bring on a debate. The Government has tried to restrict that procedural motion to the most narrow of interpretations.

Mr W. T. J. Murray: The Speaker has made a decision; not the Opposition and not the Government.

Mr KNIGHT: The Minister for the Environment has raised repeated points of order. As the Deputy Premier reminds me, in due fairness, Mr Speaker, you have made a decision confining the ambit of the debate. We accept that decision. We cast no aspersions on you for making such a decision. But the very reason you made such a decision makes it all the more critical that this motion be passed so that there can be a debate. When you, Mr Speaker, rule that the substance of this debate cannot be dealt with on this motion, that the substance of what the honourable member for The Hills might or might not have done cannot be dealt with in any detail but only peripherally, we accept your decision. When we accept your decision, it makes it all the more imperative that the Parliament pass this procedural motion, so we can then go on to an unambiguously substantive motion about the honourable member for The Hills.

It is significant that not one Government member has stood to defend the honourable member for The Hills. We have heard a little about procedure and argument about how we should proceed but we have heard not one iota from them defining their viewpoint on the behaviour of the member for The Hills. We have said that we would not take any points of order if the debate were extended. We would love to see the honourable member for The Hills or any Government member say why he is a person of good standing and why the allegations against him are not true. No member has done that. The honourable member for The Hills is protected because his vote is the vote that ensures the very survival of the Government. He will not be protected for long. Indeed, there is scuttlebutt around the place that the Minister for the Environment does not even want the House to sit next week; he wants the Parliament out sooner rather than later.

Mr W. T. J. Murray: You have got plenty of scuttle but not much butt.

Mr KNIGHT: Nobody could ever make that allegation about the Deputy Premier. He has far more butt than scuttle. The honourable member for The Hills will not defend himself. He will not take a glove in his own defence. What does that say? If there were an allegation about the honourable member for Ermington, he would be on his feet saying how he is an innocent man. We might not believe him but he would be up there trying. The honourable member for Monaro has been the subject of allegations in the Parliament and he has been quick to defend his position. Again, we may not always believe it. The interestingly occasionally misnamed honourable member for
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Burrinjuck would not cop any allegations without defending himself. Nor would the honourable member for Strathfield, who I was going to say is sitting beside the honourable member for The Hills but whose body language has him inclining at 45 degrees away from him. We will wait a little until the allegations are dealt with in the Parliament to see whether the honourable member for Baulkham Hills will defend himself. But nothing comes from the honourable member for The Hills. He is protected because the Government needs his vote. He is unloved because Government members understand what he is alleged to have done.

Mr SPEAKER: Order! The honourable member for Campbelltown is now transgressing the scope of the reply.

Mr KNIGHT: I have almost finished, Mr Speaker. On various occasions when this matter has been raised allegations have been flung across the table accusing the Opposition of gutlessness or cowardice. We are here. We are prepared to debate. We are prepared to put up or shut up.

Mr Packard: Outside.

Mr KNIGHT: You will be outside so quick that you will not get a chance to come back, so do not hurry. We are prepared here, in the highest court in the State, to put up or shut up. The gutlessness, the cowardice, the prevarication come from the Government and from the honourable member for The Hills. I say in conclusion: do not think that because the debate can be closed tonight, and because two of the Independents will vote with the Government, this will be the end of the matter. This will not end it in the Parliament. Indeed, we may want to take the offer of the Minister for the Environment at face value and see whether he really will allow the censure debate that he promised. It will not end in the media, it will not end with the people. The honourable member for The Hills knows that this matter will not end tonight. He keeps making the exit sign. This matter will not end tonight and the people will recognise the result tonight for what it is - a sleazy cover-up by a sleazy Government in its death throes.

Mr SPEAKER: Order! The question is, That the motion be agreed to. All those in favour will say aye, to the contrary, no. I think the noes have it. The noes have it.

Mr Knight: Division.

Mr SPEAKER: Order! No, you are too late. It is too late. You did not call for a division. I have given the decision.

Mr Knight: Mr Speaker, if I did not yell it loud enough, I apologise.

Mr SPEAKER: Order! The honourable member for Campbelltown did not make a sound that could be heard by the Chair. There was a substantial pause. I called, "All those in favour will say aye, to the contrary, no. I think the ayes have it". I waited. I said, "The ayes have it". Up till that time there was no -

Mr Knight: Mr Speaker, with respect, the first person to call a division was the honourable member for Drummoyne. I understand that you may have been looking to either the Whip or me to call a division. The first person that called a division was the honourable member for Drummoyne. It was only when you appeared not to have heard

that I also said to you - I did not call out - "Division". Mr Speaker, I apologise if there is some confusion but the honourable member for Drummoyne clearly asked for the division and as a member of the Opposition he is entitled to do that. I understand the confusion in that you expected it to be either myself or the Whip. But it was clearly the honourable member for Drummoyne.

Mr W. T. J. Murray: From here I did not hear anything. Mr Speaker, the honourable member for Campbelltown had his back to you. He had his back to the table. There was clearly no noise at all as far as I am concerned.

Mr Cochran: Mr Speaker, I was also from this position able to quite clearly see and hear and there was no word from that side of the House at all with regard to calling for a division. I was clearly watching the Opposition spokesman as he moved away from the pedestal. I was clearly watching other members on that side of the Chamber. There was no mention at all calling for a division.

Mr Whelan: Mr Speaker -

Mr SPEAKER: On a point of order?

Mr Whelan: Yes, Mr Speaker. I would just like to draw your attention to a very important matter. There are two points and I hope the House will view them in fairness. Mr Speaker, you have declared first of all that the ayes have it. Even though I would appreciate that fact, that is in fact what ultimately will not be the case. However, may I say that whilst I was not in the Chamber I was in the immediate precincts -

Mr Hartcher: The noes have it.

Mr Whelan: The Speaker -

Mr SPEAKER: Order! The honourable member for Ashfield has the call.

Mr Whelan: The Speaker will know what he has said. Mr Speaker, notwithstanding that, I was outside. I did hear the call "Division". That obviously was not from the Government side. If I had to be asked who it was, I would suggest it might have been the honourable member for Drummoyne. But I was within hearing distance, standing where the attendants are now. I definitely heard a call for a division. Mr Speaker, there is no need for the House to get all excited about it. The Opposition accepts that the Independents are going to vote with the Government. I suggest that to clarify the matter you restate the position and resolve the issue. If it is not resolved by division, the House will resolve the issue at some other time on another motion. I suggest that the matter requires serious deliberation, and that recommitment of the question is the way to resolve the problem.

Mr Moore: On the point of order. I concur with the proposal put by the honourable member for Ashfield. Other matters need to be dealt with by the House. The debate has gone on for some time with tempers raised. Rather than have procedural matters of attrition proceed for the next half hour or so, there are legislative matters to be dealt with, as the honourable member for Bligh quite properly indicated. Irrespective of how proper or otherwise your declaration may have been, Mr Speaker, I was not in the House at the time it was made. On an entirely without prejudice basis I request that you recommit the question.

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Mr SPEAKER: Order! To the best of my interpretation, no challenge to the division came from either side of the House. It is not for the Chair to enter into the partisan issues of the matter. It is for the Chair to ensure that the business of the House proceeds in an orderly fashion. If there is a case, no matter how doubtful, that there was a misunderstanding, I am willing to accept that. I remind honourable members, as I have done before, that the obligation is on members wishing to draw any matter to the attention of the Chair, whether seeking the call or calling for a division, to follow the clear procedures and to act properly and as forcefully as need be to attract the attention of the Chair. If that procedure is followed, instances such as this will not occur. I will recommit the question.

Question - That the motion be agreed to - put.

The House divided.

Ayes, 44

Ms Allan
Mr Amery
Mr Anderson
Mr A. S. Aquilina
Mr J. J. Aquilina
Mr Bowman
Mr Clough
Mr Crittenden
Mr Doyle
Mr Face
Mr Gaudry
Mrs Grusovin
Mr Harrison
Mr Hunter
Mr Iemma

Mr Irwin
Mr Knight
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr McBride
Mr McManus
Mr Markham
Mr Martin
Mr Mills

Mr Moss
Mr J. H. Murray
Mr Nagle
Mr Neilly
Mr Newman

Mr E. T. Page
Mr Price
Dr Refshauge
Mr Rogan
Mr Rumble
Mr Scully
Mr Shedden
Mr Sullivan
Mr Thompson
Mr Whelan
Mr Yeadon
Mr Ziolkowski
Tellers,
Mr Beckroge
Mr Davoren

Noes, 46

Mr Armstrong
Mr Baird
Mr Blackmore
Mr Causley
Mr Chappell
Mrs Chikarovski
Mr Cochran
Mrs Cohen
Mr Collins
Mr Cruickshank
Mr Downy
Mr Fahey
Mr Fraser
Mr Glachan
Mr Griffiths
Mr Jeffery

Dr Kernohan
Mr Kerr
Mr Longley
Dr Macdonald
Ms Machin
Mr Merton
Mr Moore
Ms Moore
Mr Morris
Mr W. T. J. Murray
Mr Packard
Mr D. L. Page
Mr Peacocke

Mr Petch
Mr Photios
Mr Rixon

Mr Schipp
Mr Schultz
Mr Small
Mr Smiles
Mr Smith
Mr Souris
Mr Tink
Mr Turner
Mr West
Mr Windsor
Mr Yabsley
Mr Zammit

Tellers,
Mr Beck
Mr Hartcher

Pairs

Mr Carr
Mr Gibson
Ms Nori

Mr Greiner
Mr Hazzard
Mr Phillips

Question so resolved in the negative.

Motion negatived.

SUPERANNUATION LEGISLATION (AMENDMENT) BILL

Suspension of certain standing and sessional orders agreed to.

NSW GRAIN CORPORATION HOLDINGS LIMITED BILL

Bill introduced and read a first time.

Second Reading

Mr SOURIS (Upper Hunter - Minister for Sport, Recreation and Racing and Minister Assisting the Premier) on behalf of Mr Greiner [9.51]: I move:

That this bill be now read a second time.

The purpose of this bill is to provide for the privatisation of NSW Grain Corporation Holdings Limited. The sale of Graincorp will ensure that the organisation can continue to operate efficiently without placing unnecessary demands on the taxpayers of New

South Wales. There is no justification for the Government's continuing involvement in a commercial operation such as Graincorp. The recent deregulation of the wheat industry and the resultant increase in competition have only served to highlight the need for Graincorp to be freed from government ownership. Significantly, the sale of Graincorp is widely supported by the company, by growers and by the industry generally.

The privatisation of Graincorp will bring New South Wales into line with the grain producing States of South Australia, Western Australia, and Queensland where ownership has been transferred from government to industry. Western Australia and South Australia are established precedents which clearly demonstrate that the industry can successfully own and operate grain handling facilities. Queensland also recently moved to industry ownership. Further, industry ownership of Graincorp will result in a more efficient New South Wales grains industry through vertical integration. The Government has conducted an extremely thorough sale process which has involved seeking potential purchasers both nationally and internationally to ensure that all sale options were considered and sale proceeds maximised. After taking into account relevant commercial considerations and the requirement that bidders demonstrate support from the grains industry, the Government determined that an offer from the Prime Wheat Association was the preferred bid. The bill facilitates the sale of Graincorp to PWA.

The sale of Graincorp to PWA is in the State's best interest for a number of reasons. First, the price to be received from PWA is greater than Graincorp's estimated value of between $90 million and $120 million as provided by the Government's advisers,

Rothschild Australia. PWA is to pay a minimum purchase price which has a present value of $90 million. Depending on the level of grain receipts the price is capable of being increased to $110 million. Also, the State is to retain Graincorp's residual cash of around $12 million plus its head office, which is estimated to have a value of $5 million. Therefore New South Wales will in effect receive between $107 million and $127 million for Graincorp. Second, and most significantly, PWA has demonstrated that in making its offer it has the support of the New South Wales grains industry. In particular, the New South Wales Farmers Association unanimously supported PWA's offer by way of resolution at its last annual conference. Further, PWA is widely representative of the grains industry, having over 8,000 members who represent approximately 90 per cent of the New South Wales grains industry.

A sale to PWA will ensure that ownership of Graincorp remains in New South Wales and that use of New South Wales rail and port infrastructure is maximised. Above all, ownership by PWA will make a more viable grains industry through vertical integration. The bill essentially contains mechanical provisions to facilitate the sale to PWA. Graincorp, as a State owned corporation, cannot be privatised unless its name is removed from schedule 1 to the State Owned Corporations Act by way of Act of Parliament. This bill provides for the removal of Graincorp from the schedule. The bill also protects the position of Graincorp's employees and ensures that they will not be prejudiced by the sale. Under the bill the entitlements of Graincorp's employees are preserved. Further, as part of the sale, the Government is to require PWA to undertake to honour all existing contracts and awards. Also, in relation to superannuation, all accrued benefits of employees are to be preserved by way of regulation. It is to be a condition of sale that PWA establishes a superannuation scheme for Graincorp staff on no less favourable terms than the current State schemes. Privatisation of Graincorp is not an ideological matter but is, rather, the only option for the State to ensure the ongoing viability of the grains industry. The privatisation has widespread industry support and, in additional to financial benefits, the privatisation allows Graincorp to remain in New South Wales under grains industry ownership. I commend the bill.

Debate adjourned on motion by Mr Martin.

SWIMMING POOLS BILL

Bill introduced and read a first time.

Second Reading.

Mr PEACOCKE (Dubbo - Minister for Local Government and Minister for Cooperatives) [9.57]: I move:

> That this bill be now read a second time.

In introducing the Swimming Pools Bill 1990, the then Minister for Local Government said that "the provisions of the bill will provide greater protection for the most vulnerable and deserving members of our community - children under the age of five". This remains the principal object of the Swimming Pools Bill 1992. The purpose of this bill is to repeal the 1990 legislation, and replace it with legislative provisions to produce more flexible fencing requirements for private swimming pools, and various other matters. The Government is confident that the result will be an even safer environment for

toddlers. Honourable members will be aware of the vigorous community debate that has preceded the introduction of this bill into the House. That debate has often focused on issues fundamental to government - the prime one being to what extent a government's responsibility to protect its citizens gives it a legitimate interest in the backyards of those citizens. The merits of isolation fencing - that is fencing which separates the pool from any structure on the property - over other types of barriers have also been rigorously debated.

I say at the outset that the Government is firmly of the view that the 1990 legislation was a courageous attempt to enhance pool safety and thus lower the incidence of unintended immersions. However, subsequent legislative developments in other States, technological advances and the valid concerns of individual interest groups caused my predecessor, the Hon. David Hay M.P., to establish a review group to examine the operation and application of the current legislation. The review group consisted of twelve members, representing the various interest groups and impartial experts, and was chaired by the eminent barrister, Mr Peter McClellan Q.C. I wish to put on record the Government's appreciation of the time given and hard work undertaken by members of the group. Obviously the Government would have preferred the group to produce a single report, but we recognise that the views expressed in both the majority and minority reports are representative of the divergent views held in the wider community and reflect the depth of controversy hitherto associated with this issue.

In coming to its conclusion, the Government has been mindful of the conclusions of the majority report. Perhaps the most significant of the majority's conclusions is that there is no statistical evidence which conclusively supports the contention that isolation fencing will reduce or eradicate toddler immersions in private swimming pools. The majority also concluded that there is clear evidence that pool owners, either wittingly or unwittingly, will defy the current legislation. At what point does a government seek to change its laws because of opposition to them? There is no definitive answer to this question. However, one instance where there can be an irresistible need for remedial amendments arises when otherwise law-abiding and upright citizens deliberately breach a law which they consider unjust and which in any event

cannot easily be enforced. This is precisely the scenario in which the Government found itself in relation to the current legislation. Despite the obvious responsibility of a government in providing for the safety of all its citizens, all laws have their limitations. The so-called watchful eye of government is necessarily remote and no substitute for the watchful eyes of parents.

It is important that all honourable members recognise that the provisions contained in this bill are only minimum requirements. There is nothing in this legislation that stops pool owners installing full isolation fencing or a barrier of a height greater than 1.2 metres, if that is what they desire. It is also important to observe that this bill will result in all pools, except those entitled to exemption in accordance with the bill, complying with the legislation, that is, having an effective barrier between the interior of the dwelling and the pool, by the end of this year. The recommendation contained in the majority report - and, incidentally, the only one not reflected in the bill, namely, that existing pools need not comply until either the property is sold or council approval is sought for alterations - would have resulted in the untenable situation that many residences may not comply for a generation or more. I repeat: by the end of this year, all pool owners, unless exempted, will be required to comply with this new legislation. I would also like to put to rest the totally false comment which I have heard on many occasions that people who have fenced their pools will be able to remove such fences without replacement. The fact is that such people will be able to relocate their barriers, if they so desire, but they will still have to have a barrier conforming with the Act.

I turn now to the provisions of the bill. Except where expressly exempted, the bill imposes different requirements depending upon the nature of the property on which the pool is installed, whether the pool is new, that is, built after 1st August, 1990, or existing, that is, built or under construction on 1st August, 1990, and whether the pool is indoor or outdoor or a spa. Unless erected on waterfront, large or very small properties or otherwise entitled to exemption under the bill, all new outdoor swimming pools will be required to be surrounded by a child-resistant barrier. The barrier surrounding a new swimming pool within this category must separate the pool from any residential buildings on the premises, separate the pool from all neighbouring premises and be constructed, installed and maintained in accordance with the standards prescribed in the regulations. The standard currently applied is Australian Standard No. 1926 of 1986 and it is proposed that it will continue with such modifications as may prove necessary. A child-resistant fence shall be 1.2 metres high with no footholds or the like in it and any gate openings through that barrier must be self-closing, self-latching. Before formally making any regulations prescribing standards required under the proposed Act, it is my intention to consult with interested groups and to that end I undertake to circulate widely such regulations both to members of Parliament and interested members of the public.

Existing outdoor swimming pools not situated on waterfront or large properties and all pools situated on very small properties must be enclosed by a barrier which separates the swimming pool from all neighbouring premises and which meets the Australian Standard, with such modifications as may prove necessary. If, for pools in this category, a barrier is not erected between the house and the pool, the means of access from the house must be restricted in accordance with standards to be prescribed by regulation. Very small properties are described as those with an area of less than 230 square metres, the smallest area on which a dwelling house may currently be erected. The selection of 230 square metres will address, for example, the terrace type dwelling. Large properties are defined as those having an area of two hectares or more. The area selected is large enough to not exempt any ordinary building lot. The quarter acre, half

acre, one acre and two acre lots will not escape under this exemption. However, the suburban rural subdivisions of the five-acre variety will, appropriately, enjoy the exemption. Large properties will be required to either observe prescribed standards to restrict access to the pool from the interior of any residential building on the property or comply with barrier requirements applicable to new or existing outdoor pools as the case may be. Waterfront properties whether for new or existing swimming pools are defined as those which have frontage to any large body of water such as a permanently flowing creek, river, canal, pond, lake, reservoir, estuary, sea or other body of water whether natural or artificial. These properties will be exempt from the barrier requirements provided that the means of access to the pool from the interior of any residential building on such property is restricted in accordance with prescribed standards.

For outdoor pools on the premises of hotels, motels and caravan parks, isolation barriers will be required to surround the pool and its immediate surroundings that contain no structures other than those wholly ancillary to the pool. Large numbers of young children frequent these premises and this provision is currently applicable to hotels and motels. The bill retains unchanged the provisions of the current Act for indoor pools. Access, including door access, to such pools will be restricted generally in accordance with Australian Standard No. 1926 of 1986. However, window access points will be restricted in the same manner as for existing outdoor pools. Spa pools are exempt from barrier requirements provided access to the spa pool is restricted in accordance with standards to be prescribed in regulations, for example, by provision of a rigid lid or cover when the spa is not in actual use. A local authority will be empowered to exempt

a swimming pool from the proposed requirements if, having regard to the physical nature of the premises, the design or construction of the pool, or because of special circumstances recognised by regulation, it is satisfied in the particular case that it would be impracticable or unreasonable for the owner to comply or where no less effective provision than required by the provisions in the Bill has been made to restrict access to the pool or the water contained in it, for example, the use of a pool for therapeutic purposes by the handicapped. Doors and gates must be kept closed when not in use. Barriers may consist of a combination of fences and walls. Owners of private pools will be able to decide upon the exact location of any barriers subject to the requirements of the legislation. Dividing, that is, perimeter fences, may also be used in any barrier and if so used, must similarly comply with the prescribed standard which is proposed to be Australian Standard No. 1926 of 1986, with such modifications as may prove necessary.

Administration of the provisions will be by local authorities, that is to say, local councils, the Western Lands Commissioner and the Lord Howe Island Board as previously. This will continue the statewide application of the provisions. Local authorities will be able to appoint inspectors. The appeal board, constituted under the current legislation, will be abolished. Instead, the decisions of local authorities will be appealable to the Land and Environment Court with proceedings to be heard by assessors in the first instance. Penalties will apply for contraventions of the proposed Act. Local authorities will be precluded from imposing requirements higher than, or additional to, those provided by this legislation. The deadline for compliance for existing pools will be altered from 1st August, 1992, to 1st January, 1993. This is appropriate because many owners of existing pools have delayed compliance with the 1990 Act requirements awaiting the outcome of the review. A change in the requirements, as is now proposed, should allow reasonable time for compliance. The extension proposed is considered reasonable. Compulsory warning notices drawing attention to the danger of swimming pools to young children will, for the first time, have to be erected near all pools. Non-compliance with the requirements in relation to warning notices will render an occupier liable for a statutory penalty but other civil liability is excluded. Detail of the

warning sign, including resuscitation techniques, will be set out in the regulations.

A schedule to the bill contains diagrams which illustrate the pattern of child-resistant barriers that must be provided in relation to the various circumstances addressed in the bill. These diagrams, however, cannot possibly address the myriad different barrier options on properties having swimming pools. Not included in the bill but to be dealt with administratively is a pool safety campaign and the effective monitoring of statistics based upon reports on standard forms compiled by police and medical practitioners over the next five years. These measures will be carried out by the Department of Sport, Recreation and Racing with co-operation from the Department of Health. The Department of Health will have full access to such statistical information as received so that it can monitor independently and continuously. The Government is confident that the members of the public who own pools or propose to install pools will appreciate the necessity for this legislation as a complement to their supervisory role in relation to young children. Among the complementary arrangements not included in this bill are learn to swim campaigns administered by the Department of Sport, Recreation and Racing.

Mr E. T. Page: That will be a big help for four year olds.

Mr PEACOCKE: I have six children, all of whom could swim by the age of two. I urge all parents to teach their children to swim at the earliest possible age. I also call on local councils to adopt a more active role in providing or co-ordinating learn to

swim campaigns, particularly for pre-schoolers. A further review of the legislation will be undertaken in five years' time to determine whether it should be amended, and it is my hope that this review will have access to more reliable statistics than have been previously available. As I noted earlier the principal object of this bill is to minimise the tragedy of serious toddler immersions in private swimming pools. As such it represents a fine tuning of the current legislation. That the issue is capable of generating such heated debate in the community is testament to the fact that too many children have already drowned or have been seriously injured. As a parent of six children, I feel deeply for those who have suffered that loss. However, my major concern is to focus on the future. I acknowledge that the past is the past and can thus in some respects serve only as a warning of the enormous pitfalls and dangers associated with private swimming pools.

No law can, of itself, protect children from every conceivable form of injury by misadventure. It is beyond the wit of man to envisage and counter all dangers that lurk in society and it would be an exercise in futility to attempt such a task. It is also futile to enact laws which cannot be enforced either because of the sheer logistics of enforcement or because of open public defiance of the law. Honourable members will surely recognise that only continuous and 24 hours a day surveillance of the over 200,000 pools in New South Wales will stop people from leaving gates open and in other ways breaking the law. This would be utterly and potentially impossible. This bill represents the most sensible black letter law option by recognising that, although in some circumstances fencing can contribute towards greater pool safety, it is no substitute for unrelenting supervision by parents and all others responsible for the care of young children. Before concluding, I draw the attention of honourable members to an error in the explanatory notes. The explanatory notes do not form part of the bill. In section 9 there is a reference to "one hectare or more". It should, in fact, read "two hectares or more". Section 9, which forms part of bill, correctly refers to two hectares. I commend the bill to the House.

Debate adjourned on motion by Mr E. T. Page.

SUPERANNUATION LEGISLATION (AMENDMENT) BILL

Bill introduced and read a first time.

Second Reading

Mr FAHEY (Southern Highlands - Minister for Industrial Relations and Minister for Further Education, Training and Employment) [10.18]: I move:

That this bill be now read a second time.

This bill brings to New South Wales statutory superannuation schemes another round of amendments for compliance with Commonwealth regulatory legislation. In December of 1991 I introduced to the House the Superannuation Legislation (Amendment) Bill 1991 which achieved substantial compliance for the State schemes. At that time I foreshadowed the need for further amendments due to the complex and unsettled nature of the Commonwealth changes. Since then, the Commonwealth Government has continued to make superannuation in Australia a complex, bureaucratic web of rules and regulations with no prospect of relief from constant change. Since 1983 the Commonwealth Government has intervened in every possible area of superannuation. From 1988 onwards a labyrinthine set of rules and regulations has been imposed in regard to taxation, financial arrangements of funds, contributions, benefit levels and

administration. The Commonwealth Government is now seeking to bring into being its superannuation guarantee levy. This will mean compulsory employer contributions starting at 5 per cent of salary for each employee and rising to 9 per cent by the year 2000. This strategy will lock Australian employers and employees into compulsory superannuation arrangements which neither side needs nor can afford. The rationale used by the Commonwealth to justify this is the ageing of the Australian population and the supposed drain on the social security purse in the twenty-first century. Yet on the admission of the Commonwealth Treasury's own officers, there is no information whatsoever on the impact the proposed superannuation guarantee levy will have on social security or government revenue.

In the worst economic climate in this country for 50 years the Commonwealth Government proposes to slug employers and employees with a compulsory savings scheme imposed in haste, without consultation, and with no identified benefit resulting. Retirement incomes policy should be the result of careful and considered policy development in consultation with the superannuation industry and other affected parties. For too long the Commonwealth Government has taken hasty, incomplete decisions on superannuation for politically expedient reasons. The consequences of such decisions on all sectors of the Australian economy and work force are too important for such ill-considered treatment. Until a long overdue change of government occurs at the Federal level, however, we are bound by the Commonwealth's jungle of rules. The primary purpose of this bill is to achieve substantial compliance with Commonwealth legislation in regard to contributions and benefits beyond age 65, the investment powers and financial arrangements of the funds, and preservation and vesting requirements of schemes. Second, this bill will implement several amendments of an administrative nature. These amendments will clarify existing provisions within the schemes and provide consistency in a number of areas across public sector superannuation. Finally, the bill includes several amendments in relation to superannuation from the statute law revision program which, on the advice of the Parliamentary Counsel, have been included

with this principal legislation.

The main body of compliance amendments will implement controls on contributions and payment of benefits in the various schemes for members over the age of 65. The Commonwealth occupational superannuation standards - or OSSA - legislation requires that contributions cease in respect of members over age 65, and no benefits can be accrued after that age. Transitional arrangements will apply for a short time to allow persons who were over the age of 60 at 1st July, 1990, to continue to contribute and accrue benefits up to 70 years of age. The Commonwealth legislation also requires benefits to be paid, or commence to be paid, in certain circumstances after age 65. These circumstances are: the member is over age 65 and is working less than 10 hours a week; the member is over age 70 and is working between 10 and 30 hours a week; the member is over age 65 and requests that payment be made; or the member has retired from the work force. Members will be aware of the Government's commitment to the abolition of compulsory retirement in both the public and private sectors in New South Wales.

Consequent on the Government's abolition of compulsory retirement in 1990, amendments were made to the superannuation schemes at that time to ensure that people who chose to work beyond the early retirement age were not adversely affected in their superannuation entitlements. These provisions remain operative, and it is the Government's intention, within the restrictions now imposed by the Commonwealth, to continue to ensure members are encouraged to work and have flexible working conditions and benefits to support this. The provisions to be implemented by this bill, to comply

with this legislation, have been designed to provide members with the most advantageous style and level of benefits within the parameters set by the Commonwealth Government. The benefits available will also be flexible to enable members to best arrange their financial matters at a very important period of their life. Members of New South Wales statutory schemes will have their benefit crystallised at age 65 and will have the option to either take their entitlement at that age, or to preserve a lump sum amount within the scheme to accrue interest.

In the pension schemes of the State Superannuation Fund and the police superannuation scheme, upon reaching age 65, members will be able to elect to take either their pension or commuted lump sum benefit entitlement as currently provided for in the scheme. Both benefits will be payable immediately, however a lump sum benefit can be preserved within the fund to earn interest if the member so desires. Similarly, in the lump sum schemes, the State Authorities Superannuation Scheme and the Public Sector Executives Superannuation Scheme, members will be able to elect to take their benefit entitlement at age 65, or to preserve that benefit within the scheme. The second major OSSA compliance amendments in the bill concern standards on investment and financial arrangements of funds. Public sector schemes in New South Wales are already subject to control in this area by the Public Authorities (Financial Arrangements) Act 1987 and are generally already operationally compliant with the OSSA standards. As it is necessary that the governing rules of the funds reflect the OSSA standards, provisions appropriate to the circumstances of each fund will therefore be inserted by this bill into those Acts which contain investment or financial arrangements provisions. The Acts to be amended are the Superannuation Administration Act 1991, the Coal and Oil Shale Mine Workers (Superannuation) Act 1941, the Parliamentary Contributory Superannuation Act 1971 and the Public Sector Executives Superannuation Act 1989.

The third area of OSSA compliance is in vesting and preservation standards. Significant changes have been made in these areas in previous legislation, and this bill will amend two further Acts in this regard. The Police Association Employees

(Superannuation) Act 1969 will be amended to bring interest payable on withdrawal benefits in line with the OSSA standards and with the other previously amended public sector schemes. Second, the Public Sector Executives Superannuation Act 1989 will be amended to provide for the compulsory preservation of certain contributions made after 1st July, 1990, where a member had no employer support in the scheme. Very few senior executives are in this category because of their flexible remuneration packages and the availability of having employer contributions made as a pre-tax salary deduction. However, where members of the PSES scheme do elect to make only member or post-tax contributions, these are required to be preserved until age 55 or in other circumstances as laid down by the Commonwealth. These circumstances are detailed in the bill.

As I have outlined, the second purpose of this bill is to implement a number of changes of an administrative nature to the superannuation statutes. All these changes will work towards clarifying existing provisions in the schemes and achieving a consistency and fairness in the administration of the schemes. Towards this end a principal amendment in this bill will alter the retrenchment benefit available under the State Authorities Superannuation Act to members with short service. Currently, members of the State Authorities Superannuation Scheme with less than three years' service receive a benefit of their own contributions and earnings thereon. They do not receive any employer financed benefit and cannot preserve a benefit to attract any of the employer financed component. This is inconsistent with the benefits available in other public sector schemes which enable, in different ways, an employee to attract an employer financed benefit, either immediately or through the availability of preservation. To remedy this

anomaly, the three-year requirement in State Authorities Superannuation Scheme will be removed and members will have access upon retrenchment to the fully vested benefit, including both contributor and employer financed benefit. This will operate from commencement of these provisions on 1st July, 1992.

Members will also have the option of preserving their benefit if so desired. I would point out here that advice is yet to be received from the Insurance and Superannuation Commission on whether the additional employer financed component of these benefits which will now be payable will be classed as improved benefits and so subject by OSSA to compulsory preservation until age 55. Provisions have therefore been included in the bill to allow for the compulsory preservation of the employer financed component if this is necessary for OSSA compliance purposes. These provisions will commence on a date to be proclaimed. Further amendments to provide for consistency in scheme administration will be made to the Police Regulation (Superannuation) Act 1906 and the Superannuation Act 1916. Provisions will be inserted into the police superannuation scheme to allow for members whose benefits are unreasonably delayed to receive interest on that benefit. This is provided for in all other schemes which are under the responsibility of the State Authorities Superannuation Board. Similarly, debt recovery provisions comparable to those operating for the State Superannuation Fund and other schemes will be inserted into the Police Regulation (Superannuation) Act.

Members may recall that in 1988 a series of changes were made to the statutory superannuation schemes to provide for uniformity of employer coverage across the public sector, thereby enabling scheme members to move between employers without losing their superannuation entitlements. In accordance with this policy of encouraging mobility throughout the public service, an amendment will be made to the Superannuation Act to allow existing contributors to the Superannuation Act to remain in the State Superannuation Fund if they move to payment of hourly, daily, weekly or

fortnightly rates, or payment by piecework. This provision will in no way extend the current coverage of the State Superannuation Fund, which was closed in 1985. It will only operate to ensure that existing contributors who change to this method of payment are not forced out of the scheme. Another amendment within this bill is the provision of more flexible arrangements for changing the level of contributions in the public sector executives superannuation scheme. At the moment contributors can make only one election of contributions per year, this being designed initially to coincide with the determination of total remuneration packages of executives. The proposed amendment will allow members to elect to vary contributions at any time throughout the year. An administrative charge will be made for a second or subsequent variation.

The principal costs arising from the amendments within this bill stem from the proposed changes to the retrenchment benefit in the State Authorities Superannuation Scheme for those with under three years service. As I indicated earlier, advice from the Insurance and Superannuation Commissioner may require compulsory preservation of the proposed improvement to this benefit meaning a minimal cash flow impact of approx $0.9 million per annum, and deferral of the full cost of approximately $3.7 million per annum until the retrenched contributors ultimately retire, die, or otherwise qualify to take the benefit. When compared with the estimated cost of providing preserved resignation benefits under the existing rules, a more realistic figure of the additional cost involved is approximately $2.2 million per annum. As I indicated, the remaining matters in this bill are of a minor administrative nature or are part of the miscellaneous amendments from the statute law revision program concerning superannuation.

These matters include: the transfer of certain regulations made under the Superannuation Act 1916 and the State Authorities Non-Contributory Superannuation Act 1987 into the provisions of the Acts proper; the extension of the notification requirements under the Police Regulation (Superannuation) Act 1906 to provide claimants and affected persons with notice of decisions concerning hurt-on-duty benefits; the extension of the time period in which appeal under the Police Regulation (Superannuation) Act 1906 against hurt-on-duty benefit decisions can be made; and clarification of benefit calculations to be made under the Coal and Oil Shale Mine Workers (Superannuation) Act 1941 where death or disability occurs in the Queensland industry following service in New South Wales. The bill before the House furthers the Government's policy of achieving full compliance of New South Wales statutory schemes with the Commonwealth Occupational Superannuation Standards Act legislation. It also will provide many changes to provide for a consistent and equitable administration of public sector superannuation in New South Wales. I commend the bill to the House.

Debate adjourned on motion by Mr Davoren.

PORT MACQUARIE BASE HOSPITAL

Suspension of Standing Orders

Mr MOORE (Gordon - Minister for the Environment) [10.32], by leave: Pursuant to an arrangement with the honourable member for Ashfield I move:

> That at 10.30 a.m. on Friday, 1st May, 1992, so much of the Standing and Sessional Orders be suspended as would preclude the Premier moving a motion to appoint a select committee to report on matters concerning the Port Macquarie Base Hospital Project.

Motion agreed to.

NATIONAL PARKS AND WILDLIFE (STATE CONSERVATION PARKS) AMENDMENT BILL

CROWN LANDS (STATE RECREATION AREAS) AMENDMENT BILL

Bills introduced and read a first time.

Second Reading

Mr MOORE (Gordon - Minister for the Environment) [10.33]: I move:

That these bills be now read a second time.

I indicate at the outset that it is my intention to seek the leave of the House next week to refer these bills to a legislation committee during the winter parliamentary recess. The National Parks and Wildlife (State Conservation Parks) Amendment Bill and its cognate bill are designed to give effect to a review of the status of certain State recreation areas within New South Wales; to dedicate and upgrade the dedication of those areas of high conservation value into either national parks or nature reserves where it is possible and appropriate to do so and in other cases such as the high visitation in the Arakoon State Recreation area in the electorate of my close, personal friend the honourable member for Oxley with whom I have had extraordinary wide environmental experience as he and I have strolled through the rainforest of the Gap Beach area, where he expressed to me his constant and persistent support for the conservation activities of the National Parks and Wildlife Service in his electorate.

As part of this process, legislation is also being introduced that will create the former structure for State recreation areas and their localised trusts within the lands administration to deal with such high visitation areas as the facilities in camping areas and visiting areas at Trial Bay. There have been separations of areas at places like Arakoon and Bents Basin, and in such other places as the major inland dam recreation areas. The whole of the State recreation area is being transferred to the Department of Conservation and Land Management, and it is necessary to amend the Crown lands legislation to create a structure for these parks. In other cases where there continue to be needs for mining in the proximity of and primarily underneath existing State recreation areas, such as the Lake Munmorah State Recreation area on the Central Coast or the three State recreation areas that were created in the vicinity of the Nattai Wilderness and National Park, there is a necessity to have a structure for conservation zones under the provisions of the National Parks and Wildlife Act that do not have prohibitions on mining that exist for national parks and nature reserves.

It is therefore proposed, as I have said to the House on a number of occasion, and foreshadowed to conservation groups, to create a category of State conservation parks within the terms set out in the bill. On a number of occasions the concept of State conservation parks has been discussed by me with conservation groups, and I have indicated that there will be no attempt to rush the legislation. Matters have been dealt with appropriately by administrative delegation under the existing provisions of the National Parks and Wildlife Act, and it is intended that the legislation I have introduced tonight will remain out for public comment through the legislation committee process until the budget session of the Parliament. I repeat that I will be seeking leave during the

next sitting week to refer these provisions to a legislation committee. I commend the bills.

Debate adjourned on motion by Mr Davoren.

MINING BILL

Second Reading

Debate resumed from an earlier hour.

Mr ROGAN (East Hills) [10.39]: Earlier I touched on part 3 division 4 clause 29 of the bill and the need for an amendment to be moved to accommodate the points I was making. I should like to indicate that I will be moving an amendment in Committee and I foreshadow that now. It states:

> Page 13, clause 29. After clause 29(2), insert:
>
> (3) Subsection (2) does not operate to extend an exploration licence for more than 2 years after the date on which it would otherwise expire.

That is to put a limit on the time within which these exploration licences are issued. Given the late sittings of the past couple of days, an arrangement has been arrived at between the Opposition and the Leader of the House that contributions will be kept brief. In dealing with the granting of a mining lease I refer to part 5 division 3 of the bill. The environment movement has exerted considerable pressure for amendments to be made to clauses 65 and 74 of the legislation. The Opposition has given careful consideration to the views put forward in that regard. It appreciates the motivation behind them and the conservation movement's concern about the environment. Naturally they must be balanced against the interests of mining in this State and the need for the development of

mining. It can only develop if those providing money upfront for mining developments can be assured that the rules will not be changed part way through the tenure of their lease. These will be up in 21 years, with extensions to be granted by the Minister. I can appreciate that.

I would like to deal in greater detail with this measure but shall not because of time constraints. However, on behalf of the Opposition I assure the conservation and environment movement that with a change of Government - which the Opposition would like to occur quickly - we will arrange for public forums where the conservation movement and the mining industry can discuss whether there is justification for changes to be made for greater accountability on environmental matters. Earlier I stated that overall I believe that the majority of people in the mining industry are more aware of their responsibility to the environment. That is not to say that all of them are, because clearly at the end of the day elements and companies within the mining industry are interested in the dollar profit over and above consideration of the environment. The parties must be brought together in an effort to reach agreement for the protection of the environment but not to impede the development of mining within the State. Initially the Opposition was of the view that an amendment should be moved to clause 74. However, on further consideration and in the interests of the development of mining within the State, and for the reasons I have just outlined, the Opposition's view is that it should not proceed with the amendment.

As I have received further correspondence since my contribution earlier today, I

return to an earlier measure in the bill. I assume the Minister would have received the same correspondence from CSR Readymix. The letter refers to clause 6 of the bill which prevents a person from prospecting or mining any privately owned mineral on land over which some other person is the holder of an authority or mineral claim irrespective of whether the mineral for which the person prospects or mines is a mineral to which the authority or mineral claim relates. Clause 7 prevents a person from prospecting for or mining any privately owned mineral on any land over which another person is the applicant for an authority or mineral claim unless the person commenced to do so before the application was made.

CSR Readymix put forward the case that extractive resources are generally not encompassed within the definition of mineral and hence within the regulatory regime established by the mining legislation. A mineral called syenite is specified as a mineral under clause 5(1) of the Mining Regulations 1974. CSR Readymix has recently undertaken the project planning, environmental assessment and development application procedures in relation to the establishment of a large hard rock quarry located at Mount Flora, north of Mittagong on the Southern Tablelands of New South Wales. This deposit consists of syenite and will be mined to produce aggregate for the building and construction industry. CRS Readymix has now obtained development consent for this project and work will commence shortly.

CRS Readymix is of the understanding that the administrative arrangements of the Department of Mineral Resources relating to the application of the Mining Act 1973 are such that mining titles are only required for the mining of syenite where the resource is utilised for dimension stone. In such circumstances leases are required for a mining operation. However, where syenite is extracted for the purpose of aggregate, no leases are required. During the course of obtaining project approval for the Mount Flora quarry a commercial competitor sought to utilise its holding of an exploration licence under the Mining Act 1973 to prevent approval for the Mount Flora quarry. CRS Readymix

believes this course of action is an unintended consequence of the provisions of the mining legislation and one which is inimical to the proper development of mining and extractive resources in New South Wales.

CRS Readymix is concerned that the provisions of clause 6 of the Mining Bill perpetuate and enhance this problem. It recognises the difficulty lies not with the provisions of clause 6 itself but in the provisions of the regulations under the current Mining Act 1973. CRS Readymix presumes - and I presume also - that this will form the basis for regulations under the new Act. It requests that the Parliament undertakes a review of the inclusion of syenite as a mineral and to exclude explicitly syenite when utilised for the purposes of aggregate from any definition of mineral under the Mining Bill. I hope the Minister will take that into consideration in preparation of regulations which will be an integral part of this legislation.

Clauses 159 and 161 of the Mining Bill relate to foreshadowed amendments that I have circulated to the staff of the Minister. I propose that after clause 159(2) the following be inserted: "The record must be kept available at the head office of the Department for inspection, free of charge, by members of the public". This relates to the keeping of records and registration, which falls under division 3. It simply means that a record will be freely available to the public for the purposes of inspection. I see nothing wrong with this and I am putting it forward. I hope the Government sees this in the same light and when this bill is further debated in the Committee stage will consider the inclusion of this amendment in the bill. Clause 161 relates to much the same provision, but in regard to registration of certain interests. I propose that the following be inserted

after clause 161(8): "The register must be kept available at the head office of the Department for inspection, free of charge, by members of the public". This is a more open approach. It is probably done now anyway, but the inclusion of this provision in the legislation will ensure that if there is a change of Minister, head of department or departmental official this protection will be afforded the public.

Part 10, division 1, refers to opal prospecting areas. I do not wish to say much on this because this part of the legislation is essentially unchanged from the original Act. Having visited Lightning Ridge - I am sure the Minister for Natural Resources has also done so - I would have to say that it is quite a unique town. The people who work on the opal fields are rugged individuals and very independently minded. It is always difficult to get some unanimity of viewpoint from these people. The previous Minister set up a board there, and there is a code of conduct for landholders, opal miners and prospectors. The board consists of landholders, miners and the like. There is a need for the miners to have greater representation. Those who put this to me feel they are not being represented on this board. We must look at the membership with a view to broadening the board's representation so that there is overall representation for all miners in Lightning Ridge.

Part 11, division 1, deals with the rehabilitation of mining areas. The honourable member for Keira will go into greater detail on this. The department lays down fairly stringent conditions on rehabilitation. I have received correspondence from people concerned about the Baryulgil asbestos mine. It has caused great concern, particularly for the Aboriginal community of that area. The department is currently engaged in rehabilitation that will cost some considerable sum but we must ask whether it will be the Government - in other words, the taxpayers of the State - or the company that will pick up the tab of the rehabilitation. I trust that the Minister will take that on board. Compensation as it relates to these areas - for example, compensation relating to Baryulgil - must be closely considered.

Part 12, dealing with powers of entry, was introduced by the former Minister in the original bill and caused a lot of consternation and understandable concern. That part has been amended. A number of provisions relate to powers of entry, but I hope that the Minister notes that in clause 247 of part 12 at no stage is the owner of the land notified and given power to object. Clauses 249, 250, 251 and 252 should provide that the owner should be notified and given an opportunity to make representations. The Minister represents the National Party, which is supposed to represent the landholders. Members on this side of the House believe that the Labor Party is the more true representative of all the people, whether they be landholders in the country or people in city areas. For the above not to be taken into consideration by the Government would be an abrogation of its responsibility to the constituency it represents in that area. In the intervening time between now and when the bill is further debated next week, I sincerely hope that the Minister considers the provisions of the above clauses and may be prepared to move an amendment.

Part 14 deals with royalties. In the last budget the overall royalties received by the State amounted to $155 million. It is estimated that this year the State will receive $145 million. The majority of royalties were from coal. This indicates that, despite the number of other minerals mined, we do not receive much from them in royalty payments. I am not proposing that we should increase the royalty payable on minerals, but there is a need to look at the overall question of royalties and to check that those who are required to pay royalties are paying them. Part 16, dealing with the Geological and Mining

Museum, transfers from the old legislation unchanged. There is no provision in section 348 for outside staff of the Geological and Mining Museum Trust, even though the museum basically has been privatised. In fact, there are 27 positions, 15 of which are classified as managers, who are all outside staff. I question whether what is happening at the Geological and Mining Museum is in accordance with the legislation. I would like to know on what basis the outside staff are employed. For lack of time I shall not pursue that further, but the privatisation of the museum is of some concern, particularly as it has collections, such as the Chapman collection, that have largely been given to the mining museum. Money was paid to Chapman for the collection, but nowhere near the amount that was due to him.

In part 17, clause 362 deals with excluding from personal responsibility geological staff who go on to properties. This matter has been the subject of representations by me to the Minister. Staff from the Department of Mineral Resources who go on to properties carry out work that might require rock to be dynamited in order to obtain samples. If those staff cause damage, they are not protected under the legislation. The proposed legislation has no additional provisions in that regard than did the existing legislation. I seek from the Minister assurances that Department of Mineral Resources staff who are required to carry out that type of work will be protected. It has reached the time at which I indicated to the Leader of the House he should give me a sign by dragging a finger across his throat to signify that I should finish my contribution. I would like to say much more and a lot more should be said about this proposed legislation. By and large, except for the matters to which I have referred, the Opposition is not in disagreement with the bill. Nevertheless we are concerned about some of its provisions. The environmental movement also has concerns about it. We would be abrogating our responsibilities if we failed to address those issues.

I hope that in his reply the Minister will address the issues raised by Mr Terry Willis of Walgett. I am sure he would have written to the Minister as he did to me. In his correspondence he has referred to clauses of the bill that he believes do not give rights to landholders. I have considered his correspondence and examined the legislation.

Though I understand his concerns, I do not necessarily accept what he is putting forward or that the matters he raised are justified by what might have happened or what will happen, especially in regard to the clauses dealing with opal mining. Another person who has corresponded with me is Mr Bert Frecklington who has been the subject of representations I have made to the Minister. I should like to deal in greater detail with his concerns but am mindful of my commitment to complete the debate. The Opposition is not opposed to the legislation. At the Committee stage we will move a number of amendments. I hope the Government will consider them and accept them without requiring the Committee to divide.

Debate adjourned on motion by Mr Jeffery.

House adjourned at 11.3 p.m.