

## LEGISLATIVE ASSEMBLY

Tuesday, 30th June, 1992

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**Mr Speaker (The Hon. Kevin Richard Rozzoli)** took the chair at 2.15 p.m.

**Mr Speaker** offered the Prayer.

### ICAC REPORT ON INVESTIGATION INTO THE METHERELL RESIGNATION AND APPOINTMENT

#### Personal Explanation

**Ms Moore:** I seek to make a personal explanation.

**Leave granted.**

**Ms Moore:** On 24th June in his speech on the Independent Commission Against Corruption report into the Metherell resignation the honourable member for Vacluse claimed, among other things, and I quote, that Clover comes cheap, there is nothing you cannot achieve with Clover without kicking in a thousand bucks to her election campaign. Further on he said, "Clover comes cheap. There is nothing that a \$1,000 donation to her campaign cannot fix." I realise that I spoke in the debate after the honourable member for Vacluse but I was not in the Chamber when he made his extraordinary allegations. I was in my room preparing material for my speech and had taken the rare step of turning off my monitor. Although I had been informed about his remarks and had referred to them when I spoke, it was not until I saw his comments in the *Sydney Morning Herald* on 26th June that I saw the full content of his scurrilous lies. This is the first opportunity I have had to make a personal explanation. I find the comments grossly offensive and totally untrue. They impinge on my integrity both personally and as a member of Parliament. Indeed, I have had a reputation for 11 years of taking on developers, championing the rights of residents, fighting for public open space and a better urban environment. Therefore I seek a withdrawal and an apology from the honourable member for Vacluse.

**Mr SPEAKER:** Order! The House accepts the personal explanation. The member for Vacluse is not in the House.

#### BILLS RETURNED

The following bills were returned from the Legislative Council without amendment:

Financial Institutions (New South Wales) Bill  
Financial Institutions Commission Bill

#### MINISTRY

**Mr FAHEY:** I wish to inform the House that the Minister for Planning,

Minister for Energy, Minister for State Development, and Minister for Tourism will be represented in this House by the Minister for Conservation and Land Management; the  
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Minister for Police and Emergency Services will be represented by the Minister for Justice; and the Minister for School Education and Youth Affairs will be represented by the Minister for Transport, and Minister for the Environment.

## QUESTIONS WITHOUT NOTICE

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### TRANSPORT PORTFOLIO STAFF CUTS

**Mr CARR:** My question is directed to the Minister for Transport, and Minister for the Environment. Of the 7,000 jobs planned to be cut in the Minister's portfolio, how many will be saved as a result of the Premier's job freeze?

**Mr BAIRD:** Yesterday I announced in fact a six months freeze on new rail job cuts in country areas, as distinct from the city. This is to be reviewed during the next few months. In other words, no new positions will be identified for abolition during the next six months. The fact is that State Rail had plans for a number of staff reviews of rural regions during the coming weeks. Those reviews have now been halted, giving rail staff in the country greater job security. However, existing programs which have already been identified for job reductions, such as Trackfast, will proceed, and where staff in country regions seek voluntary redundancy, their applications will be considered on a case-by-case basis by the State Rail Authority. In addition, natural attrition and non-replacement of jobs will continue. Obviously this freeze in the State Rail Authority will be extended in line with any general staff freeze imposed by the Government. There is no doubt there have been many benefits from the Government's general economic reform program, which is in line with the Inter-State Commission and the Federal Government's recommendation. As I have said, it is clear that I have now stopped the review program planned for the next six months in country areas.

### STATE CREDIT RATING AND DEBT

**Mr LONGLEY:** My question without notice is to the Premier, Treasurer, Minister for Industrial Relations, Minister for Further Education, Training and Employment, and Minister for Ethnic Affairs. What action is the Government taking to protect the triple-A rating held by New South Wales? In particular, what steps are being taken to contain the State's debt?

**Mr FAHEY:** I thank the honourable member for his question which gives me an opportunity to make it absolutely clear that the Government is committed to the continuation of the medium-term budget strategy. The reason for that is that not only is this strategy the correct one, but also it is the only way that New South Wales will retain its triple-A rating. The retention of that rating is not merely a matter of academic interest but is or should be of vital concern to all of us. I know that the Leader of the Opposition in a recent speech actually endorsed this objective and I thank him for that endorsement. The loss of the triple-A rating could seriously harm business and consumer confidence in this State and hence jeopardise economic recovery and employment prospects. The clear evidence is that the crucial factor that explains the better economic performance of New South Wales relative to Victoria and South Australia is the more buoyant level of consumer and business confidence. In significant part, this reflects the sounder position of this State's finances.

During the past three or four years New South Wales has had to absorb enormous fiscal shocks. Between 1987-88 and 1991-92 Commonwealth financial assistance grants and general capital payments to New South Wales have been slashed in real terms by \$1 billion. This reflects both the overall decline in the level of Commonwealth funding and the reduced share allocated to New South Wales in order to prop up the smaller States and Territories. Also, New South Wales has experienced a massive real decline in property revenue. From the peak year of 1988-89 to 1991-92, property revenue has declined in real terms by \$800 million. Despite these fiscal shocks, which total more than \$1.8 billion in real terms, the Government has been able to minimise the adverse impact on the budget by its strategy, which includes targeted portfolio and productivity savings, targeted reduction in capital outlays, selective increases in State taxes directed at minimising the impact on industry and commerce and hence on jobs, and substantial increases in contributions from government trading enterprises through increased efficiency.

Consideration was given to framing the 1992-93 Budget to further productivity and portfolio savings above and beyond those already built into the budget forward estimates. However, it has been decided not to impose further budget cuts on agencies but to consolidate our existing savings strategies. Instead, the Government has addressed its budget difficulties, caused by factors beyond its control, through the tax package announced after the recent Premiers Conference. The savings strategies set out in the 1992-93 Budget will be pursued in order to improve further the efficiency and effectiveness of the New South Wales public sector. This process will not be accelerated. Agencies will be encouraged to continue their efforts to improve efficiency and service outcomes by the established strategies of corporate support rationalisation, contracting out and the targeted application of user charges. Provided agencies achieve the target savings already incorporated in the forward estimates, they will now be able to retain 100 per cent of any additional savings generated by corporate support rationalisation, contracting out and user charges.

The Government's strategy will achieve significant, positive results. First and foremost, it will avoid a deterioration in the debt position. Indeed, in combination with the GIO and further privatisations, it will achieve a significant real decline in debt as a proportion of gross State product. Second, the budget strategy should retain the triple-A rating for New South Wales which will underpin strong business and consumer confidence and in turn assist economic activity and employment. Third, the strategy avoids any additional cuts in funding for agencies. Agencies will be able to consolidate and, at the same time, have incentives to achieve efficiencies and reallocate the funding to emerging priorities. In other words, this particular strategy will mean that the savings obtained through the efficient management of those agencies will be kept by the agencies and will surface by way of additional service and benefits to the community. That is, of course, what is essential at this point in time. Honourable members will see that the Government's financial strategy is a highly responsible one that will deliver a range of benefits to the people of New South Wales.

#### **MEMBER FOR WAKEHURST: INHERITANCE**

**Dr REFSHAUGE:** My question without notice is directed to the Attorney General, Minister for Consumer Affairs, and Minister for Arts. When did the Minister become aware that the honourable member for Wakehurst was the sole beneficiary of Mrs Kitty Lawson's million dollar estate? Was this the reason the Minister refused to pay the honourable member's legal costs arising out of the Metherell affair? Will he

order a full review of this case and seek an inquiry by the Minister for Police?

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

**Mr COLLINS:** The honourable member for Wakehurst raised the matter with me a couple of days ago, when it became evident that the "7.30 Report" proposed to do a story on this matter. I saw that story go to air last night, as did officers of my department. I am advised that nothing emerged from the "7.30 Report" last night which suggested any improper conduct on the part of the honourable member for Wakehurst and no evidence has been advanced which would suggest the need for me to take any action whatsoever as Attorney General. Also I would remind honourable members that, under the Legal Profession Act, it is open to any person to make a complaint if it is believed that a barrister or solicitor has engaged in professional misconduct or unsatisfactory professional conduct. That complaint, of course, should be made to the Law Society. There were two supplementary parts to the question. As I recall, the answers are no and no, to each of these. The first supplementary question was: was this a matter I took into account in relation to the decision which I made? I want to say to the House now that the decision I made was one which I took totally independently and irrespective of any political outcome that it might have. I acted totally independently.

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

**Mr COLLINS:** I am pleased with the resolution of that issue which was offered last week by the honourable member for Wakehurst. It is not easy for an Attorney General to take a decision which obviously reflects adversely on any of his colleagues. It was a decision that grieved me considerably and I am delighted that the honourable member for Wakehurst has been totally cleared by the Independent Commission Against Corruption inquiry. I am delighted also with the honourable member's decision last Thursday to drop further consideration of any claim he may wish to pursue. In doing so, the honourable member for Wakehurst has put the public interest above his own. I have already given an answer to the third question as to what action should be taken. The answer to that part of the question was no. If honourable members have any information that they believe should be inquired into -

**Dr Refshauge:** On a point of order. Obviously the Minister did not hear the final part of the question which was whether he will seek a police inquiry from the Minister for Police and Emergency Services.

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

**Mr COLLINS:** That churlish point of order, typical of all points taken by the Deputy Leader of the Opposition, really emphasises what this question is all about. I did hear the question and, as I said, the answer is: no. I repeat that if honourable members have any information they wish to bring to the attention of the appropriate authority, the Law Society of New South Wales is the body to which that information should be addressed. It would be completely improper to involve the police at this stage. To my knowledge no such information has been brought to the attention of the Law Society.

#### **LOCOMOTIVES CONSTRUCTION**

**Mr GLACHAN:** I direct my question without notice to the Minister for

Transport, and Minister for the Environment. Has the State Rail Authority yet finalised the power by the hour contract for the construction of more than 80 locomotives? Will the bulk of the locomotives be built in New South Wales? How many jobs will be created as a result of this initiative?

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**Mr BAIRD:** I thank the honourable member for Albury for his question and his obvious interest, as chairman of the Government's transport committee, in these matters. Today we can put to bed another furphy by the honourable member for Kogarah. Honourable members may recall questions by the honourable member for Kogarah and the Leader of the Opposition asking whether the Government was about to import secondhand locomotives from the United States of America. They continue to peddle the lie when in fact it was never considered.

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

**Mr BAIRD:** Ever ready Langton, ready with his electric buses! Under this Government transport services have improved dramatically. An additional 14 million passenger journeys and 5 million tonnes of freight are being carried by the system. As part of the Government's aim of increasing the share of the freight market, the locomotive fleet of State Rail is being re-equipped. State Rail will award a \$500 million contract to a consortium of Clyde Industries, EMD and Citibank to acquire a total of 84 new locomotives. The bulk of them will be built in New South Wales. This will create hundreds of new jobs. Historically, State Rail freight operations has always bought, operated and maintained its own locomotives. Under this new deal State Rail will lease the locomotives from the consortium and pay for their use on a kilometre basis. This power by the hour arrangement is used commonly in the United States of America and will ensure that the locomotives are available at all times for State Rail's freight operations. It is estimated that this leasing arrangement will save State Rail and the Government \$60 million over the 15-year life of the contract.

The State Rail Board advised the Government that its commercial decision would be to import all 84 locomotives from the United States, which provides a special export subsidy to keep the prices down. The Opposition's Federal mates should review the situation whereby local manufacturers receive no financial assistance although the United States Government is handing out large amounts to keep contracts. The New South Wales Government has taken the view that the benefits of building the bulk of the locomotives in New South Wales outweigh the price differential. I have therefore directed the State Rail Authority that 55 3,000 horsepower locomotives should be built at the Clyde Engineering plant at Bathurst. This will create more than 400 jobs throughout New South Wales. The honourable member for Bathurst more than anyone else on the Opposition benches criticises transport job reductions. We want to make sure that when next he issues his press release he congratulates this Government.

More new jobs will be created by this contract than ever were lost through State Rail rationalisation programs, and the honourable member for Bathurst knows it. This will be a great boost for Bathurst and surrounding areas. A total of 126 jobs will be created in Newcastle and 52 in Sydney. In addition, this contract will ensure continuing work for many small subcontracting companies in the engineering industry, thus protecting hundreds of other jobs. An economic analyst has estimated that domestic manufacture will bring benefits of at least \$44 million. It is important to recognise that these are not merely jobs created for their own sake. They will provide real benefits. Because of their enormous size and the required delivery time the remaining 29 4,000

horsepower locomotives will be imported from North America. However, there is no doubt that the main beneficiary from this contract will be New South Wales and the coal industry. These new locomotives will have the capacity to carry the largest coal trains ever seen in New South Wales. This Government's philosophy is that authorities such as the State Rail Authority should act commercially and should not be forced to wear the financial costs of decisions made by the Government for broader economic reasons. The  
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Government has made the decision to compensate State Rail for the additional financial costs of those locomotives to be constructed in New South Wales. It is good news for New South Wales. It will create 400 additional jobs at a time when the Federal Government is destroying jobs. The Government is pleased to see these contracts come to New South Wales. They will regenerate State Rail's freight activities and allow greater productivity.

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

**Mr BAIRD:** It will allow greater productivity in coal and freight operations, and will make the New South Wales coal industry more productive.

#### **MEMBER FOR WAKEHURST: INHERITANCE**

**Mr KNIGHT:** I address my question without notice to the Attorney General, Minister for Consumer Affairs, and Minister for Arts. Will he investigate allegations that friends and neighbours of the late Mrs Kitty Lawson received unsolicited cheques amounting to \$5,000 from the honourable member for Wakehurst after they had made inquiries of him about her estate, from which he received a \$1 million windfall?

**Mr COLLINS:** Honourable members have become accustomed to the honourable member for Campbelltown throwing buckets in this Chamber.

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

**Mr COLLINS:** No doubt that was the price of admission to the right-wing of the Labor Party. I would have thought he had paid his admission by now, but it appears not.

**Dr Refshauge:** It is a high transfer fee.

**Mr COLLINS:** As the Deputy Leader of the Opposition said, it is a very high transfer fee. He has never said a truer word. In referring to the answer I gave earlier, I suggest to the honourable member for Campbelltown that if he or any of the people to whom he has referred have any information to substantiate the totally unbased claim that he has made today, such information should be brought to the attention of the appropriate authority which, in the first instance, is the Law Society of New South Wales. That is the body which should in the first instance determine whether there has been improper conduct. As we have seen so often, the honourable member for Campbelltown is used to making colourful and unsubstantiated claims in the Chamber. We wish him well in his future with the right-wing of the Labor Party. I am sure that the qualities he has demonstrated again today in this Chamber will be deeply missed by the left.

#### **FAR WEST DROUGHT ASSISTANCE**

**Mr SMALL:** I direct my question without notice to the Minister for Agriculture and Rural Affairs.

**Mr SPEAKER:** Order! The House will listen to the question in silence.

**Mr SMALL:** In view of the Minister's recent three-day inspection of far western New South Wales, which is so badly drought stricken, what action will the Minister take on behalf of primary producers?

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**Mr ARMSTRONG:** It gives me no joy to announce today that some 68 per cent of the State's land mass will be drought declared from midnight tonight. That is the largest area declared since the drought began in January 1991. It includes all the Western Division, western Riverina, the western portion of the Central West, most of the northwest, and the Northern Tablelands. There has been insufficient autumn and winter rain to promote winter pastures and not enough winter grazing crops to ease the pressure on those pastures. Wheat sowings at this stage are estimated to be 1.5 million hectares, about equal to the small sowings of last year. If there were to be good rains during the next couple of weeks, an additional 1.5 million hectares could be sown to bring levels up to the normal crop. At the Agricultural Council meeting in February, in discussing a draft drought policy the Commonwealth Government accepted that it had a role to play in providing assistance during extreme drought and also agreed to do the following:

- consider introduction of tax measures to prepare for drought, encourage land care activity and improve Income Equalisation Deposits; and
- fund programs to encourage whole farm planning, information and advisory services, training, drought forecasting and research and development.

The Commonwealth must now accept that there is extreme drought in New South Wales. In most of the drought-affected areas there is a crisis of income and cash flow for farmers, graziers and small business people in towns. The wool market indicator this month slumped from 596c to 542c. About 3.5 million sheep have literally disappeared from the Western Division during the last 18 to 20 months, leaving a drop of 30 per cent in the flock. As the question indicated, recently I undertook a three-day inspection of the far west and spoke with about 100 graziers and their wives, shire councillors, members of the National Party, townspeople, and so on. I am pleased that the Federal Minister for Primary Industries and Energy, Minister Crean, accepted my invitation to visit the west following my visit to the region. It is a pity that he could not stay longer than three hours to look at the worst drought west of the Darling for 40 years.

This Government recognises that the gross value of agricultural production is more than \$6 billion a year, having a multiplier effect of up to four to one. The Government has outlaid \$21 million so far in combating this drought. Fifty per cent of that was for transport subsidies for livestock for agistment, further agistment and return to property. Fifty per cent of subsidies were spent on the movement of fodder and water. The New South Wales Government provides by far the most generous package of drought assistance of any government in Australia today. The only Federal input has been through the Rural Assistance Authority in the following categories: part A, carry on; part B, drought, short-term prices; and part C, exit, which is for farmers wishing to leave the land. The New South Wales Government has revamped the Rural Assistance Authority. It has lowered administration costs by \$4 million and has achieved a much faster turnaround of applications for assistance than there has been in any previous severe

drought in this State.

I am considering a request from a number of organisations, not the least of those being the Western Pastoralists, the Shires Association of the Western Division of New South Wales, the Country Womens Association and the New South Wales Farmers Association, to lead a delegation to Mr Crean at the first available opportunity. We will be seeking a commitment to revise the interest equalisation deposit scheme in order to restore a meaningful taxation base, increase the present 61 per cent component of deposit on which interest is payable to 100 per cent and to offer an attractive rate of interest on those deposits. We will be asking that, once the drought breaks, new incentives to rebuild herds and flocks be made available by the Commonwealth to underpin confidence  
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in the Western Division in particular. Given the seriousness of the drought in New South Wales, it may now be time for the Federal Government to reconsider its blanket opposition to allocating funds for transaction-based payments for livestock, fodder and water.

The outburst of the Leader of the Opposition is classic. He fails to give credible support to farmers and graziers in drought-affected areas. A statement made earlier this month by the Leader of the Opposition served only to make a fool of him and the Opposition. He tried to attract some very cheap headlines at the expense of those affected by the drought, saying that \$60 million in funds were unused by the Rural Assistance Authority. The Opposition knew that that was an absolute lie at the time. The Leader of the Opposition rang a number of media people. Many of them rejected him because they knew that he was lying. He could not think of one thing to say other than to try to lie to people and, in this time of most serious drought, to take advantage of their unfortunate circumstances in cash flow, in trying to keep children at school and to maintain properties and livestock. The Leader of the Opposition chose to peddle a spurious, damnable lie.

In fact, the Rural Assistance Authority has outlaid \$45 million in the nine months to March. The Opposition's claim that an amount of \$60 million was unused by the RAA can be explained by the fact that half was a repayment to Treasury from previous loans. It was a book entry in May. The other half of the funds was committed to farmers. The Leader of the Opposition was unable to comprehend that payments are made to farmers over a period of three years to reduce interest on commercial loans. Sixty-five per cent of applicants for assistance have been successful this year under our policies, which have been espoused by the Rural Assistance Authority. It is time for the Opposition to decide to be a little fair dinkum about matters that occur in the western part of New South Wales. If the Opposition is not prepared to speak to people in the Commonwealth Government, to ask for a little reasonable assistance and to try to have an understanding of the situation, it should at least stop lying and misleading people. I ask the Opposition to consider that the only country member it has, the honourable member for Broken Hill, has had to apologise for the lying, cheating and deceit of the Opposition in trying to use drought-related issues to achieve cheap, but spurious, political points.

#### **MEMBER FOR VAUCLUSE**

**Mr WHELAN:** My question without notice is directed to the Premier, Treasurer, Minister for Industrial Relations, Minister for Further Education, Training and Employment, and Minister for Ethnic Affairs. Can the Premier explain the absence of the honourable member for Vacluse from the Chamber today? Is he defying the Premier's direction that he make peace with the Independent members? Will the Premier insist that he attend upon his rightful place in the Chamber and make the apology sought?



**Mr Scully:** He is a grub.

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

**Mr FAHEY:** I have just heard the honourable member for Smithfield interjecting, calling the honourable member for Vaucluse a grub. He would know exactly what a grub is because he has himself demonstrated this conduct on numerous occasions. All honourable members know that whether they are in the Chamber at a particular time

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during session is a matter for individual members and their electorates to take notice of. I cannot add anything more except to say that I am not aware why the honourable member for Vaucluse is not in the Chamber. I did not know of his absence until prior to question time.

### **ETHNIC COMMUNITY TRAFFIC RULES INFORMATION**

**Mr COCHRAN:** I ask the Deputy Premier, Minister for Public Works, and Minister for Roads whether he is aware that most of Australia's migrants settle in New South Wales. If so, what action is the Roads and Traffic Authority taking to ensure that new settlers are familiar with the State's road rules?

**Mr SPEAKER:** Order! There is far too much interjection in the Chamber. I call the honourable member for Cabramatta to order. I call the Deputy Leader of the Opposition to order. I call the honourable member for Drummoyne to order. I call the honourable member for Londonderry to order. The number of interjections in the Chamber is unacceptable. From now on any member who interjects will be called to order. I ask all honourable members to co-operate to enable question time to proceed in an orderly fashion.

**Mr W. T. J. MURRAY:** I thank the honourable member for Monaro for his question, especially in the light of his very sound representation of the people of Queanbeyan, many of whom are in this particular category. Australia is a multicultural society with more than 30 per cent of its population drawn from English speaking backgrounds.

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

**Mr W. T. J. MURRAY:** The honourable member for Cabramatta has given credence to the statement I made about him some time ago. I now add the comment that he is also being totally irrelevant.

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

**Mr W. T. J. MURRAY:** The coalition aims to ensure that no group or individual is disadvantaged regardless of their language, ethnic, racial, or cultural background. Therefore the inability to speak or read English is not a bar to obtaining a driver's licence in New South Wales. Services provided by the Roads and Traffic Authority for people who have difficulty with English include interpreters, language aids, translators and multilingual publications. In the 12 months leading up to March this year, almost 4,000 interpreter-assisted knowledge tests were undertaken in New South

Wales motor registries. These services ensure that everyone has a complete understanding of how to use roads safely, regardless of the language they speak. However, all this would change if the Opposition ever came to government. The Opposition, through its spokesman for roads and transport, has pledged that upon election to government it will ensure that all licence tests will be conducted in English. The shadow minister, who is now turning his back on the people in this State who are of other than English origin, is making it clear that he will impose upon those people the condition that they will not get a licence unless they can speak fluent English. In a letter to a constituent, the Opposition shadow minister for transport outlined Labor's intent to disadvantage people from non-English speaking backgrounds. Perhaps the honourable member for Cabramatta should now be interjecting

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to suggest that the honourable member for Kogarah is in fact opposed to what he wants to happen - although I note that he has been silent about his own party's operations. This policy, espoused by Labor and promoted by its shadow minister for transport, would only drag Australian society back to the bad old days when discrimination against non-English speakers was regarded as the norm. The statements of the honourable member for Kogarah have no place in a multicultural society -

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

**Mr W. T. J. MURRAY:** - particularly as Sydney embarks on a campaign to secure the Olympic Games in the year 2000. Australia has benefited enormously from the skills that people from non-English speaking backgrounds bring to our shores. The resolve of any government or Opposition to discriminate against non-English speakers on the basis of language would be interpreted as a denial of one's right to speak even one's own language. It is obvious to any fair-minded person that the consequences of promoting an English-only policy would be disastrous for the State's economy and result in New South Wales being ridiculed by other nations and States. The RTA provides an excellent service for people from non-English speaking backgrounds to ensure they have the knowledge and ability to be able to drive on the State's roads. For example, the RTA is currently involved in a number of activities targeting non-English speakers. Through the ethnic press, a special campaign has been designed to improve the level of road safety among people from non-English speaking backgrounds. The campaign focuses on seat belt wearing, drink-driving, bicycle safety, speeding, driving skills, driver fatigue, pedestrian awareness and translating and interpreting services available for non-English speakers. The department has targeted these particular areas, including newspapers published in Arabic, Cambodian, Korean, Laotian, Spanish, Turkish and Vietnamese. Perhaps even the honourable member for Cabramatta might like to write to and thank the RTA for its consideration.

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

**Mr W. T. J. MURRAY:** The RTA is also producing a special information kit for distribution to the 50,000 new settlers that come to this State each year. The kit will assist those people to learn about road safety in this State. It will be available not only in the languages I have mentioned but also in English so that those people from other nations can have the benefit of that program. The Opposition's policy is a denial of free speech and is a disgraceful attack on every ethnic person in this State. If the shadow minister for transport had any courage at all, he would withdraw in this Parliament the Opposition's most insidious attack.

## **MEMBER FOR WAKEHURST: INHERITANCE**

**Mr NAGLE:** I direct my question without notice to the Attorney General, Minister for Consumer Affairs, and Minister for Arts. Will the Minister investigate allegations that the honourable member for Wakehurst refused to allow his client, Mrs Kitty Lawson, to keep a copy of her will which bequeathed a rich inheritance to him? Did he in fact tear up her copy in front of her?

**Mr COLLINS:** This really is amateur hour this afternoon. The honourable member for Auburn may have become a little rusty in the intervening days that the House has not been sitting, but he knows that the appropriate forum to which to make this type  
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of allegation is the Law Society of New South Wales. I do not have anything to add to that comment. The honourable member for Auburn and the honourable member for Campbelltown are wasting the time of this House by making these sorts of unsubstantiated allegations purely for political motives. If they had the evidence on which they purport to base their questions, such evidence would be better placed in the hands of the Law Society, where any action could be taken were it necessary. It is a case of put up or shut up. If the honourable member for Auburn has any evidence, he should give it to the Law Society so that it can be investigated. The honourable member for Auburn knows better than any other Opposition member who has asked a question this afternoon that that is the proper procedure to follow.

## **OPPOSITION HEALTH POLICY STATEMENT**

**Mr SMITH:** I direct my question without notice to the Minister for Health Services Management. Is the Minister aware of a recent health policy statement by the Opposition Leader? If so, has any estimate been made of the cost of introducing that policy?

**Mr PHILLIPS:** I thank the honourable member for Bega for his question. It is interesting to note where questions about the running of this State are coming from and also the types of questions asked by members of the Opposition - an Opposition that continues to try to take the Parliament deeper and deeper into the gutter. I should have thought that the Deputy Leader of the Opposition, the shadow minister for health, would want to ask me a question about employment in the health service or about some of the problems confronting the health service of this State. But he, like his colleagues, wants to stoop into the gutter with allegations about members of this Parliament. It took the honourable member for Bega to ask me a question regarding health services. The Australian Labor Party, at its recent conference, put on the table its grand plan to improve health services. As I listened to the radio and television reports and read the newspapers and the press releases I was interested in what policies the Opposition had that the Government might have overlooked in terms of delivering improved health services to the State. Nowhere in the policy was a vision of how to improve health outcomes of the people of the State. Nowhere was there a plan to overcome the shortage of funding from the Federal Labor Government to this State. The level of funding has been cut back as compared with previous years.

What was the magic policy plan? First, Liverpool and Nepean hospitals were to be fast tracked. That is very honourable. In 12 years of government Labor did nothing about Liverpool and Nepean hospitals. When the coalition came into government in 1988, in spite of heading into a recession, it embarked on building those hospitals. Labor said that it would take money from the casino to fast track the hospitals. This Government is already building the hospitals and it has promised that the income from

the casino project will go towards health services. Labor fails to acknowledge that the first sod has not even been turned for the casino. It is unlikely the casino will be built and its first year of income produced before we have finished building Liverpool and Nepean hospitals. Labor also overlooks where the recurrent funding for the hospitals being built in the west will come from. About \$100 million will be required.

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

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**Mr PHILLIPS:** Where will Labor get that money up front? Blue sky? It proposes to use money from the casino to build the hospitals but it does not have a plan for providing recurrent funding.

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

**Mr PHILLIPS:** I thought Labor could probably do a bit of grandstanding to make up for its failures of the past, but let us look at some of the other promises.

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

**Mr PHILLIPS:** The Opposition has stated that it will construct a public hospital at Port Macquarie at a cost of \$55 million. On the road to Damascus it suddenly realised that the people of Port Macquarie needed a hospital. The Government has also realised that. But capital is not available to give priority to the building of that hospital. I want to know from the Opposition what projects it would slow down or defer to build the hospital at Port Macquarie, and when it would build it. It has refused to give the people of Port Macquarie the date when the hospital would be built. The Opposition has failed on that project as well. Another wonderful policy the Opposition has come up with is a 50 per cent increase in day surgery. Everyone knows that in February of this year the Government printed a vision statement which clearly stated that by the end of this decade 40 per cent of all operations will be done in day only surgery. This is one of the great changes happening in health care. In the past 12 months there has been an 11 per cent increase in day surgery. There is nothing new about that policy. The Opposition has provided no great vision about health care in the State. A great management initiative from the other side was not closing beds during the Christmas and Easter periods! What a crazy decision! About 11 per cent of beds are closed during the Christmas and Easter periods. Why? Surprise, surprise, people do not really want elective surgery at Christmas and Easter.

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

**Mr PHILLIPS:** Doctors and nurses also like to have holidays at those times. Everyone knows that deferment of holidays by staff during those periods would cause enormous disruption.

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

**Mr PHILLIPS:** If the specialist teams involved did not take holidays at Christmas and Easter, there would be enormous disruption at other times of the year. The practice for many years has been to cut back on services during Christmas and Easter so that the system may be run more efficiently at other times. That is obviously good

management. Were there any other promises from the Australian Labor Party? No. That was its great vision for the State. The Government is covering nearly all the points involved. But the Opposition is going to find a magic bag of money from somewhere to accelerate the building of hospitals and do things faster than at present. Perhaps Opposition members should make representations to their Federal colleagues. If the Federal Government lived up to its promises on health care, we would have \$250 million a year for health funding. The Federal colleagues of honourable members opposite are cutting health care funding to this State. Opposition members should be seeking to influence their Federal colleagues.

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## **PETITIONS**

### **State Bank Mount Druitt Branch**

Petition praying that the Mount Druitt branch of the State Bank of New South Wales is retained, received from **Mr Amery**.

### **Werrington Public School Support Unit**

Petition praying that special services and facilities for handicapped children at Werrington Public School Support Unit not be curtailed, received from **Mr Gibson**.

### **Serious Traffic Offence Penalties**

Petition praying that laws relating to road accident fatality or injury be re-evaluated, received from **Mr Downy**.

### **Tarro Accident Black Spot**

Petition praying that the black spot at the intersection of Anderson Drive and the New England Highway at Tarro be eliminated, received from **Mr Price**.

### **Newcastle to Central Coast Rail Services**

Petition praying that rail services on the Newcastle to Central Coast line be restored and that easy access be provided to platform No. 1 at Fassifern railway station by the installation of ramps to the overhead walkway, received from **Mr Hunter**.

### **Newcastle Rail Services**

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

### **Newcastle Buses**

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

### **Long Jetty Pre-school**

Petition praying that the House object to proposed changes to funding that will

effect Long Jetty pre-school, received from **Mr McBride**.

**Killarney Vale Pre-school**

Petition praying that the House object to proposed changes to funding that will effect the Killarney Vale pre-school, received from **Mr McBride**.

**Bay Village Child Care Centre**

Petition praying that the House object to proposed changes to funding that will effect the Bay Village Child Care Centre, received from **Mr McBride**.

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**Pre-school Funding**

Petition praying that the freeze on the economic needs subsidy for pre-school funding is removed as a matter of urgency, received from **Mr Price**.

**Berkeley Vale Pre-school Kindergarten**

Petition praying that the House object to proposed changes to funding that will affect Berkeley Vale pre-school kindergarten, received from **Mr McBride**.

**Gorokan Child Care Centre**

Petition praying that the House object to proposed changes in funding that will affect the Gorokan Child Care Centre, received from **Mr McBride**.

**Karinya Child Care Centre**

Petition praying that the House object to the proposed changes in funding that will affect the Karinya Child Care Centre, received from **Mr McBride**.

**Balmain Hospital**

Petition praying that the Balmain Hospital remain as a district hospital service providing casualty, medical and surgical beds, received from **Mr J.H. Murray**.

**Balmain Hospital**

Petition praying that Balmain Hospital not be downgraded or closed, received from **Ms Nori**.

**Northern Illawarra Hospital Services**

Petition praying that the proposed redevelopment of Bulli District Hospital be commenced immediately and that there be no further cuts to services or staff at the Coledale District Hospital or the Garrawarra Hospital, received from **Mr McManus**.

**BUSINESS OF THE HOUSE**

**Tabling and Printing of Papers: Suspension of Standing and Sessional Orders**

**Motion, by leave, by Mr Fahey agreed to:**

That, on Wednesday, 1st July, 1992, so much of the Standing and Sessional Orders be suspended as would preclude:

- (1) Ministers from tabling papers after questions.
- (2) The consideration of motions for the printing of papers.

**Private Members' Statements: Suspension of Standing and Sessional Orders**

**Motion, by leave, by Mr Fahey agreed to:**

That so much of the Standing and Sessional Orders be suspended as would preclude the taking of Private Members' Statements at this sitting.

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**Notices of Motion: Suspension of Standing and Sessional Orders**

**Motion, by leave, by Mr Fahey agreed to:**

That so much of the Standing and Sessional Orders be suspended as would preclude the consideration of General Business Notice of Motion (General Notices) No. 15 forthwith.

**THE GOVERNMENT: MOTION OF NO CONFIDENCE**

**Mr CARR** (Maroubra - Leader of the Opposition) [3.13]: I move:

That the Government no longer possesses the confidence of this House.

The present Premier's first declaration to the Parliament and people was that Greinerism is alive and well in New South Wales. So that there could be no mistake about his meaning, his first official act was to confirm the last executive decision of the Greiner Cabinet: the decision to make the taxpayers of New South Wales foot the bill for the Supreme Court action of the honourable member for Ku-ring-gai against the Independent Commission Against Corruption. With that decision, the chain of collective complicity is now complete; a chain forged by this whole Government, link by link, from 11th April, from the day when the present Premier and his colleagues joined the honourable member for Ku-ring-gai and the honourable member for Gordon in a chorus of self-congratulation on the great political master-stroke by which a seat in this Parliament had been traded for a senior public service job worth half a million dollars. By his actions and statements in his first hours of office, the new Premier padlocked that chain of complicity around the whole Government. The Government which meets this House today is a Government in limbo with a caretaker Premier, with a stopgap Premier. It has no legitimacy. There is no prospect for stability. I remind the House of the prophetic words of the former Premier when he introduced the Independent Commission Against Corruption Bill on 26th May, 1988, in this House. He said:

No Government can maintain its claim to legitimacy while there remains the cloud of suspicion and doubt.

I repeat: this is a government without legitimacy, and there is no way such a Government can provide stability. We have the proof of that today. It is now six full days, including

the weekend, since the Premier was installed. Yet he has been unable to reconstruct the Ministry in all that time. The world was created in six days! Already they are referring to the Premier as Fahey the Fumbler. If the carpenter is delaying his work, we can understand his problem when we look at the timber he has got to work with, look at the off-cuts. I suppose it has all been compounded by the latest revelations about the honourable member for Wakehurst. If ever there was a candidate for Minister for Aged Services, it is the member for Wakehurst. He has the will to do it! Let him take charge. For the Premier to refuse to name a ministry able to answer to this House is sheer arrogance - Greinerism is indeed alive and well.

It is precisely the arrogance, precisely the deception and misrepresentation surrounding this affair from its beginning which has provided its extraordinary power to defile and destroy. Deception compounded the original offence at every stage. From 11th April onwards deception became the key. From 11th April the whole Cabinet became party to the cover-up and the deliberate deception it involved, and they are still at it - collectively, individually and, above all, in the person of their chief spokesman, the present Premier. From the hour he was installed, the Premier embarked on a deliberate attempt to rewrite the record through distortions, in their own way distortions every bit

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as reprehensible as those for which the honourable member for Ku-ring-gai has paid such a grievous price. There are calculated purposes behind the continuing deception and distortion; the same two purposes for the present Premier and his Ministers that the cover-up had for his predecessor. These two purposes are: first, to deny involvement and responsibility, and second, to deny that there was anything fundamentally wrong with the appointment at all. They have not learned a single lesson from the whole affair. At least we have some variation on the old epigram "These Bourbons forget everything; but they have learned nothing".

When will they ever learn? Can they never understand, even now, the real offence involved in the Metherell appointment, that a seat in this Parliament was traded for a senior public service job? Can they never understand that the significance of the Temby report is not in the labels he chooses to describe the conduct but his exposure of the true nature of that conduct - a job in exchange for a seat? Can they never understand the reason for the spontaneous public outrage? Can they never understand that what the public required was apology and repentance? Do they yet understand the real reason for the former Premier's downfall? Do they yet understand that it was not only the commission of the original offence, the corrupt bargain itself, but his conduct after it, right down to the last days? Do they not yet understand that the last nail in the former Premier's political coffin was his attitude after the report, that when the ICAC had laid out all the facts and circumstances in the terms requested by this Parliament he tried to deny and misrepresent the whole meaning of the Temby findings. Those are the things, all those breaches of public trust, which led to the downfall of the former Premier, every bit as much as the initial breach of public trust, that is, the Metherell appointment itself. Yet the Cabinet as a whole, and the present Premier in particular, condoned the original breach and connived at every subsequent breach of trust.

They endorsed every breach. They championed every breach. From 11th April to this day they have been in the thick of it, privy to everything, party to everything. In his examination during the inquiry, Mr Temby wrung from the honourable member for Ku-ring-gai the admission that he could have stopped the whole business in its tracks at any time from the outset. His failure to do so, especially after Dr Shepherd's strenuous objections to the point of offering his resignation, should have set every alarm bell going. That constitutes one of the most serious indictments against him. But that indictment, the failure to stop the rot, applies to every member of the Cabinet in relation to the events



since 10th April. At any time after 10th April, it was open to Ministers - individually, collectively, including the man who is the new Premier - to say: "This must stop. This is outrageous. This is wrong". They could have said that at any time. But, what happened? The exact opposite - total support, total approval, total connivance, total complicity. The Cabinet met at Maitland on Tuesday, 14th April, setting the scene well. Maitland was chosen out of all the provincial cities and electorates in New South Wales at a time when this great issue -

[*Interruption*]

The honourable member for The Hills interjects. It is a matter of public record now that the Cabinet last week sent out the message to provide all examples of government investment, of government service in guess which electorate, The Hills. Briefing notes on The Hills have been requested from all ministerial staffs. Perhaps they know something. There was the Cabinet meeting at Maitland - the honourable member for Maitland himself being under some stress at this time. The Cabinet met at Maitland on Tuesday, 14th April and it discussed this affair. We have it on the credit of the Metherell diaries how the Cabinet responded to the discussion of the Metherell affair. The late lamented member for Davidson says in his diaries. "The mood was predictably

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jovial. A political barrier had been removed. Certainly West on Friday night or Peacocke on Saturday were very happy, very happy, being chatty" - and it is not specified whether this is West or Peacocke - "being chatty about his own retirement not far down the track". The point that is relevant, the point that cannot be evaded, is this, the mood at that Cabinet meeting was predictably jovial. A political barrier had been removed. Metherell, with his excellent sources inside the Cabinet, did not say they were distressed, they were on their knees pleading to the then Premier to revoke this outrageous decision. It did not say they were appalled by this behaviour. There was not a whinny of protest. They were behind it all the way. The Deputy Premier could hardly wait to grab a microphone and tell Frank Crook on radio 2BL:

The fact is that there has been a decision made which I fully support and that decision, with Metherell becoming a senior officer with the Environmental Protection Authority, is one that he can do and do it well, and, at the same time there will be a person representing the people of Davidson that they wanted in the first place.

I do not know what that means, allowing for the syntactical flourishes. He was saying that he supported the decision and, again backing the view of the Metherell diaries, Cabinet was with it all the way. There was unanimous support for trading a seat in Parliament for a senior public service position. The then Premier spoke to Alan Jones on radio 2UE, and I quote:

Greiner: I'd say Cabinet overwhelmingly supports the decision.

Jones: Overwhelmingly?

Greiner: Every one of them.

Jones: No rumbles?

Greiner: Yep, not a one.

In the days following, almost every Minister - including that little charmer the honourable member for Vacluse - went on the record endorsing the decision, giving the previous Premier their unqualified support. Throughout the next fortnight, the whole Government went out to mobilise support and to pre-empt any action in this Parliament against the Premier and the then Minister for the Environment. On the eve of the debate here on 28th April to refer the matter to the Independent Commission Against Corruption,

another Cabinet meeting was held on 28th April or thereabouts. The Deputy Premier - how garrulous Wal has been throughout this whole affair - told a press conference, quoted in the *Financial Review* on 28th April:

The Cabinet gave a strong vote of confidence.

Again on the record, the Cabinet backing Greiner and Moore on this affair:

The discussion that took place gave a very clear indication that the Cabinet was just as happy with Mr Moore as it was with the Premier.

The then Premier himself repeated that Cabinet had given him "100 per cent support". He went on to say:

We're going to get on with the business of governing -

How often did we hear that phrase throughout this crisis:

- and let ICAC do its thing as it's meant to do.

This, of course, was a reference to the indication I had given that I would include in my motion of censure on 28th April a call for the Premier to stand aside for the duration of the inquiry. In the light of the treatment they have received since last Wednesday, it is  
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instructive to note the reasons which the Independent members gave for not supporting that part of my motion. The honourable member for Bligh was reported in the *Australian Financial Review* of 28th April as follows:

Ms Moore said yesterday that the Independents were concerned that forcing Mr Greiner and Mr Moore to stand aside would be a "hanging before the trial".

My point is that on 28th April the Independent members went to the limit to secure fair play and justice for the former Premier. They went to the limit. Their reward for that is to find themselves berated by the present Premier for refusing natural justice - for "going to execution before trial" - on the utterly spurious grounds that there is some legal action pending in the Supreme Court.

**Mr Fahey:** There is nothing spurious about that.

**Mr CARR:** It does not take the place of debate and resolution in this Parliament - and the Premier should know that. It is no part of my responsibility to protect the Independent members in this House, although it would be remiss of me not to pay public tribute to the frankness and openness with which the honourable members representing the electorates of South Coast, Manly and Bligh have dealt with me throughout and, I believe, conducted themselves throughout this whole affair. In particular, it is not necessary for me to protect them from the disgraceful and degrading conduct - the political thuggery - of the honourable member for Vacluse. As to the honourable member for Vacluse, I will say, however, that the most serious aspect of his shameful conduct is that it has gone without reprimand, without repudiation by the Premier. I shall give four quotes for the public record:

I welcome that support and that program and that task which he (Yabsley) has given himself.

That was from Premier Fahey, endorsing the honourable member for Vacluse, on 24th June in this Parliament:

Michael Yabsley will continue to play a very important role. He has chosen to look at rorts, to look at corruption, to look at what has been happening that is not right and he will have my full support.

That was the new Premier, continuing to support the honourable member for Vacluse on the "7.30 Report" on 24th June. I come to another quote:

Michael Yabsley has something to say and the right to say it. He had the right to say what he felt as a parliamentarian.

That was the Premier, again failing to rebuke the feral member for Vacluse over his contribution to the ICAC debate. The Premier said it at a press conference on 25th June. Another quote is:

I will continue to expose the Independents for what they are.

That was the honourable member for Vacluse on 25th June, unrebuked by the Premier. A report in the *Australian* of yesterday, 29th June reads:

Former New South Wales Tourism Minister, Mr Michael Yabsley, remained unrepentant yesterday about his provocative attacks on the three non-aligned State Independent MPs. Mr Yabsley would not be drawn on his future role but said he was supported by Mr Fahey in his self-appointed role as watchdog.

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This Premier offered him a seat back in the Cabinet - invited him back in - as a reward for his behaviour and an inducement to see more of it. This is an ominous failure on the part of the new Premier, ominous as to his concept of standards and propriety. It is more than a failure of leadership, a failure to assert decent standards, because the Premier's failure to repudiate the honourable member for Vacluse plainly, forthrightly, unequivocally, is only the other side of the coin of his own conduct, deliberately calculated to continue the deception at the root of this whole matter. The Premier commits a gross falsification by saying in this Parliament and repeatedly in the media that the honourable member for Ku-ring-gai was forced to resign because the three Independent members could not wait six days until the outcome of the Supreme Court action. That is a complete misrepresentation of events. It is calculated deception and its purpose is to hide from the public where the real responsibility for Wednesday's resignation lies. On Tuesday, the honourable members representing the electorates of South Coast, Manly and Bligh acted in all frankness, openly, fairly, honourably. They informed the then Premier, to his face, the course they proposed to take should he refuse to resign, namely, that they would support a no-confidence motion. They gave their reasons. They said all this publicly on the "7.30 Report". They covered the same ground in their meeting in my office at 8.30 p.m. But the decision - to go, to stay, or to stand aside - could only be made by the then Premier. All the options were his.

It was at all times open to the honourable member for Ku-ring-gai to put his case to the Parliament. That was his opportunity for his day in court. This was the proper place to challenge the Temby findings. The honourable member for Ku-ring-gai chose another course and another court, and the reason is clear - not because the Independent members had honourably stated their intentions, but because his own colleagues were not

prepared to face the Parliament with him as Premier. That is why they forced him to resign. The decisive factor on Wednesday morning was not the courage of the Independents - and I acknowledge their courage - the decisive factor was the cowardice of his Liberal colleagues who were afraid of the Parliament and, above all, afraid of the people. The Independent members had stated frankly that their proposed course might lead to a general election. Let there be no doubt where the real responsibility lies for everything that has happened. It lies fair and square with every member opposite, fair and square with every member of the Government; the Ministers who unanimously supported the Metherell appointment; the Ministers who connived at the cover-up; the Ministers who joined with the former Premier in misrepresenting the findings of the ICAC; the Ministers who even now are using the taxpayers' money in a bid to circumvent the findings of an inquiry undertaken at the request of this Parliament.

Responsibility lies with the Ministers, with the present Premier leading the chorus, who persist at this moment in the course of deception and misrepresentation which has characterised the Metherell fiasco from the beginning. However important the Supreme Court action may be to the honourable member for Ku-ring-gai personally, it can have no bearing on the substance of the commission's finding as to the facts and nature of the Metherell appointment. The member's summons against the ICAC relates to legal definitions and powers and specifically whether the Premier of New South Wales is a public official under the terms of the Act. No decision of any court could alter the basic facts that there was a serious breach of public trust; that ministerial guidelines on public service appointments were deliberately, wilfully broken; that a senior position was created against the strongest opposition of a responsible head of department, in clearest breach of the Public Administration Act; that the head of the Premier's Department was pressured into conduct described by Mr Temby as improper; that the whole affair and the subsequent cover-up involved deception and misrepresentation on a major scale; and that a member of this House was induced to exchange his seat for a job.

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There is nothing in the claims before the Supreme Court today which addresses these facts. The Court will not be asked to consider them. No finding of the Court would alter any of these facts. It is for this House and this House alone to consider that position, the perilous position of a Premier and a Government which is the direct product of the Metherell affair, using the term "Metherell affair" as an encapsulation of all the catastrophic events which have engulfed this Government, not merely in the past two months, but since the people last rendered their verdict in May 1991. In a nutshell this Government and this Premier are the child of the Metherell affair. The myth of myths is that until the Metherell affair this was a successful Government, going great guns, doing a great job, expert managers, a united purposeful team, with everything under control, supported by a duly grateful and respectful populace, until all was brought undone by a single error, a little mistake, a political misjudgment, an act of naivety, to use the present Premier's term, and a hiccup, to use another of his terms.

The present Premier excelled himself last Friday on the John Laws radio program. Not only was Metherell to blame for this present crisis, according to the new Premier, but also he was to blame for the last election result. During that program John Laws asked, "You did say that Greinerism is alive and well. I must say that did surprise me because the electorate was not all that crazy about Greinerism in May last year was it?" That is very perceptive. The Premier's response was, "The electorate last year was suffering. We must get the word care into everything that we do in the future. The fact is that as far as I am concerned the things relevant in the last election of May were education. The Terry Metherell factor was very much present in May of last year". I

suppose we should be grateful that the new Premier has disclosed so early his public relations campaign - "we must get the word care into everything". The public of New South Wales will know exactly what weight to put on the word care every time they hear it from the lips of this Premier henceforth. The truth is that the disintegration of this Government began on 25th May, 1991. It had nothing to do with Metherell. It had everything to do with this Government and all its members, past, present and putative. The present Premier encapsulated it all when he said "Greinerism is alive and well." That is the nub of it. Last Sunday the Premier unequivocally told the *Sunday Telegraph* that the direction of the Government was that "all the things that are happening will continue but the packaging from this point on will change".

He underscored his Government's strategy that there will be change "not in the principles, purely the packaging". So it is business as usual. More hospital privatisation, more education cuts and chaos, more asset sales, but this time we are told it is for the good of the people. We now know that the so-called freeze on public sector sackings was merely a weekend promise, so heavily qualified as to be ignored - to be announced in a few months, the Premier said, and only a review process according to his spokeswoman. On the subject of hospitals, only last week the Premier told this House that "of course the operative word is privatisation". Full steam ahead despite the failure of the Port Macquarie experiment. That deal will cost taxpayers an additional \$30 million over 20 years. Even more regions are being added to the privatisation list - Hawkesbury, Albury and Coffs Harbour. In education there will be no change. The Fahey Government will not restore the teachers that the Greiner Government took out of the school system. It will not bring down class sizes or reduce the number of composite classes. It will not reverse the other damaging changes that mean the public of this State is still furious with the attack on education standards inaugurated in mid-1988. The technical and further education system, for which the Premier was responsible as Minister, is still a mess. This year 50,000 people were turned away from TAFE's doors. Next year the number could be as high as 85,000.

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I now mention the other concerns - all the other concerns, about this Government's performance. There is a window of opportunity for the present Attorney General to change the lawyers' monopoly on conveyancing. Today he is rushing ahead with a diluted reform package. We will see with interest how thoroughly that has been diluted by the Premier. In the meantime every environmental group in the State is united in opposition to the National Party's written package of laws that attack the natural environment of New South Wales under the guise of resource security legislation. If honourable members survey all, one conclusion only can be drawn - that is, the Premier is right; Greinerism is alive and well. As I have said - and this cannot be repeated too often - the nub of the Metherell affair was the trading of a Government job for a seat in the House. As I have shown, every member of the Government shares a moral responsibility as the Government is the political beneficiary. As a result of that corrupt bargain, the minority Government has a plurality of one, for the time being, over the official Opposition. Thus this Government's very existence has its roots in conduct which has been found to be corrupt by an inquiry established by the Parliament. Its survival by the narrowest of margins was itself the result of rorting the electoral system. Wherever people had the opportunity, they condemned this Government, and in The Entrance and Davidson by-elections.

If the Greiner Government achieved a mandate of sorts, however flawed and uncertain, where is its mandate now? It does not have a vestige of a mandate. Whatever remained after the by-elections has been swept away; it has disappeared

completely. Where then is the legitimacy of such a government, even based on the narrowest test of numbers? There is no legitimacy. This is a government without legitimacy. There is a much wider definition, a much truer test of legitimacy. It is the test of the people's will. Legitimacy can come only from the will of the people. My challenge to the Government and to the replacement Premier, the stopgap Premier, is to test that will, to test that legitimacy - go to the people.

**Mr FAHEY** (Southern Highlands - Premier, Treasurer, Minister for Industrial Relations, Minister for Further Education, Training and Employment, and Minister for Ethnic Affairs) [3.42]: I had settled in for a long listen, but unfortunately the Leader of the Opposition obviously had little to say after he completed the process of simply extracting quotes selectively from various newspapers - and, I might add, by Independent members in various newspapers, statements which he did not recognise were also made in this House; he did not bother to listen to what they said in this House in debates relating to the Independent Commission Against Corruption matter or the Metherell affair. He selectively took quotes from newspapers and, in a cut and paste job, walked through the events of the past four or five weeks. That is the only contribution he could make to the most serious of all motions that the standing orders allow to be brought before this or any Parliament. That is pathetic, to say the least, and is indicative of the fact that the Opposition has no heart in this motion. Opposition members recognise that there is no legitimacy in the motion and no place at this time in this Chamber. They would not have brought it forward except for the fact that they had announced it would be, long before the House resumed last Wednesday to consider other matters before the Chamber at that stage, matters which flowed from the last session of the Parliament.

Opposition members have taken the opportunity to cause disruption and to endeavour to contribute to instability by making statements in the media of the intention to move no confidence in the Government. That motion will not succeed because it has no substance, just as the Leader of the Opposition has no substance. All the House has heard today is the Bob Carr version of what the Government is doing, an attempt to put together the pieces of rumour and discussions that undoubtedly have taken place in bars

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and hotels when members of the Opposition talk about the events of the day, using their imagination. The smoke and mirrors attempt is alive and well. It is obvious to all that the substance is missing.

There can be no justification whatsoever for a motion of no confidence in my ministry. I remind the House that my ministry had been in existence only for a matter of hours when notice of the motion was given to the Parliament. The Leader of the Opposition spoke of there being no ministry and of the fact that a final ministry has not been announced. That is true, but to suggest that there is no ministry in place is simply a lie. Perhaps it is a big lie. The Leader of the Opposition has no idea of the difference between big lies and small lies. He simply continues to put forward impressions and perceptions that have absolutely nothing to do with the real truth of the matter. He indicated initially in the media that he intended to move a motion of no confidence in the previous ministry when my predecessor as Premier, the honourable member for Ku-ring-gai, was still in office. Neither the honourable member for Ku-ring-gai nor the honourable member for Gordon are members of the current ministry or will be members of the ministry that will be announced within a few days. Accordingly, whatever view is taken of their involvement in what is known as the Metherell affair, it cannot legitimately form the basis of a motion of no confidence in my Government.

Matters relating to the appointment of Dr Metherell to the public sector position were never approved by Cabinet. Anyone who took time to read the extracts of the

Metherell diary would know that. The extracts were quite copious and detailed in respect of all sorts of things, most of which had nothing to do with the matter before the Independent Commission Against Corruption. Members of Cabinet were not asked to approve or endorse the appointment. The Cabinet was informed of what occurred after the event and, accordingly, no members of the present Cabinet can be held to have any responsibility for what occurred. A further reason why the no confidence motion should not have been initiated is that there has not been a proper debate on the contents of the report of the Independent Commission Against Corruption inquiry into the Metherell affair. What occurred in the House last week was nothing more than a sham.

I noted with some interest and in my response to the debate last Wednesday night took to task the fact that the Independents did not follow the instructions of Mr Temby and determine the dismissal process through proper debate in the Parliament. I made it clear that they had given the ultimatum to the former Premier and former Minister for the Environment that they must leave their positions before the House resumed or confidence in the Government could not be guaranteed. The request of the honourable member for Ku-ring-gai and the honourable member for Gordon at that time was that they be given the opportunity, in the final words of the Temby report, for their case to be determined through the appeal process, through the review process, by the highest court in the State, the Court of Appeal. I stand by that. We did not follow Mr Temby. When there was no alternative we dealt with the former Premier and the former Minister in the public arena before we got back to this Chamber for the purposes of making decisions. The loyalty of the honourable member for Ku-ring-gai and the honourable member for Gordon was demonstrated by their sacrificing their own careers in the interests of their colleagues and the party which they represent.

But where were Labor members - the great believers in natural justice and fair play, as they would have us believe - during that time? The Opposition uses the word mate all the time. The word mate of course has many meanings but to me it is symbolic of "I am with you, I will give you a fair go, I will give you every chance because you are my mate". But Opposition members did not open their mouths to suggest in any way

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that, despite the ultimatum by the Independents in the days leading up to the session last week, that the Labor Party - a party that is supposed to believe in honour, fair play and natural justice - would not support the threats being made at that time by the Independents and would be prepared as a responsible Opposition, in line with what this Parliament had determined when it adjourned, to await the findings of the ICAC inquiry. Members of the Opposition, if they had stood up for what this Parliament had determined, would have said, "We will adjourn the House until the Court of Appeal has made its findings". But they were silent and thus condemned themselves. Members opposite should take note of what a former Prime Minister wrote in a newspaper last Sunday about the Opposition's behaviour, about the events of last week and what that means for future public administration in this State.

The Leader of the Opposition said that legal costs should not be paid. He said that the last decision of the Greiner Cabinet was that legal costs be approved. I am sure that the Leader of the Opposition, who seems to believe he knows so much about the happenings of Cabinet, would recognise that that decision was not made by the former Premier, or in his presence, or with any contribution by the former Minister for the Environment. That decision was made by the Cabinet in their absence. The proceedings initiated by the honourable member for Ku-ring-gai and the honourable member for Gordon are important not only because of the parties involved but also because they raise important issues relating to the operation of the ICAC Act and public administration generally. I have no criticisms personally of Mr Temby; I will not make

those criticisms of him personally. But it is reasonable for the individuals concerned to have the legality of the findings of the ICAC report reviewed by the courts. The policy of this and previous governments has been that where assistance has been provided in respect of involvement or appearance before various inquiries, assistance has also been provided in respect of legal proceedings which are reasonably incidental to those inquiries.

As an illustration, the former Australian Labor Party Government agreed to meet Mr Jackson's costs and those of Mr Howard Hilton in respect of their applications to the Court of Appeal seeking declarations that Special Commissioner Slattery was acting beyond his powers. Similarly, members would recall the coronial inquiry into the death of Peter Annitz. Legal issues arose before that coronial inquiry which were subsequently tested before both the Western Australian Supreme Court and the High Court. The Government took the view that, because those issues raised questions which were of public interest and because the legal proceedings were reasonably incidental to the coronial inquiry, financial assistance should extend to those proceedings. That position is analogous to the grant of assistance to the honourable member for Ku-ring-gai and the honourable member for Gordon. It ill suits the Leader of the Opposition, who after all had his costs met by the decision of this Government when he appeared before the ICAC, to criticise the provision of assistance to the honourable member for Ku-ring-gai and the honourable member for Gordon.

**Dr Refshauge:** That was the last Government.

**Mr FAHEY:** By this Government, by the Government, the Greiner Government.

**Dr Refshauge:** Not this Government? Which government?

**Mr FAHEY:** The Greiner Government in 1988 - and members opposite can play with names and words and all that sort of thing - approved the sum of \$49,000 in legal costs for the Leader of the Opposition to appear before the ICAC in the Walsh Bay inquiry. What hypocrisy to suggest that there should not be legal aid in any shape or

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form for the legitimate processes that are now in place and continuing at this very time down the road. I also want to deal with another allegation by the Opposition that is completely without substance, an allegation that some form of deal was struck with the honourable member for Ku-ring-gai over the provision of assistance in meeting his legal costs. This was a sordid and cheap accusation and I am sure that those who made it did not do so except for political reasons. No deals had been struck. I have already made it clear that I regret the circumstances that have led to my standing in this House as Premier today, but good government must continue, and good government will continue.

The coalition Government in New South Wales has been in the forefront of sound economic management, and this will continue. The Government has adhered fully to the terms of the memorandum of understanding with the Independent members of Parliament, and this will continue. The Government has provided honest, efficient and effective government, and this will continue. This motion has no substance, and is wasting the time of this House. The motion is wasting taxpayers' money in having members occupy themselves with it. The motion, which is ill-founded, has been continued only for the purpose of trying to back up what was said before other events took place last week. I wish to talk about the good government that has been in place for four and a quarter years and will continue for many more years in this State. Undoubtedly the strategy and direction of the Government are right. The Government



has pursued reforms that will pay dividends for the people of New South Wales and their children. Those reforms are lasting, not cheap political gimmicks designed to win a few votes in the short term.

At the weekend members saw one of those cheap political gimmicks when the Leader of the Opposition decided that New South Wales could do some sort of deal to flog off the Snowy Mountains scheme, to get rid of that and rake in a windfall of money immediately. It took only hours before a Minister in Victoria - a Labor Minister, I might add - came out screaming and saying: "Keep your mouth shut. Leave your hands off the Snowy Mountains Scheme. We want to be sure about having our electricity at a reasonable price, and we do not want the Commonwealth dictating to us electricity prices". It was simply a good idea at the time: float it out, and run and hide in the meantime. I have not heard anything since from the Leader of the Opposition on that issue. Once again, the idea has bolted into the burrow, though one would have thought it was in the gutter, from what was said during question time. Once again the Opposition has run away and has not bothered to explore any thought of suggesting to anyone in the community that it has an idea of substance - as very few of its ideas are.

None of its ideas is ever costed. Never does the Opposition account for anything it thinks it is capable of doing or otherwise. That is the essence of the approach by the Opposition - gimmicks and cheap political tricks designed to take a few votes in the short term. Some of the decisions that the Government has made have been difficult. No member on this side of the House, and no member of the public, would deny that. The Government knows, as the honourable member for Monaro has said, that those decisions had to be made so that the rights of our kids in the future were not sold off. A Government can be as popular as it likes by doing what the Federal Government has done in turning around within three years a \$2.5 billion credit, as reported in a newspaper today, to an announced deficit of \$10.5 billion - a \$13 billion turnaround in the space of three years. That is a disgrace.

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

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**Mr FAHEY:** That is impacting on this State. As I said at question time today, \$1.8 billion was lost to the people of this State by virtue of Federal Government decisions, through their impact on the recession and the cut in this State's revenue. The Federal Government has not given New South Wales a fair and reasonable share of the tax collected within this State. In that climate this Government had to make courageous decisions. It made those decisions. They were good decisions; they were right decisions. The Government's track record is one which I and my colleagues are proud of. Commentators on both sides of the political fence have said repeatedly that the New South Wales Government has got it right. New South Wales has set the public sector reform agenda for the rest of the country. New South Wales has benefited from the Government's responsible economic management by maintaining the State's international credit rating and sustaining smaller losses of jobs in the current economic downturn.

Look at where the jobs have been created in Australia this year. Do not take the figures produced by my department or any New South Wales government department; take the Australian Bureau of Statistics figures, Commonwealth figures. Of the first 36,000 jobs created in Australia this year 31,000 were in New South Wales. Nobody on this side of the House is happy with the unemployment figures but for more than a year New South Wales has been the leading State in this regard - consistently about one

percentage point below the national average. The impact of the New South Wales figures has caused the national average to be lower - despite the fact that we have taken those courageous decisions. Having been taken, they have translated into more than 50,000 people in this State having jobs than would be the case if this State had the same unemployment rate as Victoria. The lot opposite give no indication that they would form a better government than the Victorian Labor Government. It appears from some of the announcements that I have seen over the past few years that a New South Wales Labor government would be significantly worse than the Victoria Labor Government. A Labor government in this State would have added 150,000 to the dole queue.

This Government is proud of its achievements. It is not proud that 9.6 per cent of the population is out of work and it is not proud of the fact that 31.6 per cent of our youth are out of work. But we are doing all we can with very effective labour market programs. We have increased training opportunities with restructured TAFE. This State did not dream that it could have such training opportunities when Labor controlled the Treasury benches. We will continue to ensure that the youth of this State get the opportunity to train and gain skills so that they are able to move into the work force. Within the programs already in place and which will continue a better service is being delivered to the people of this State. That service will improve even further within the processes for the Budget strategy that I announced today. Whilst we have to keep the lid on cost explosions in the Budget and reduce the budget deficit and State debt, the various agencies under the administration of the very capable Ministers of this Government will deliver the desired services to the people. The only change of direction is the one mentioned. It has been made possible by the reform agenda and the decisions of the former Premier. Even with the savings within departments, services will be delivered to the community. Taxes and charges will be controlled, particularly those that have an impact on jobs and the expansion of the economy. That is simply common sense. We must maintain that within this toughest recession.

Let us go back to youth employment. In 1983, 53,000 teenagers were on the record as being out of work in New South Wales. The figure today is about 32,000. Again, I do not take any pride in the fact that so many young people have given up. I am concerned that if we cannot overcome this problem a generation will pass by and there will be a void or gap in the skills that this State needs. More of those people

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should be moved back into the mainstream as soon as possible. The number of people going into years 11 and 12 of secondary school has had an impact on the unemployment figure. But the fact is they are being looked after in those schools by the taxpayers of this State through the management of this Government. Only today the Government clearly indicated that it is not standing still. The charter of reform requires the whistleblowers legislation to be dealt with, and this Parliament will properly deal with it. We recognise that there must be a balance between those who seek to use natural resources for the benefit of this State and those who wish to protect the environment. The former Premier and the former Minister for the Environment can take credit for reforms in this area. When this Parliament has determined the bottom line in this regard the State will have the certainty that has been needed for a considerable time. Conveyancing seems to have been an issue of some concern, although I have never heard a constructive word on conveyancing from the Opposition benches.

**Mr Amery:** Oh!

**Mr FAHEY:** You do not understand it, Richard. Be honest. I can understand why you have said nothing. Reforms in the area of conveyancing have been handled in a very consultative fashion. The conveyancers have had as much time as they have

wanted to put their point of view. The Government has acted to ensure that consumers are protected. Ultimately the Parliament will make a decision on the reforms. In relation to the so-called paralysis that has existed since May of last year, we have to look only at the area of industrial relations. Reforms in this area will have the most significant impact on all the Government's reforms because they give flexibility in the workplace. They will throw out the discrimination and privileges for a few - the unions - that previously existed. Unions have a legitimate place but they do not have a right to monopolise the workplace in the manner they did for so long. The industrial relations legislation is the most far-reaching and objective that any government has introduced in my lifetime. It will reap its dividend in the days ahead as we move out of recession, which we must, and we all hope that will happen soon.

The Government is heading in the direction of sound management and sensible economic restraint. Care will be exercised in all that we do in the future. We need to recognise the people of this State for what they are. We have recognised that they have been hurt. We also know that they would have been hurt more if we had not taken the actions we did. We also realise that in future people will be brought to the forefront when any decisions are made. There will be a freeze. All that I said last weekend and all that the Minister for Transport has said is that it is time we put on the table honestly what the intentions of the Government are in any agency. I have told the whole of the State what we propose to do. Let there be a period of calm and consolidation. The people have contributed magnificently to the State. They recognise that the Government had to do what it had to do.

Voluntary redundancy, natural attrition and non replacement, and redeployment on the basis of voluntary redundancy will continue. There will be no new programs of forced retrenchment when that goes on the table. The Opposition will see the proposal and it can play with it as much as it likes, but the fact is it will go on the table, as it should. This rather farcical debate should not have occurred. If the members opposite had any semblance of decency, they would have withdrawn the motion; they should never have allowed it to be moved in the first place. However, I welcome the motion. It is not a motion of no confidence; it will result in a vote of confidence in the Government, which I assure honourable members opposite will be in office for some considerable time. I should like to conclude my remarks by drawing the attention of the House to a number of comments that have been made by impartial commentators in recent times. On 25th June the *Sydney Morning Herald* reported:

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Mr Greiner certainly was not corrupt. He is honest and, because he is by far the most competent Premier New South Wales is likely to have for a very long time -

I might add that I intend to stay around for a very long time:

- Mr Greiner deserved the chance to test Mr Temby's technical point in the courts.

That reiterates what I said earlier. The debate as to whether Mr Greiner and Mr Moore remained as Premier and Minister respectively should have taken place when the whole court process had been completed. On 25th June the *Australian* reported:

Nick Greiner was one of the best Premiers New South Wales has had in its long and turbulent history and one of the few state leaders to become a figure of national political importance. Nick Greiner was not a corrupt Premier and his Government was not a corrupt government. The main two contributions Mr Greiner made to New South Wales were his support

for sound financial and microeconomic reforms and, paradoxically, given the method of his departure, a significant lift in the standards and honesty of public administration.

Because of their records Nick Greiner and his Government have received numerous epitaphs. Therefore, it is farcical - almost obscene - for the Leader of the Opposition to suggest that the taint of corruption, which the court will ultimately determine within a very short time, should remain in place. As I have said, the result of this debate will be a resounding endorsement of the Government. The people of New South Wales recognise that if the benefits available to them are to reach fruition, if the economy is to increase, if there is to be full employment, if there is to be a future for the parents of today and the adults of tomorrow, this Government must continue in office for a long time to come. It is under the administration of this Government that those objectives have the optimum chance, in fact the only chance, of being achieved.

Stability is essential. New South Wales has stability and it will remain for a long time to come. The Leader of the Opposition seems to like to trot out lines, in his usual actor's fashion, alleging that I am a stop-gap Premier, that I am simply minding the seat. I have every intention of being the Premier of this State when Sydney hosts the Olympic Games in the year 2000. My colleagues on this side of the House will give New South Wales and Sydney the best chance of hosting the Olympic Games. That will give the State an enormous boost in many ways, and the Government will pull out every stop to ensure that the bid is successful. The Government will be in office for a long time. It deserves to be in office for a long time, and deserves the support of this House.

**Dr REFSHAUGE** (Marrickville - Deputy Leader of the Opposition) [4.14]: What a pathetic speech! What an unbelievably pathetic speech! There is no doubt that the Premier had nothing to say. He did not address the facts in the report of the Independent Commission Against Corruption. He did not answer any of the allegations. He did not even try to suggest what vision he might have for the people of New South Wales as a result of the Government's policies. The Leader of the Opposition has not moved a motion of no confidence in a premier; he has moved a motion of no confidence in a whole government, a government that is tainted with the corruption stain of the Metherell affair. Every Minister in the House was present time and again when the Metherell affair was endorsed. Not once, not twice, not three times, but four times every Minister in the Fahey Government endorsed that corrupt bargain: the trading of a seat in Parliament for a public service job. That is corruption. It does not matter whether the court decides today that the word used by Mr Temby was correct. It does not matter whether the court decides that a Premier is not a public official. The facts that emerged from the inquiry into a matter that was referred to the ICAC by this Parliament showed clearly that not only did the former Premier and the former Minister for the Environment  
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act corruptly, but the whole of the Cabinet knew about it, endorsed it. Not one of them stood up and said, "This is the wrong thing to do". Since that decision and the resignations of the former Premier and former Minister for the Environment, there has been no recognition that the act was wrong. The Government and every Minister do not know the difference between right and wrong. Mr Temby said about the Deputy Premier that he create a climate -

**Mr W. T. J. Murray:** And he was a liar then, as you are now.

**Dr REFSHAUGE:** I wish to place it on the record that the Deputy Premier has called Commissioner Temby a liar.

**Mr W. T. J. Murray:** Agreed.

**Dr REFSHAUGE:** He has agreed. The Deputy Premier continues his attack -

**Mr W. T. J. Murray:** And will continue on.

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

**Dr REFSHAUGE:** He calls Mr Temby a liar. Despite the fact that the Premier says that is not the case, he calls Commissioner Temby a liar.

**Mr W. T. J. Murray:** Agreed.

**Dr REFSHAUGE:** I challenge the Deputy Premier to say that outside this House. He is just like the gutless member for Vacluse. The whole of the Government, from the Premier and Deputy Premier down, including those who went public bagging the Independent Commission Against Corruption, such as Ministers Webster, Chadwick, West and Griffiths, supported their ill-fated leader, Greiner. They then supported the outrageous lies of their former leader surrounding his interpretation of the ICAC report. Last Friday week saw one of the greatest performances of bare-faced fabrication and dishonesty by a leader of a government that this State and nation have ever seen. On all the major points at issue there was not one statement by the Premier that could be fairly categorised as representing the truth fairly. We all remember how Mr Greiner misused Temby's reference to honesty and integrity. There is no doubt that when he used those words, Mr Temby was referring to Mr Greiner's culpability or otherwise for the common law offence of bribery.

I know the Deputy Premier finds it difficult to read but I suggest that he reads the report again, particularly that section. Those words did not refer to the finding of corruption under the Independent Commission Against Corruption Act. The former Premier was found guilty of corruption according to his own legislation, legislation supported by every Minister in the present Fahey Government and supported by this Parliament. On that definition the former Premier was found corrupt. Not one member of his Cabinet, not one Minister, not one member of the Government came out in opposition to their leader's dishonesty. At the very least these Ministers are accomplices to corruption. This Government is corrupt and it must fall. It is not only because the record of these Ministers on the issue of probity and propriety is so dismal and shocking, it is because of its mishandling of policy that the Government today stands condemned. The people of New South Wales have no confidence in this Government's policies. I want to concentrate for a moment on my own policy area, that of health. The issue that has dominated this policy area overwhelmingly is privatisation, the hiving off of the

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public system to the private sector. This policy of privatisation of health services has been held in contempt by health professionals. It has been rejected by the public and has been rebuffed on two occasions by this House. To the people of New South Wales privatisation means the importation of the United States health system. Although the American administration is looking to Australia as a model for the way it should go in relation to health, New South Wales is beginning to import American's demonstrably failed system.

The Bush administration has recognised the glaring mistake, the horrendous error that the Americans made by allowing the unfettered market to run riot with the health system. Only last December in the American seat of Pennsylvania, a Democrat outsider, Harris Wofford, turned a 44-point hurdle into an 11-point lead on the issue of health privatisation. He won this seat - the equivalent of a Labor candidate winning

Ku-ring-gai on the issue of health privatisation. His slogan was simple: If American criminals have a right to a lawyer, surely an American worker has a right to a doctor. The new Premier has made it clear that Greinerism is alive and well and living in Macquarie Street. Clearly, he plans to duplicate Greiner's agenda of health privatisation, despite the fact that it is one of the most unpopular and shortsighted policies of the Government. There is no doubt Mr Fahey will support the policy under which public hospitals will be sold to trucking companies and property developers.

This Government will continue its campaign of privatising public hospitals. Port Macquarie, Hawkesbury, Coffs Harbour, Nepean and Bathurst hospitals have all been on the privatisation hit list. It is a political agenda designed to compliment the Federal Opposition's attack on public health. If the conservatives had their way, patients would be squeezed between the vice of Fahey's privatisation of hospitals on the one side and the Hewson dismantling of Medicare on the other. Privatisation does not make economic sense. The community will be forced to pay an extra \$30 million for a privately run hospital at Port Macquarie over the 20-year period of the contract. Privatisation is unnecessary, as well as inadvisable. The former Premier said there was a backlog of health capital works in this State, amounting to \$2 billion over the next 10 years. These hospitals could be built by maintaining the present capital expenditure of \$300 million each year. The most damaging side effect of the rushed privatisation is the loss of public control over health planning. When the incentive is profit, planning is geared to the dollar, not to the quality of service or to medical need. Privatisation means losing equity of access to high-quality health services. It means losing control over health costs.

**Mr W. T. J. Murray:** Did you ever practice?

**Dr REFSHAUGE:** Yes.

**Mr W. T. J. Murray:** What as?

**Dr REFSHAUGE:** I invite the Deputy Premier to call a debate on any aspect of his previous work, but I also remind him -

**Mr W. T. J. Murray:** I just asked you a simple question.

**Mr SPEAKER:** Order! The Deputy Premier will have the opportunity to speak in the debate at a later hour. The Deputy Leader of the Opposition has the call.

**Dr REFSHAUGE:** I remind him that I am prepared to debate this matter at any time. If he ever wants to attack me in that regard, he will find a ferocity he has never found before. If you seek to attack that, just as the honourable member for Vacluse  
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found when he attacked the integrity of the honourable member for Manly you will find that you are in a very dirty position. If you want to continue it, I suggest we have a full debate, about everything and everything about your past might also come out.

*[Interruption]*

Do you want to try it on, Wal? I will give you any opportunity. Privatisation of public hospitals means losing the ability to plan health services on the basis of health needs. Privatisation means overexposure to debt. What would happen to your local hospital if the company running it went bankrupt? There is no argument that market forces should influence the cost of groceries. But hospitals are not supermarkets. At

the local store, the brand which has the worst quality and is the most expensive is not likely to last long on the shelves. Customers can shop around but it is absurd to expect consumers of health care to do the same. How many people diagnosed with a brain tumor, for example, will research the death rate at their local hospitals, the infection rate, the bed day cost, each surgeon's waiting list? Even if they wanted to, where would they get that information?

The whole of the Government has supported this move to downgrade the State's public hospitals system. On this issue alone, the House should vote in favour of a motion of no confidence in the Government. The Government is equally culpable in relation to its disregard for matters of propriety. Some commentators have said that the coalition Government was an honest government - and we heard the Premier trying to trot out the names of one, possibly two, commentators who may have suggested that. They have, however, a very imprecise definition of the word honest. Let us look at the record of this so-called clean-skin Government. This squeaky-clean, virginal Government, won office on a rot. Who could forget that past and present members of Mr Greiner's personal staff laundered \$180,000 worth of donations to the Liberal Party through a business known as Community Polling to finance so-called Independent candidates? Who could forget a group in the Premier's office - Kortlang, Sturgess, Hooper and Harvey - all senior public servants, all running around in cars paid for by the Liberal Party. Not even a pretence of an independent public service. The Greiner Government treated the register of members' pecuniary interests with the same respect it gave the ministerial code of conduct. It ignored it. The most grave of these omissions was former Minister Matt Singleton's failure to declare shareholdings in finance and property development companies. Mr Singleton's indiscretion did not end there. He was found to be lobbying a ministerial colleague to have land re-zoned for development.

**Mr Amery:** And no appeal.

**Dr REFSHAUGE:** With no appeal. If the re-zoning had occurred, Mr Singleton would have benefited substantially. The Independent Commission Against Corruption report into land developments on the State's North Coast was scathing in its criticism of the conduct of two senior Ministers, the Deputy Premier and the Minister for Natural Resources. The report stated that the development company, Ocean Blue, sought favoured treatment from the National Party and that that company received favoured treatment. The Deputy Premier and his senior Minister, in the words of Assistant Commissioner Roden, "created a climate conducive to corrupt conduct". That is what the Deputy Premier will wear for the rest of his life. In February 1990 in this Parliament the Opposition revealed that the tendering procedures for the \$700 million redevelopment of Walsh Bay had been corrupted. The Independent Commission Against Corruption heard that one of the tenderers, CRI, was given access to confidential information contained in competing tenders. Though not the highest bid, CRI went on to win the contract. Almost two years later Walsh Bay remains undeveloped as a monument to the way this Government does business.

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This was the Government that promised to put an end to political patronage. This was the Government that promised to restore the integrity of the public service. That is what the people voted for, but what did they get - a string of jobs for the boys and the girls. Greiner's number one backroom boy, Gary Sturgess, waltzed into the job of Secretary to the Cabinet Office. Another senior staffer, Ian Kortlang, became the head of the Department of State Development. Leon Punch was taken on as executive director of the same department. I do not need to remind you, Mr Speaker, that it was

this brilliant management team which lost the bid for the 1996 Olympics, the multifunction polis and the China Steel contract. Other names on the long list of jobs for the boys and girls follow: Neil Pickard, Agent-General in London; David Hay, appointed to the Local Government Grants Commission; Allan Andrews, appointed to the Water Board; Kathryn Greiner, appointed to the Elcom Board; and Richard McKinnon, appointed a health department consultant, pocketing \$14,000 a month of taxpayers' money to advise this Government how to close our hospitals.

Few examples of gross maladministration are more damaging than the Government's handling of Eastern Creek - \$100 million to subsidise a speculative private sector venture. The Government kept on throwing away money on the project at the expense of our hospitals and schools. The people of New South Wales have no confidence in a government that sells hospitals and schools to buy a racetrack. What about the Government's rorting of the electoral system? After promising to go a full term, the former Premier broke promise No. 200 when he called an early election for 25th May last year, an election that was based on a rorted voting system. This was the first election where a vote in the upper House could be cast with a tick or a cross but not for the lower House. It was a shifty trick that denied Labor a majority in its own right. It was a disgraceful attempt by the Government to lessen the inevitable massacre of the coalition candidate in The Entrance by-election. The former Premier knew that Bob Graham was doomed. His only chance was to lessen the extent of the slaughter. He announced the shortest by-election campaign in living memory and held it during school holidays, but that tactic did not work. The people of The Entrance voted for Labor's Grant McBride and for Labor's policies.

The roll call of tainted Ministers and backbenchers appears limitless. The former Assistant Treasurer, the honourable member for North Shore, is charged with tax and criminal offences as a result of an investigation by the Australian Taxation Office. The honourable member for The Hills is the subject of investigations by the Corporate Affairs Commission, the Department of Industrial Relations, and the Australian Securities Commission. He may now face criminal charges. The honourable member for Maitland has his problems. Last night on the "7.30 Report" we saw the morals of the hazardous member for Wakehurst displayed. The Metherell affair clearly is not an isolated incident. It is the latest in a long line of improper actions. The whole Government is implicated in this tawdry affair. Mr Greiner did not resign because he believed he was wrong; in fact he still believes he was not wrong. His colleagues did not push him because they believed him to be wrong; they pushed him in a desperate bid to cling to office. The former Premier thinks that if the Supreme Court changes the words he will have a victory. But it is not the words that matter; it is the facts in the Independent Commission Against Corruption report that count, the facts that are bringing down not only the former Premier and his ministerial colleagues but also the Government. There is no escaping the fact that Mr Greiner was behind a move to trade a job for a vote. He is corrupt. There has been no contrition. He is not sorry he did it; he is merely sorry he got caught, and that is how this whole Government thinks. Government members believe the only crime they committed was that of getting caught. Those values are not shared by the people of New South Wales. The people have no confidence in those values. They have no confidence in this Government.

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**Mr W. T. J. MURRAY** (Barwon - Deputy Premier, Minister for Public Works, and Minister for Roads) [4.34]: Having listened to the gutter tactics of the Deputy Leader of the Opposition I sympathise with the honourable member for Campbelltown for wanting to get out of the Left. The statements made by the Deputy Leader of the



Opposition condemn the Labor Party. When is the matter of the \$2,000, which Mr Egan voted in the upper House that Mr O'Neil receive, going to come before the Independent Commission Against Corruption? When is there going to be a little balance in the operations of this show? I do not resile from the statement I made a while ago. Temby is a liar and he is a liar on the basis -

**Mr Whelan:** Who is?

**Mr W. T. J. MURRAY:** For the benefit of the honourable member for Ashfield who may be deaf, I repeat again that Temby is a liar; that is based on the fact that with regard to me and Greiner he said: "They are honest. They have done nothing wrong". He then turned around and said "They are corrupt". What a joke! If that is the sort of thing that this nation and this State has to look forward to, we need to have a good look at what will happen in future. We must have a decision that is clear and definite. I went through exactly what the Premier is going through. Mr Temby in his findings stated that I had done absolutely nothing wrong; but the parasites of the press were then able to use a statement that he finishes off with, "But you acted in a manner conducive to corruption". We have got to the stage where it is necessary for the Court of Appeal to have to oversee these matters - and we may indeed have to go higher. The people of this State who go before these courts still have a few rights and privileges.

This motion was brought before this House before the due processes of the law have been allowed to take place. What an indictment that is on the Labor Party, on a party that is supposed to uphold the law in this State, a party that claims to be the representative of the people. How could the Labor Party support a proposal to hang a person before the processes of the court have been allowed to take place? The basis for bringing this motion before the House is to prevent that decision of the Court of Appeal coming out into the public arena before this House debates the matter. At one time the practice of this Parliament was that when a person was before a court the Parliament did not attempt to direct the court in any matter. It allowed the due processes of the court to operate totally unhindered by the influences of the Parliament - this was the sub judice rule. In the past every member of this Parliament defended that rule. But what has happened to that rule today? We are debating a motion today while a matter it relates to is being heard before the New South Wales Court of Appeal. That is a travesty of the reasonable process of the law.

I have nothing but utter contempt for the Labor Party, which has thrown out the window what little righteousness it may have previously had. Not long ago honourable members heard a speech by "Lord Chief Justice Carr", bringing down a verdict, adding the penalty and trying to dispose of the lives of two people. What a farce! What a wimpish speech by a man who really showed that he was making a speech he did not want to make. If in that speech he condemned the Government, he also condemned himself, his party and all members who have been associated with those proposals. We will have to look - very thoroughly, I would suggest - at the movements of the former member for Rockdale as an employee of the former Government with a salary of \$30,000 a year. He made way for Mr Unsworth, the former Premier, to come into this House. Will there be a request from the Opposition side of the House for an inquiry into that matter? Will there be an inquiry into the actions of Clarrie Earl and Wran? Let us

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recognise where hypocrisy and double-dealing exist and will remain. An inquiry will never take place in the future if ever the Labor Party gets into government in the State. The Labor Party, now the Opposition, bankrupted the State.

**Mr Whelan:** Ha, ha!

**Mr W. T. J. MURRAY:** The honourable member for Ashfield almost bankrupted himself.

*[Interruption]*

He got a bit in the boot. Somebody mentioned reports to the Parliament on pecuniary interests. I will join them, but let us not be hypocritical about it. There is a motion before the House today condemning a government that has brought this State into a position where it can survive. When we compare New South Wales with other States, we must have some sympathy for the Victorians, Tasmanians, South Australians and Western Australians. Because of the incompetence of Labor people, each of those States will be facing a dreadful future for many years. The Australian Federal Government is looking down the chute at a \$10 billion deficit. The future of this nation is in jeopardy because of the gross maladministration of the Labor Party. How can we possibly think about putting up a motion of condemnation of a government that has brought about the lowest rate of unemployment in this nation? This Government is more capable than any other State government of sending pay packets home to more people - even more capable than Queensland, a State in a good financial position because of the good management of a Liberal Party-National Party Government for many years. The New South Wales Government is the only State in Australia that has a fully funded operation at its doorstep - third party insurance, superannuation; it has the lot. And yet the mob on the other side want to condemn someone for creating a responsible government.

This motion has to be the greatest waste of taxpayers' money - an exercise in absolute, unadulterated futility. It shows the complete lack of responsibility of the Labor Party, and the completely negative nature of the Opposition. The Opposition chops and changes, saying today, "Let's have this", and tomorrow casting it out. The Opposition cannot fund one of its promises and does not have the intestinal fortitude to face up to the promises it makes to the people of New South Wales. It runs away when it finds that an idea, which it throws up one day for cheap, miserable political purposes, is thrown out the window by the community. This afternoon the Minister for Agriculture and Rural Affairs pointed out the misery of all country people across New South Wales and that they are screaming out for help. It was a joke so far as Labor was concerned when the Minister for Agriculture and Rural Affairs spoke in this House on propositions to help people in country New South Wales. Opposition members laughed - every one of them. The misery of country people is added to by the Leader of the Opposition bearing no responsibility for his actions of last week when talking about funding for the Rural Assistance Authority.

Where is the principle in squandering time and money by bringing back members of Parliament to discuss this matter while many thousands of people in the State are out of work? Farmers are forced into difficult situations, sometimes bankruptcy, by drought and crippling debt. The recession continues to erode our standard of living. Instead of forcing debate to proceed, the Opposition should be pressing its socialist big brother, the Federal Government, to stop bashing this State. It is absolutely unbelievable that the Victorian Government - bankrupt and devoid of principle, management and leadership -

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should get a 5.7 per cent increase in funding while New South Wales struggles with a 0.9 increase. What an imbalance to every person in this State! What an insult for every person in this State who has contributed substantially to the taxation processes of this nation to receive that sort of deal from the Commonwealth!

The economic strategy which has kept this State in order will continue. It is a strategy that the people of New South Wales want and need. We will continue - I do not care what it is called - our sound management. It will be Fahey's sound management of the State. The Opposition can think of a rhyme if it likes, but the State will be under the leadership of John Fahey, whose management and care for the people of the State will continue unabated. The Leader of the Opposition at the Labor conference held last month had a grab-bag of costly promises in areas such as roads, transport, health and education. They can only be described as a political fairy tale. I have responsibility for the State's roads. The reality is that the Leader of the Opposition is about to abandon the F4 and the F5 project. He will take funds from country roads and pay out for the people of the western suburbs of Sydney the road structure that has been built for them - a road structure that was condemned because it involved a toll. However, the people of the western suburbs of Sydney accept it as the greatest thing that has ever been provided for them. It takes trucks and cars out of the suburbs of western Sydney. That is what the people of western Sydney wanted, what they got and what they will have into the future. The Labor Party now wants to destroy every country road in New South Wales, every road outside the western suburbs, to pay out those tollways. What a disgrace to the principle of reasonable management for the whole of New South Wales!

The five-year program which the Opposition speaks of will cost \$9.5 billion, and the extra promises added to his speech of last week will cost a further \$2 billion. All funding for New South Wales roads will be utterly destroyed. Carr and Unsworth for six years took from the roads of this State the 3.53 cents a litre fuel levy and put every cent of it into the Darling Harbour scheme. Managing New South Wales! They could not manage anything that one could think of. The fact is that the Labor Party longed for the cake and champagne to promote its public image and took from the people of New South Wales the funds that were due for New South Wales roads. The Labor Party actually took the toll money that was paid on the F3, a Commonwealth funded road, and spent that money on State roads in Labor electorates around Gosford and Wyong. How miserable and corrupt can the Labor Party be to pull a stunt like that - the people who today are trying to tell the community that Nick Greiner is corrupt. What rubbish! Look at Victoria, where two cents a litre of the levy is being used to pay off the deficits of Pyramid. What a farce! Members opposite talk about the integrity of Labor governments. Where are we heading? I hope that a Labor government is never thrust upon this State again.

Health matters have been talked about and will be raised again in the next couple of days. Walgett, in the western part of New South Wales, is facing the greatest fire hazard of all time. The only way to sort out Walgett's problems properly is by a group of people coming together to help. For years the Labor Party said that was at the top of its priorities. But where is the honourable member for Broken Hill? Has any member ever heard him talking about the needs of the people of Walgett in the far north-west of this State that is part of his electorate? Not a word. The honourable member for Broken Hill would not even know where Walgett is. People in that area will face great problems for many years to come unless the public and private sectors are brought together to provide the infrastructure so desperately needed. It is obvious from the contributions to this debate by Labor members that their grand old socialists are still alive and well. When all the communist world and every other Labor leader is moving away from

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socialism, the grand old socialists in New South Wales, led by Bob Carr, are moving further towards it. They hate to think that there can be a health system other than Medicare, a system which has destroyed health services in this nation. Yet they want to continue to press the same old worn out socialist ideologies. This Parliament and the Government created just terms legislation.

Never in the history of the State of New South Wales did people have a right to be paid for what the government of the State took away from them. Though much theory was put forward, property-owners in this State never had a right to be compensated for what the State destroyed or took away from them. That right did not exist, for example, where the National Parks and Wildlife Service said that if it wanted land at some time in the future it would take it but would not pay for it, or where resumption occurred by proclamation, or where people's properties and lifestyles were destroyed. The Government has given a basic right to the people of this State, a right that is theirs for the first time. People now have a process that clearly states that government shall not touch a person's asset, destroy a home or take over what a person has unless that person is compensated. If the Government can be proud of one thing, it is the creation of just terms legislation introduced in this Parliament. I do not think the Government could be prouder of anything than that. I reject utterly any motion of no confidence. The people of this State will display confidence in due course. It will be a great day when Government members are able to describe to the electorate just how the Labor Party no longer supports the principles of basic law in this State.

**Mr WHELAN** (Ashfield) [4.55]: This no confidence motion is not only against the corruption of the former Premier, the corruption of the former Minister for the Environment, or the corruption of the whole Government for its total support for these two people and for their actions. This motion is more than that: it is a motion of no confidence in the Government for all its actions and what it stands for, and a motion of no confidence in its economic and financial record. The myth should be dispelled that the honourable member for Ku-ring-gai and, indeed, the Government are good economic managers. The truth is that they are not. The Government's eight financial statements meant that families have continued to finance the Government's waste and mismanagement while suffering a decline in services, despite the bold financial commitments of the newly elected Government in 1988, for example, and the endorsement of the Curran report recommendation of \$3 million in tax cuts. Yet New South Wales is the highest taxed State, now entrenched by the recent round of tax increases. Indeed, the Government increased taxes by \$1.3 million per year. As I have often asked, where is the evidence of a leaner, more efficient public sector - the supposed credo of the Government? Look at the bureaucratic waste in TAFE, State development and school education, for example. Where is the evidence of reduced liabilities? Honourable members remember those dramatic headlines in 1988 when the Curran report was released. Curran reported that the State's liabilities were \$46 billion, yet they now stand at \$52 billion. The former Premier will be known as the \$6 billion dollar man. The Government was going to reduce debt, yet the debt now stands at \$52 billion. Borrowings for capital works in the 1991-92 Budget were to be increased by 20 per cent to nearly \$1.2 billion, on top of the 17 per cent increase the previous year. The final figures for 1991-92 will be much higher due to the deficit blowout as a result of rubbery revenue forecasts, which the Opposition warned of last September. The increase in budget borrowings is the reason that the State debt increased as a proportion of the State's economy in 1990-91. As a consequence, in the 1990-91 Budget there was an additional rise in charges of \$90 million and a rise of \$170 million in the 1991-92 Budget. That figure is now closer to \$200 million, given the deficit blowout and resort to further borrowings.

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**Mr Causley:** What about the triple-A rating?

**Mr WHELAN:** I will come back to the triple-A rating and to the inheritance of

the honourable member for Wakehurst, which seems to be on everyone's lips today. Last June the State's superannuation liability stood at more than \$14 billion, compared with \$10.8 billion five years ago. Another key indicator is the budget deficit, the deficit that the former Premier said we did not have - and members know that his recollection is poor.

**Mr Causley:** I will tell the Parliament about you later.

**Mr WHELAN:** I wish you would. Six weeks after the 1991 election a true budget deficit was revealed of between \$1.75 billion and \$2 billion each year for the next three years. That was before the assets sales, the tax rises and the spending cuts in 1991. Yet it is now back in that range, currently around \$1.8 billion. That is what the State's books should show when they are ruled off tonight. That is why our triple-A rating was at risk last year - an unprecedented action. It is not merely Canberra's fault. New South Wales has been discriminated against for 50 years in terms of Federal funding. But even allowing for the recession and the bias in Federal grants against this State, which has gone on for 50 years, there is still this simple inescapable truth: the New South Wales budget would be in far better shape but for the Government's waste and mismanagement over the past four and a quarter years - the \$50 million a year on Government advertising, the \$100 million to \$150 million a year spent on consultants, the \$150 million a year spent on a senior executive service, the blowout for Eastern Creek of up to \$100 million, the restructuring of TAFE, the money lost on asset sales. The list goes on, and includes \$4 million a year on government offices in London and Tokyo, \$20 million a year on government telecommunications costs by delaying a new telecommunications network, and \$5 million a year on luxurious office accommodation for the education portfolio, while the previous head office in Bridge Street is empty and has been empty for two years this month.

There was \$44 million to upgrade and rent the McKell Building, which the Government sold. These are not our figures; they are the figures exposed by the Auditor-General last September. This year there was \$15 million for continued restructuring for school administration and \$5 million in debt costs for loans to compensate egg producers. The Government repealed the former Labor Government's casino legislation in 1988 but is now reintroducing the provisions in its own legislation. That will raise \$100 million a year - money that could have been coming in for health at least from 1990 onwards if our plan had proceeded. These are just some of the examples of Government waste and mismanagement. However, the Government could not afford to keep a child protection unit operating in the education department. The Government could turf elderly couples out of lifetime residences by scrapping protected tenancies and it could see pensioners in western Sydney wait years for dentures they could not afford. It could not quickly sewer an Aboriginal settlement on the South Coast. That is the Government's record - a government of wrong priorities. Let us look at this record in more detail. Honourable members will remember these famous statements. The former Premier stated:

The increase in State debt will be stemmed.

And added later:

My Government's commitment to the . . . containment of debt has been well documented.

In 1988 the State gross debt, according to Curran, was \$24.4 billion as revised by Treasury. In June 1991 that figure stood at \$27 billion and was expected to be nearly \$29 billion. This was due to the Government's increased reliance on borrowings, particularly in the prior two years after it had squandered half a million dollars in stamp duty revenues put aside in 1988 and 1989. Look at the borrowing record up to 1990, when specific figures were available. The debt blowout included a doubling of the level of borrowings for State Rail Authority capital from \$240 million to \$475 million in 1990-91; borrowings in health capital works nearly doubled since 1987-88, from \$118 million to \$228 million; funding computers by borrowings of \$126 million in 1989 and 1990; undertaking of more than \$50 million of borrowings or loan guarantees to help fund the Grand Prix; and \$61 million for the egg compensation package funded by \$47 million in borrowings by the people of this State in 1989-90. In April 1992 the rating agency Standard and Poor's showed the New South Wales net level of debt per capita - the tax supported sector or the budget sector - was exceeded by only Tasmania and Victoria. New South Wales was the third highest State, not the lowest as this Government would have us believe. I mentioned that early in 1988 Curran reported a figure of \$46 billion for the State's total liabilities. The headlines at the time screamed that New South Wales was nearly bankrupt. The figure rose to \$51 billion in June 1991 and is expected to exceed \$52 billion by this month. It is partly due to a blowout in borrowings, especially in the past two years, and partly because of higher superannuation liabilities. I turn to the question of charges. Honourable members will remember these statements:

It is sheer economic madness to impose inflation-fuelling increases such as higher bus, ferry and train fares and motor registration fees on the New South Wales taxpayers at a time when the Federal Government is calling on all Australians to tighten their belts.

And later:

No charges to the general public will rise by more than the CPI in any year.

In the June 1988 mini-budget the Premier announced increases in a range of charges including electricity, hospital beds, water, public transport fares, rail freight and public housing ranging up to 27 times greater than the forecast consumer price index increase. Some bus fares went up 100 per cent in one hit. In 1989 water rates rose 30 per cent, public transport between 7 per cent and 87.5 per cent, hospital bed charges initially by 13 per cent and third party insurance by nearly 39 per cent. The former Premier attempted to describe these increases on 17th October, 1989, as "the Government's minimal average real increase in charges." Indeed, he went so far as to distance the third party increases from the Government, claiming that the scheme was a private insurance scheme. This was despite the fact that the Government set the rules through new legislation, determined the premium rates and gazetted those rates.

In 1990 a number of charges increased above the CPI level. Public transport increased by 10 per cent, water charges by 8.4 per cent, third party insurance by 9.9 per cent and hospital bed charges by 8.3 per cent. In 1991, just after the election, fares, electricity and water all went up again - some by double the CPI figure. Then there was the recent round of increases, especially public transport fares, which rose by nearly three times the current expected level of inflation. The Government's promise of no increases above the CPI level was broken each year for five years. That is why average families in New South Wales are up to \$1,600 a year worse off than when this Government took office in 1988. Remember the quote from 1988:

The successful achievement of our recurrent expenditure goals in 1988-89 will provide

considerable scope for real tax reforms . . .

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Let us look at the coalition parties' budget in 1988-89. The former Premier stated:

In subsequent Budgets, the Coalition will assess the economic viability of introducing real tax reform, such as the abolition of the payroll tax surcharge, land tax on residential properties and stamp duties on first homes.

Contrary to the implicit undertaking given, there were no adjustments in the 1989-90 Budget, let alone prospects for the abolition of taxes. The Government belatedly indexed the land tax scale after the former Premier conceded in April 1990 that there had been \$200 million understatement of revenue. Further, it has in effect doubled the former payroll tax surcharge from October 1990. In June 1988 the Government said:

The aim is to improve critical services such as health . . . not by raising taxes.

Yet about a year later, in June 1989, the then Minister for Health announced an increase in the rate of tobacco tax so that additional revenue would be used to "help fund increases in health expenditure planned for 1989-90." Let us look at the Government's taxation record. In 1989 there was an increase in petrol tax of 3c a litre, raising \$200 million a year.

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

**Mr WHELAN:** There was a rise in tobacco tax from 30 per cent to 35 per cent of sales, to raise \$33 million a year. There was a further rise to 50 per cent in 1991 to raise \$90 million and a further rise to 75 per cent to raise \$100 million a year. In 1990 there was a new turnover on draw poker machines which raised nearly double the former licence fee or around \$30 million a year. Various increases in motor vehicle weight tax now raise more than \$50 million a year. There was an increase in the financial institutions duty for larger transactions from December 1989, to raise \$16 million a year, with a further doubling of FID from October 1990 netting \$230 million a year after the abolition of cheque duty. The payroll tax base was widened to include fringe benefits, raising \$32 million a year, with a further increase in payroll tax from October 1990 netting \$268 million a year extra. A new car parking levy will raise \$5 million a year. An increase in general liquor tax from 10 per cent to 13 per cent will raise \$44 million a year net, even after the recent recession and retrospective tax proposed by the Government now abandoned by the new Premier. Racing tax was increased from 14 per cent to 15 per cent allegedly to raise \$23 million a year.

The doubling of bank accounts debit tax will raise approximately \$110 million a year. The increase in motor vehicle stamp duty from 2 per cent to 2.5 per cent of the value will raise \$48 million a year. Collectively, these measures will raise \$1.3 billion in a full year. This compares with the \$300 million in tax cuts that were recommended in the famous Curran report. So much for tax cuts! It is clear that this Government has been a taxer rather than an axer of its waste and mismanagement. We were told that the 1990 tax increases were to harmonise with other States. The top marginal rate of payroll tax is 7 per cent in New South Wales but in Queensland it is 5 per cent and in South Australia it is 6.25 per cent. When the former Premier recently went to Canberra he got what every New South Wales Government gets at Premiers Conferences - a bad deal for New South Wales. He knew he would. But he went to Canberra with a pre-planned

package of tax increases. Even then he did not tell the truth.

The former Premier said that in real terms the Federal cuts were about \$100 million. Yet he announced tax increases which his press release on 12th June said would raise \$250 million in the coming year. The actual figures reveal that \$325 million will  
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be raised in the coming year, despite the partial backdown in relation to liquor tax. In other words, by the former Premier's own admission, the Government was raising taxes by three times the necessary level. Why? There are two reasons. The first is to cover the level of the Government's financial mismanagement and the second is to enable the Government to bring down a Budget in September which will contain a few positive measures - increases in funding for health, the aged and the young - and hope that everyone will have forgotten the savage tax increases. In September 1988 the former Premier made a number of grand statements. He said:

Our number one aim will be defeating debt. Eliminating the underlying deficit of the inner budget sector is the first step.

He said also:

The historic underlying budget surplus achieved this year will grow significantly hereafter. The resulting surpluses will be used to offset the State's borrowings.

**Mr Causley:** On a point of order. I draw your attention to the fact that the honourable member has been speaking for some time from notes that were obviously prepared for him. It has been a longstanding convention in this House that although members may refer to notes, they should not speak directly from them. His attention should be drawn to that.

**Mr Hatton:** On the point of order. The point of order taken by the Minister is correct. The tradition has been not to refer, to or read from, copious notes continuously. However, it has also been acknowledged by the Chair that when members are discussing complex economic matters with continual reference to figures, for the purposes of accuracy they are allowed, and in fact encouraged, to refer to notes, rather than have accurate or misleading statements made on the floor of the House.

**Mr Whelan:** On the point of order. In view of his inane point of order, I inform the Minister that I intend to seek an extension of time at the conclusion of the ruling. I remind the House that the Premier read copiously and did not depart from his prepared script. The Deputy Premier, the Leader of the National Party, read extensively from prepared notes. The Leader of the Opposition and the Deputy Leader of the Opposition read extensively from notes. The Minister for Natural Resources should have taken the point of order then instead of wasting the time of the House. It is well known in this House that I do not frequently use notes. However, when I am talking about matters such as financial deficits and the failure of the Government to arrest its waste and mismanagement, I want to be accurate. That is the point raised by the honourable member for South Coast. I want to be accurate so that the House can understand the true problem of the budget deficit and why the Government should be agreeing to a motion of no confidence.

**Mr Causley:** Further to the point of order. I accept the point raised by the honourable member for South Coast that it is important to get figures correct, but I challenge the correctness of the figures. The speech of the honourable member for Ashfield has obviously been prepared with one objective in mind, and the honourable



member is reading it. He alleged that the Premier read copiously from notes. That is correct, but he departed from the notes on many occasions, as did the Deputy Premier, the Leader of the National Party. I welcome the indication by the honourable member for Ashfield that he will be seeking an extension of time. Honourable members would like to hear a few more inaccuracies. However, he is reading directly from a speech which has obviously been prepared for him.

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**Mr ACTING-SPEAKER (Mr Tink):** Order! It is not in order for a member to read a speech in the House. A member may refer to copious notes, particularly in the context of giving detailed and complex information about figures, statistics and other complicated conceptual matters. I asked the honourable member for Ashfield to bear those matters in mind as he concludes his contribution.

*[Extension of time agreed to.]*

**Mr WHELAN:** The real reason the Minister for Natural Resources took the point of order is because he does not like the figures he is hearing. That is the plain fact.

**Mr Causley:** They are not the truth.

**Mr WHELAN:** They are true. They are the Auditor-General's figures. They come from Government papers and Public Accounts Committee papers. The Government stands indicted by its own financial mismanagement. That is what the Minister does not like hearing. When the former Premier went to Canberra, he said he had to raise \$100 million, but he returned and levied \$325 million to be paid for by the State's taxpayers to overcome the gross inefficiency, waste and mismanagement of this incompetent and inept Government that I have outlined previously. In July 1991, the former Premier revealed a true budget deficit of between \$1.75 billion and \$2 billion for the three years 1991-92, 1992-93 and 1993-94. That was after 1990-91 finished with a \$1 billion deficit, so New South Wales is scheduled to have a budget deficit increase of \$1 billion in that two-year period. Those figures compare with a budget deficit calculated on an equivalent basis of around \$300 million in 1987-88 when the Labor Party was in government.

To help reduce this Government's deficit, the statement made on 2nd July, 1991, announced spending cuts, tax increases and asset sales. It was claimed that those measures would result in budget deficits being reduced to \$1.1 billion in 1991-92, approximately \$1 billion in 1992-93 and approximately \$900 million in 1993-94. These results excluded the effects of the sale of GIO Australia and the State Bank and, it was claimed, would provide a notional surplus of \$600 million in the period 1991-93. The deficit in 1991-92 will be as much as \$1.8 billion, a figure which is worse by as much as \$700 million on initial estimates. The deficit in 1992-93 will be \$1.5 billion, a figure which is worse by \$500 million on last year's estimates. The delay in the sale of GIO Australia will mean that this year's deficit will have to be covered by even higher borrowings in addition to the 20 per cent increase that was allowed for in the Budget last September. In addition, the proceeds of the sale of GIO Australia will not cover next year's deficit. A large portion of the proceeds of the sale will be Federal compensation designed to reduce the debt to the Commonwealth, not to assist in the State Budget. I turn now to staffing and to why Government and Independent members should consider seriously voting in support of this motion of no confidence. In 1987 the former Premier said:

One of the directions of change will be the movement of resources from "non-productive" e.g. administrative areas, to service delivery.

The most significant breach of this undertaking occurred in the education portfolio. The Government promised that its commitments would be funded from \$100 million in "administrative savings". In fact the cuts occurred in teacher positions, which were reduced by 2,500. Further examples were contained in the 1989-90 Budget. For example, between 1988-89 and 1989-90 average staff numbers increased in the Cabinet Office from 77 to 93; in the Office of Public Management from 60 to 85; in the Treasury from 754 to 823, an increase of 69; in TAFE administrative and legal support services from 76 to 93, an increase of 17; in the Department of Industrial Relations and

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Employment corporate services from 156 to 196, an increase of 40; in the Department of Lands administrative and financial support services from 130 to 143, an increase of 13; and in the Chief Secretary's Department administration and policy services from 73 to 86, an increase of 13.

At the same time as these additional administrative positions were funded in 1989-90 average staff numbers declined in Department of Family and Community Services child protection staff from 595 to 541, a decrease of 54; in FACS adolescent services from 32 to 20, a decrease of 11; in Legal Aid staff for matters relating to child welfare, criminal law appeals et cetera from 172 to 149, a decrease of 23; and in Aboriginal health services from 76 to 69, a decrease of seven. So much for supposed better services! The Deputy Premier raised the issue of the Independent Commission Against Corruption. Let us look at some of the matters that have been referred to it.

**Mr Causley:** You should have been there.

**Mr WHELAN:** You never had the opportunity to send me there. You have been there and you know what it is like. I will never go there. The new Premier says the Government is the cleanest in Australia. Let us look at its record on tendering for asset sales. The Port Kembla coal loader was sold to coal companies without public tenders being called. The sale price of \$192 million was reported to be \$33 million below the suggested minimum sale price. Two senior Ministers were found by ICAC in 1990 to have acted in a manner creating a climate conducive to corrupt conduct. The Independent Commission Against Corruption on Walsh Bay -

**Mr Causley:** On a point of order. On two or three occasions in this House the subject of selective quoting of reports has been raised. This debate has become exactly that. In the particular inquiry to which the honourable member is referring, and to which the Deputy Premier alluded, Mr Justice Roden said on the matter of corruption that there never is nor was any indication that the members were corrupt. The honourable member for Ashfield continues to quote selectively. I ask that you rule that if the honourable member is going to use these quotations he should at least be objective and quote both sides.

**Mr Whelan:** On the point of order. I did not research the words.

**Mr Causley:** No, I know. You did not write it.

**Mr Whelan:** I did the research. The words I quoted were direct from the Independent Commission Against Corruption. I did not name the two Ministers; I referred to the fact that he found that the two Ministers created a climate conducive to corrupt conduct over tendering for North Coast Crown land. If the Minister wants me to

name them I will. It was just one of a number of examples where I was talking about irregularities, talking about the question of confidence or otherwise in the Government. If the Minister wants me to get into it, I will.

**Mr ACTING-SPEAKER (Mr Tink):** Order! It is not for the Chair to tell members how they should quote from reports. However, it is incumbent upon members to use material they quote from reports in an appropriate and balanced context. I make that observation in the context of the matter raised by the Minister and ask the honourable member for Ashfield and other honourable members to bear that in mind.

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**Mr WHELAN:** I accept that. The Independent Commission Against Corruption investigation of Walsh Bay over tendering irregularities has resulted in the redevelopment not proceeding and \$70 million in Government revenue forgone. The Auditor-General reported to the Parliament that \$100 million was spent on consultants in the first eight months of the Government and that 55 per cent of them were either not properly tendered for or the tendering procedures were unknown. Another example was the controversy over the former Darling Harbour casino site when a bid, reportedly \$17 million less than the highest bid was accepted. Time does not permit me to go on to other essential issues but I need to raise a matter in response to interjections about credit ratings. The facts about the credit rating for New South Wales are that in July 1987 Moody's said that, under Labor:

New South Wales has the most diversified and broadly based economy of the six States.

Moody's also said in relation to total outstanding direct and guaranteed debt as a proportion of gross State product New South Wales had "the lowest ratio of all the Australian States". Subsequent Moody's reports point out the State's economic strengths in similar terms to its reports of August 1988 and July 1987. The Opposition has welcomed January's reaffirmation of the triple-A credit rating given by Moody's to the people of New South Wales and to the State. New South Wales has achieved this result because it has consistently had the smallest public sector of all States, a record this Government inherited in 1988. New South Wales had less debt when the Government took over in March 1988. Treasury budget papers for 1987-88 show that, after 12 years of Labor Government, New South Wales had the lowest level of debt as a proportion of gross State product than any other State. That is a Treasury document. It is not a Labor Party document. The same went for borrowings and for government expenditure. The same went for public sector employment, with a labour force lower than in any other State. Page 216 of the budget papers will confirm that. Likewise with the State Bank. The Government inherited a sound bank because under Wran and Unsworth it had never been allowed a merchant banking arm like the ill-fated Tri-Continental in Victoria. But it should be noted that the rating review by Moody's last October was unprecedented in that the triple-A rating was never at risk under Labor; it was and is always, under this Government.

**Mr HATTON (South Coast) [5.25]:** The Metherell affair has focused national attention on New South Wales. This was because of a number of factors. The Government was in crisis. No government could withstand the type of headlines that were prominent. The three non-aligned Independents had to make up their minds what to do about the situation. A report of a corruption commission touched upon the Premier and a Minister in the Government. There was a clear signal of a new era of higher standards which that Government had imposed upon itself and which it had failed to meet. A Government failed to recognise that it had been mortally wounded. In their

statements about these matters the Prime Minister Mr Keating, and ex-Prime Minister Hawke have each made a serious error. I have shared, and I share, their sympathy for the Premier with the corruption tag. I would be pleased if that corruption tag were removed. I have said on television and to newspapers that this is the cleanest government I have seen in 19 years. I also agreed on Jana Wendt's program that the Premier is not corrupt. But the fact is that the action taken was corrupt and that action involved the highest levels of government in this State - the Premier, the Executive Council, and impinged upon the office of the Governor himself. Consequently, it was not just a matter of being only a job for the boys.

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This is where the present Prime Minister has it wrong. He may have grown up, as has former Prime Minister Hawke, with the idea that when power is conferred on one person and centralised on that person, as it is upon a Premier or upon a Prime Minister, that person can do all sorts of things with public money. What this report shows clearly is that that cannot be done any longer. One cannot buy a seat in Parliament by using public money. That is the subject and the substance of the Temby report and no appeal to the Supreme Court will remove that - although it may quite properly assist the former Premier and former Minister Moore in regard to the wording that was used in the report. That is the central message. The facts, not contradicted by anyone: Premier Greiner and Minister Moore broke the first and most basic code of ministerial conduct that they must act without fear or favour in the best interests of the people of New South Wales, not for personal gain and not in a partisan way. The Premier applied those standards to one of his own Ministers when he sacked Minister Singleton for a far less serious offence. No appeal to the Supreme Court was available to Minister Singleton.

In the Metherell affair a public sector job was to be exchanged for a parliamentary seat and \$1 million of public money was involved. Is somebody going to try and tell me that the people out there in television land who are doing it particularly tough, many of them on \$15,000 or \$20,000 a year, will accept the expenditure of \$1 million on a job that had to be created, on a job that was recognised by the head of the Board of the Environment Protection Authority and the chief executive officer of that authority as not necessary, in order to ensure that a member of Parliament vacated a seat in Parliament? They would not dare go to the people. If they had wanted to go to the people, they would have called our bluff. We are accused of hanging without a trial. All right, there is plenty of time, call our bluff. Go to the people of New South Wales and say to them, "This behaviour is acceptable. We defend this behaviour", and see how you fare. There is no doubt he would have been devastated at the polls.

The minute those headlines were published all over this State and nation, on national television and radio, the end was clear for the Government. It failed to recognise that and it failed to take decisive action. We did not welcome being put at the heart of the crucible, knowing that the heat was on us. My fellow Independents and I make no apologies for what we have done. We showed by our action that we had the guts to do what the Government did not have the guts to do, to save itself. We saved this Government and our votes today will save this Government. The job was given to Dr Metherell, by Minister Moore to a friend, by a Premier to a political enemy who, in the Premier's own sworn evidence, was "a man capable of political treachery, personal disloyalty and deceitfulness". Former Premier Greiner agreed also that these traits may recur and he gave him a job. The job was created; it did not exist previously. The Premier lied to the public of New South Wales. He said he was only marginal to it. Temby found, and the evidence is incontrovertible, that he was central to it from day one. It was a coverup. Former Minister Moore lied to the Chief Executive Officer, Dr

Shepherd, when he said he did not know who was in for the job, knowing all the time it was Metherell's job. So it was not just another job for the boys; it involved the Premier, a Minister, the Executive Council and could have involved considerable embarrassment to the office of Governor. The resignation of former Premier Greiner and former Minister Moore is the least that the public of New South Wales would expect.

Whether or not the legal niceties of the Supreme Court find in favour of the applicants, our votes today will ensure that the Liberal Party-National Party Government will survive. This decision was not taken without pain and soul-searching on my behalf. It is a commitment to stable government, despite the Metherell affair and the serious

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differences ahead. The Government's blind insistence on privatisation of public hospitals, commencing with the Port Macquarie hospital; changes in education, particularly staffing; and the Government supporting the need for resources legislation: all these things will cause serious problems for me. Yet I choose to oppose the no confidence motion. To support the no confidence motion and bring on an election at a cost of \$20 million or support a baton change with the way the numbers are today - to hand government over to the Australian Labor Party at this time would be a recipe for instability. The resignation of former Minister Moore and former Premier Greiner prevented an election or a baton change, but nobody has been gracious enough to acknowledge that, though they spurn us and blame us. It would have been gracious, at least, for somebody to admit that this was the real situation under discussion on the Friday the report was released and at numerous meetings since in back rooms and within the Cabinet and in the Government itself. But nobody will look me in the eye and deny that this was not a very real option. Who had the guts to stand up and do it? We acted because we have tried to ensure the stability of government.

The charter of reform has its basis in stability of government. It was signed by myself and the Independent members of Parliament for Manly and Bligh and it brought about dramatic changes to the mechanisms of Parliament and of accountability for which the Government deserves credit. And history will recognise the important role played by the member for Gordon in this process. The honourable member for Bligh and the honourable member for Manly and I are saddened by this situation. We receive no joy from it. We have respect for the honourable member for Gordon and for the former Premier relation to our dealings with both of them, and we get no joy from their resignation. We have acted not out of a partisan interest in this matter, not out of a personal interest in this matter - it can only ever cause us problems - but in the interests of stability of government. Whether or not it is accepted that I acted in this way matters not that much to me, but it is the truth. The Government, the Independents together with the Opposition, took a most responsible view of economic management by going to Moody's and by supporting the Government's economic policy. We have a problem in our nation and in this State, but we do not want to see our triple-A economic rating lowered. The fact that this State was put on standby and the fact that it was given a triple-A rating is historical by world standards. Any Treasury official will agree with that. Former Premier Greiner and Percy Allen have said as much, and all of us in this Parliament should be proud that we stood up for our State on a bi-partisan basis when it came to the economic rating of our State. We supported the privatisation of the Government Insurance Office.

But what gave the Government away was the fact that our charter of reform says that we cannot vote for or move a motion of no confidence unless a matter of gross mismanagement or corruption is involved which touches on the whole government. Gross mismanagement was not involved yet in 10 days nobody has challenged us, privately or publicly, and said, "You have no right under your agreement to move or to

support a vote of no confidence". That is the giveaway. They know a matter of corruption was involved touching on the whole Government. That it was never challenged in any private or public meetings anywhere was a tacit admission by them. The Government knows that the Metherell affair was corrupt, though in the Supreme Court the word "corrupt" as it applies to former Premier Greiner and former Minister Moore is being contested. The action may be successful - and I hope it is, and I say that with some feeling. Everybody, including us three Independents, thought that the charter of reform and the agreement which it embodied not to move a vote of no confidence or

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support of no confidence would not be triggered. However, despite all this - despite the fact that this matter touches on the whole Government, I still oppose the no confidence motion. I do so because the key players have resigned from the Ministry.

The new Premier has said today that the Cabinet was not involved. That is the closest I have heard somebody say that, "We wash our hands of the Metherell affair, we were not involved". That in itself should have said something to former Premier Greiner's colleagues. It was a matter of such major importance that could bring down a government - it involved corruption, of public office and public officials - yet it was not shared with the Cabinet. It was kept a secret from the Cabinet. It was a deal done behind closed doors which involved a million dollars. What have you got to do in this State to be sacked by your own government? I will tell you what you have to do. You have to be somebody other than the Premier, because he was happy to apply those rules to his colleagues but he was not happy to accept the rule for himself, and that is clear. I have no doubt, and I am sure nobody else does in this Parliament, that had some Ministers other than the Premier been involved, they would have been sacked and rightly so. The Metherell affair could have cost the coalition government. Valuable lessons have been learned. Those in the senior executive service must, as I emphasised last week, do what is right for the people who pay their salaries, not corrupt their own standards and their sworn duty to uphold the public interest at the bidding of their masters or, dare I say, mistresses.

Dr Shepherd showed the light when he said, "I am not making this appointment. It is illegal and you can have my resignation". That is what Mr Humphry should have done. I also criticise Mr Temby. In his report he should have said, "Not only were your actions inexcusable, but also they were not those of a person who should hold that high office". Honourable members may think I am being too critical but I do not believe so. The Metherell affair is an extraordinarily serious affair. However, the fall-out of it is a beacon for the future, not merely for New South Wales but for the whole of Australia. Nowhere else in Australia, I hope, will we have jobs for the boys for a seat in Parliament. I hope that organisations such as the ICAC are established elsewhere around the nation. The strength of the ICAC is that it does not have to prove to the criminal standard that a person is corrupt; it has a series of definitions against which the public interest and the behaviour of public officials can be tested. Though former Premier Greiner, Mr Humphry and Mr Moore failed those tests, the tests should remain. What is the future of honest public administration if we must rely on the criminal standard of proof before we can do anything? That was the situation under Askin and Wran and it was one of the basic causes of the problems in those administrations. So do not throw the baby out with the bath water. The ICAC is not perfect. It is extremely sad that it caught up people of the calibre of the former Premier and the former Minister for the Environment, but that is the way the cookie crumbles. [*Extension of time agreed to.*]

I turn now to the Supreme Court challenge, which has exercised my mind and the minds of my fellow Independents. What were we to do? Were we to wait? A couple of salient features stood out. First, the Supreme Court challenge could not alter

the facts and would not deal with the facts. It was a matter where the findings were incontrovertible: the Ministers involved had behaved in such a way that demanded their resignations. Second, if the applicants were successful, the future of the ICAC would be at stake and would not Mr Temby want to challenge that in the High Court? If they were unsuccessful their reputations were at stake and would not they want to have challenged the decision? Imagine the sort of legal roller coaster we were on. We had a Government in crisis and newspaper headlines screamed the Government down. We

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had a process which was marginal to government and marginal to an issue which was started as a diversion, or, to give credit, as a way of protecting the reputations of people. That roller coaster could have gone on for months, not in the interests of stable government or in the interests of the Liberal Party, though it may in many ways have been in the interests of the applicants.

Many honourable members will be surprised to learn that there were more devastating options available to the Independents which they considered but did not take. Last Tuesday on my behalf and on behalf of the other Independents Mr Arthur King discussed with the Clerk of the Parliament what could happen in the ensuing week or 10 days. He was advised that if a majority of members, not merely the three Independents, felt that these transgressions were so grave as to declare the seats vacant, such action could have been taken within 24 hours. That would have left the Government two members short on the floor of the House. Would that have meant the Parliament would continue to sit and that two by-elections would be held in a rush? Imagine what could happen in such an unstable period of time? Mr Speaker, you would not want in all fairness for the Parliament to be sitting while the Government was crippled with two pending by-elections. But if the Opposition and one or more of the Independents took the view that the Parliament should continue to sit, what sort of chaotic situation would prevail? The numbers on the floor of the House could ensure that the Parliament continued to sit or could recall the Parliament during an adjournment. That was one devastating option but it was a recipe for chaos.

Another devastating option was to avoid the fixed four-year term legislation and frame a motion in such a way that the three-day period would be unnecessary and the motion could be dealt with within 24 hours - to effectively give the Government no room to move whatsoever. That has all sorts of implications. That option would have seen the motion brought on the next day. Honourable members will recall that last Wednesday prior to question time I conveyed to the Government Whip and then immediately afterwards to the Leader of the Opposition and the honourable member for Ashfield that the Independents were against any move to change the form of the motion so that the matter could come on that day or the next day. This was the result of a brief meeting we had had with the new Premier. He suggested that as the honourable member for Ku-ring-gai and the honourable member for Gordon had resigned from the Ministry it was possible to bring the motion on in a different form and have it dealt with immediately. We disagreed. Earlier we had agreed with the Government that we would abide by the agreement of the three-day warning but for another reason. The procedure to bypass the fixed four-year term legislation must be addressed by the standing orders and procedures of this House. It would have meant that the eight-day cooling off period during which the Parliament may consider an alternative leader or leaders from the Government benches or call upon the Leader of the Opposition to form a government would not have been triggered.

Even as late as last Wednesday the Independents would not agree with that action for the simple reason that we did not know what uncharted waters we were moving into in relation to constitutional matters and what precedents would have been

established. We acted responsibly. It was open to the Independents to take up any of these options with the Opposition. Had we been little so-and-sos who were so power hungry and power drunk, we, together with the Opposition, could have devastated this State. We could have had the Government removed. We could have caused chaos. But we did not. I know that the Government is aware that those options were open to the Independents. Honourable members who have respect for the detailed knowledge of the honourable

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member for Gordon on procedures of this House would know that it was available to us. We have strong evidence to suggest that that weaponry was available to and was known by the Opposition.

Every option other than the one we took was extremely messy. Each would bring about instability. Each could cause a baton change and pitch you, Mr Speaker, into having to make a tough decision. Would you remain Speaker under a Labor government? There is another important constitutional aspect of the Metherell affair that is deeply worrying. And it still worries me. In the evidence of Dr Metherell - not denied by former Minister Moore - there is reference to clearing the Metherell appointment with the Governor. I quote from the Metherell statement of 11th May, 1992:

Moore, "We can arrange the Exco for around 5 pm." Hazzard, "What guarantee has Terry got that the government won't go back on this agreement?" Moore, "I'll make sure everything is signed, sealed and delivered before he signs his resignation letter." I said, -

That is, Metherell. The Metherell statement continues:

- "What about the governor, he may have some reservations?" Moore, -

I am very careful to say that this is only according to Metherell. The Metherell statement, quoting Moore, continues:

- "Nick will check with the governor beforehand to make sure he has no problems with the appointment."

I raise that because my fervent hope is that that did not happen. I took this matter up with Miss Deborah Sweeney of the ICAC. I asked her whether that evidence would be tested or had been tested and verified. It has not. I wrote to His Excellency. His secretary quite properly wrote back saying, to the effect, that he could not and would not be involved in political matters. The question remains however: did former Premier Greiner involve or seek to involve the Governor and, if not, is the evidence given to the commission wrong? It is crucial because had this motion of no confidence been carried today the Governor would have been called upon under the Constitution (Fixed Term Parliaments) Special Provisions Act to exercise considerable powers during the eight-day period. His Excellency would have had to agree with Parliament's endorsement, should it be so, of an alternative Premier or decide to precipitate an election. Any question of his possible involvement prior to the meeting of the Executive Council on 10th April this year would forever be a matter of speculation reflecting on decisions taken and on the office of Governor. This aspect is important; it is what makes the Metherell deal so important. It had the potential to touch the highest office in the State. I hope and I believe it did not do that. But that matter was never contested. It did touch the highest elected office in this State; it did touch the most powerful group of elected people in the State, the Executive Council; it did involve \$1 million; it did involve a parliamentary seat. And I am not ashamed one little bit that I demanded the resignation of the former Premier and former Minister for their involvement. We have worked hard to bring about stability



of government and to work with this Government. There are fundamental differences; there always will be. There are plenty of problems ahead. The Metherell affair was not of our making. The cataclysmic events of the past 10 days have put considerable burdens on our shoulders. We acted then and we act today for stability of government.

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

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## **SWIMMING POOLS BILL**

### **In Committee**

#### **Consideration of Legislative Council's amendments.**

*Schedule of the amendments referred to in the Legislative Council's  
Message of 8 May 1992 a.m.*

- No. 1 Page 4, clause 7, line 5. Omit "the regulations", insert instead "AS 1926 and AS 2818".
- No. 2 Page 4, clause 8, line 35. Omit "the regulations", insert instead "Clause 9.2.2 of AS 2818 for child-resistant doors and child-resistant windows".
- No. 3 Page 6, clause 12, line 14. Omit "the regulations", insert instead "AS 1926 and AS 2818".
- No. 4 Page 7, clause 14, lines 5 and 6. Omit "the regulations", insert instead "Clause 9.2.2 of AS 2818 for child-resistant doors and child-resistant windows".
- No. 5 Page 8, clause 19, line 6. Omit "the regulations", insert instead "AS 1926 and AS 2818".
- No. 6 Page 25, Dictionary of words and expressions, line 5. After the definition of "area", insert:

"AS 1926" means the standard published by Standards Australia, numbered AS 1926-1986 and entitled "Fences and Gates for Private Swimming Pools", as in force from time to time.

"AS 2818" means the standard published by Standards Australia, numbered AS 2818-1986 and entitled "Guide to swimming pool safety", as in force from time to time.

**Mr PEACOCKE** (Dubbo - Minister for Local Government, and Minister for Cooperatives) [5.54]: I move:

That the Committee disagree with the Legislative Council's amendments.

I move this motion because the amendments proposed by the Legislative Council are too restrictive for swimming pools generally and would remove the necessary flexibility which the proposed Act provides.

**Mr E. T. PAGE** (Coogee) [5.54]: I am surprised that the Minister for Local Government and Minister for Cooperatives did not give us more detail about the reason

he rejects the amendments proposed by the upper House. There was very extensive and detailed debate in the other Chamber on this issue. In fact, the amendments were moved by a member of one of the Government parties who had very strong views about swimming pool safety. I am surprised that the Minister did not explain more fully why he is suggesting to the House that the amendments moved by the other Chamber be rejected. The Committee needs to look at the amendments in the context of the development of the legislation and the amendment that was moved by the Opposition in this House which, unfortunately, was unsuccessful. The Minister would recall that that significant amendment required the provision of a fence between the dwelling and the swimming pool. The Minister argued that the dwelling house would be a sufficient barrier for the safety of children so far as the swimming pool is concerned. That argument has no substance. It may provide some safety for children who do not live in or on the property, but it would provide no safety whatever for children who live on the property or visit it. The Opposition believes that it is necessary to provide an effective isolation between a dwelling and a pool. The honourable member in the other place

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agreed in principle with what we had proposed but actually went a great deal further. He agreed that he would not press the provision of a fence but insisted - and this is the basis of the amendments before the Committee now - that there be Australian standard locking devices on all apertures forming part of the safety zone around the pool. This amendment goes further than what I proposed on behalf of the Opposition in this Chamber. The Opposition in the other Chamber agreed to support the amendments moved by that Government member, and this is why we are considering in our Chamber whether to delete or accept the proposal.

It is rather unfortunate that we are considering the amendments at such a late stage. Certainly I would like to have gone further into the detail of the amendments if there were more time available. In previous debate the Deputy Premier, Minister for Public Works, and Minister for Roads castigated the Opposition on its no confidence motion because members were brought back to Parliament unnecessarily. That motion is not the only reason members came back. We came back also to debate this legislation. It has to be dealt with finally by both Houses before 1st August. The Parliament would have had to come back in any event, as the Minister well knows. He should tell his colleague the Leader of the National Party that once again he has misled the Chamber by a stupid assertion. Unfortunately this legislation has been hanging around for almost two years. The previous legislation was introduced in July 1990. There was a great reaction from pool owners, in my view people with vested interests, who believed that the safety standards were far too high and that they should not be involved in the expense of providing that safety standard. The previous Minister, the former member for Manly, who has now lost his seat, set up a committee to review the matter. He picked the members of the committee and the committee made a report. I have read that the former Minister is going to run again if the election is held within the next 12 months. If that is the case, I assure the honourable member for Manly that he will have no trouble whatsoever and will be a shoe-in if David Hay is his political opponent.

**Ms Moore:** Or Jean.

**Mr E. T. PAGE:** If the wife of the former Minister runs, I suggest that to have a chance she change back to her maiden name because the name Hay in the Manly area does not engender any enthusiasm. The committee met and made a series of recommendations which were rejected by the present Minister. The Government, having set up that committee, did not take cognisance of its findings. The will of the vocal minority, including that of the former President of the Liberal Party, the political pygmy John Valder, prevailed over the Government. He said he would resign from the Liberal

Party if his will did not prevail; unfortunately, his will is prevailing. It is a denial of the democratic process that an administrator of the party, outside the Parliament, could force the Government to change its legislation and reduce safety standards around swimming pools for the protection of young kids in our society. I do not know why the Minister did not accept the Opposition amendment. The evidence is clear that a barrier is needed around swimming pools. All the medical evidence is that isolation fencing is required to keep young children away from swimming pools. All parents whose children have been involved in accidents at swimming pools say that if there had been a proper fence or barrier their children would not have died or suffered brain damage in those accidents.

The spurious point has been made that it is a matter of parental supervision, as has also been mentioned in a coroner's report in a different scenario. No parent can watch a child every minute. That is just impossible. Does the Minister or anyone else believe that a parent at home, looking after a child, does not have to go to the toilet, prepare a meal, answer the phone or the door? The times when a person is occupied on

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those mundane interruptions at home are long enough for a child to drown. It is always said that when a child falls into a pool there is no sound. The child does not cry out and invariably goes to the bottom of the pool without any chance of air intake. It is estimated that, for every child who drowns, four end up with brain damage. For those reasons I cannot see why the option should not be taken of increasing safety around swimming pools. I do not necessarily believe that the proposal by the upper House is the ideal one. Unfortunately, the Minister has denied us the opportunity to have some isolation fencing between a dwelling-house and a swimming pool. To fulfil the requirement of having some safety measure, it is reasonable in my view to support this proposal by the Upper House. The Opposition, in the spirit of the comments I have made, will oppose the motion of the Minister and seek to endorse the proposals of the upper House.

**Question - That the amendments be disagreed with - put.**

**The Committee divided.**

**Ayes, 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 Humpherson

Mr Jeffery  
Dr Kernohan

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

Mr Rixon  
Mr Rozzoli  
Mr Schultz  
Mr Small  
Mr Smiles  
Mr Smith  
Mr Souris  
Mr Turner  
Mr West  
Mr Windsor  
Mr Yabsley  
Mr Zammit

*Tellers,*  
Mr Beck  
    Mr Hartcher

**Noes, 44**

Ms Allan  
Mr Amery  
Mr Anderson  
Mr A. S. Aquilina  
Mr J. J. Aquilina  
Mr Bowman  
Mr Carr  
Mr Clough  
Mr Crittenden  
Mr Doyle  
Mr Face  
Mr Gibson  
Mrs Grusovin  
Mr Harrison  
Mr Hatton

Mr Hunter  
Mr Irwin  
Mr Knight  
Mr Knowles

Mr Langton  
Mr McBride  
Mr McManus  
Mr Markham  
Mr Martin  
Mr Mills  
Mr Moss  
Mr J. H. Murray  
Mr Nagle  
Mr Neilly  
Mr Newman

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

**Pairs**

Mr Greiner

Page 4799  
Mr Hazzard  
Mr Moore  
Mr Schipp

Mr Davoren  
Mr Gaudry  
Mr Iemma  
Mrs Lo Po'

**Question so resolved in the affirmative.**

**Motion agreed to.**

**Legislative Council's amendments disagreed with.**

**Resolution reported from Committee and report adopted.**

**Message**

**Motion by Mr Peacocke agreed to:**

That the following message be sent to the Legislative Council:

Mr President

The Legislative Assembly having had under consideration the Legislative Council's Message dated 8 May 1992 a.m. requesting the concurrence of the Legislative Assembly with certain amendments to the Swimming Pools Bill as set forth in the Schedule to that Message, acquaints the Legislative Council as follows:

**Amendment No. 1.** The Assembly disagrees with the proposed amendment because:

The amendment proposed by the Council is too restrictive for swimming pools generally, and removes the necessary flexibility which recourse to regulations under the proposed Act provides.

**Amendment No. 2.** The Assembly disagrees with the proposed amendment because:

The amendment proposed by the Council is too restrictive for access from residences to swimming pools, and removes the necessary flexibility which recourse to regulations under the proposed Act provides.

**Amendment No. 3.** The Assembly disagrees with the proposed amendment because:

The amendment proposed by the Council is too restrictive for swimming pools on premises on which a hotel, motel or movable dwelling is located, and removes the necessary flexibility which recourse to regulations under the proposed Act provides.

**Amendment No. 4.** The Assembly disagrees with the proposed amendment because:

The amendment proposed by the Council is too restrictive for indoor swimming pools, and removes the necessary flexibility which recourse to regulations under the proposed Act provides.

**Amendment No. 5.** The Assembly disagrees with the proposed amendment because:

The amendment proposed by the Council is too restrictive for walls that may be used as barriers, and removes the necessary flexibility which recourse to regulations under the proposed Act provides.

**Amendment No. 6.** The Assembly disagrees with the proposed amendment because:

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The proposed definitions are merely consequential on other amendments with which the Assembly disagrees.

And the Assembly requests the concurrence of the Legislative Council in its disagreement upon the Council amendments in the Bill.

Legislative

**K. R. Rozzoli**

30 June 1992

Speaker

Assembly

**PUBLIC ACCOUNTS COMMITTEE**

### **Sixty-third and Sixty-fourth Reports**

**Mr Longley**, as Chairman, by leave, brought up the Sixty-third and Sixty-fourth Reports, during the currency of the Fiftieth Parliament, of the Public Accounts Committee.

**Ordered to be printed.**

### **ICAC REPORT ON INVESTIGATION INTO THE METHERELL RESIGNATION AND APPOINTMENT**

#### **Personal Explanation**

**Mr SPEAKER:** Order! I draw the attention of the honourable member for Vacluse to a personal explanation which was made by the honourable member for Bligh earlier this day in which she said that she found offensive certain words used by the honourable member for Vacluse during a debate which took place in this House last week. She sought a withdrawal and apology from the honourable member for Vacluse. I direct him to apologise for the words referred to by the honourable member for Bligh in her personal explanation.

**Mr Yabsley:** I concur with your ruling, Mr Speaker, and withdraw and apologise.

### **BUSINESS OF THE HOUSE**

#### **Bills: Suspension of Standing and Sessional Orders**

##### **Motion, by leave, by Mr Fahey agreed to:**

That so much of the Standing and Sessional Orders be suspended as would preclude the following bills, notice of which was given this day for tomorrow, being brought in and proceeded with up to and including Ministers' second reading speeches:

Conveyancers Licensing Bill  
Natural Resources Management Council Bill  
Endangered and Other Threatened Species Conservation Bill  
Environmental Planning and Assessment (Amendment) Bill  
Forest (Resource Security) Bill  
Heritage (Amendment) Bill  
Lotto (Amendment) Bill  
Mutual Recognition (New South Wales) Bill

#### **MUTUAL RECOGNITION (NEW SOUTH WALES) BILL**

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**Bill introduced and read a first time.**

#### **Second Reading**

**Mr FAHEY** (Southern Highlands - Premier, Treasurer, Minister for Industrial Relations, Minister for Further Education, Training and Employment, and Minister for

Ethnic Affairs) [6.19]: I move:

That this bill be now read a second time.

The purpose of this bill is to enable New South Wales to enter into a scheme for the mutual recognition of regulatory standards for goods and occupations adopted in Australia. Mutual recognition is an initiative arising out of the series of special Premiers Conferences which have been conducted over the past 18 months with the objective of achieving an historic reconstruction of intergovernmental relations. In this speech I will outline the aim of mutual recognition, the background to this important initiative, the principles on which it is based and the mechanism for implementation. I will conclude the speech with a summary of the provisions of the bill. The principal aim of mutual recognition is to remove the needless artificial barriers to interstate trade in goods and the mobility of labour caused by regulatory differences among Australian States and Territories. Mutual recognition is expected to greatly enhance the international competitiveness of the Australian economy and is a major step forward in the achievement of microeconomic reform. It involves a recognition by heads of government that the time has come for Australia to create a truly national market - a dream the realisation of which the founding fathers of this nation enshrined in the Constitution, a dream which the parochial politics of successive State and Territory governments have frustrated for almost one hundred years. At the Special Premiers Conference in Brisbane in October 1990, heads of government agreed to apply mutual recognition of standards in all areas where uniformity was not considered essential to national economic efficiency. Between October 1990 and July 1991, models for introducing a scheme of mutual recognition of standards and regulations relating to goods and occupations were developed by the Commonwealth-State committee on regulatory reform, chaired by the Director-General of the New South Wales Cabinet Office. Heads of government gave their in-principle support to these models at the Special Premiers Conference held in Sydney in July 1991, subject to the outcome of a national community consultation process.

National consultation between July and November 1991 involved the release of a discussion paper entitled "The Mutual Recognition of Standards and Regulations in Australia" and a series of seminars in each capital city led by the Hon. Neville Wran, A.C., Q.C. Input was sought from business, industry, trade unions, the professions, standards setting bodies, consumer and community representatives on any necessary refinements to the mutual recognition models. Some 200 written submissions were received. Results of the consultation process were considered by Premiers and Chief Ministers at their meeting in Adelaide on 21st and 22nd November, 1991. Whilst there were different views expressed at the seminars and in the submissions, the concept of mutual recognition was widely embraced as a means to overcome regulatory impediments to a national market in goods and services. The majority of submissions did not call for substantial changes to the models, although some expressed a preference for uniformity. On that point, it is important to note that mutual recognition is intended to complement the efforts of regulatory authorities in achieving nationally uniform standards. It will not impede those efforts where it is agreed that uniform national standards are necessary. On the contrary, recent experience with the doctors, for instance, suggests that mutual

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recognition will hasten the successful resolution of such endeavours.

The intergovernmental agreement on mutual recognition, signed by all heads of government when they met on 11th May, 1992, actively promotes the development of national standards where the operation of mutual recognition highlights the necessity of



such standards for protecting the health and safety of citizens or preventing or minimising environmental pollution. The mutual recognition proposals were subjected to further public scrutiny after Premiers and Chief Ministers agreed to release the draft Mutual Recognition Bill last November. Changes which have been made to the draft legislation as a result of submissions received are generally of a minor drafting nature only, and again overwhelming support for the concept of mutual recognition was evident with a few notable exceptions, which continued to favour national uniformity. It is an indication of the common sense which underlies the concept of mutual recognition that these proposals have had the clear support of governments of different political persuasions from the outset.

By signing a final intergovernmental agreement on mutual recognition in May 1992, heads of government endorsed a revised version of the Mutual Recognition Bill. It was agreed to aim for enactment of this legislation in all States and Territories by 31st October, 1992, and in the Commonwealth by 1st January, 1993. Proclamation of the Commonwealth Act will follow by 1st March, 1993, after administrative arrangements have been put in place. The legislation is based on two simple principles. The first is that goods which can be sold lawfully in one State or Territory may be sold freely in any other State or Territory even though the goods may not comply with all the details of regulatory standards in the place where they are sold. If goods are acceptable for sale in one State or Territory, then there is no reason why they should not be sold anywhere in Australia.

To give some examples of the difficulties we are trying to overcome, it was not so long ago that it was virtually impossible to market cooking margarine nationally in one package. Western Australia required margarine to be packed in cube tubs whereas the familiar round tub was acceptable everywhere else. New South Wales deregulated its egg industry, yet interstate consumers are still denied access to competitively priced eggs produced here. New South Wales eggs cannot be sold in Queensland without first being inspected, size graded, and then stamped with a symbol issued by the Queensland Department of Primary Industries. It seems that the only way for a New South Wales producer to become eligible for this symbol is to identify the farms from which the eggs will be sourced and have those farms inspected and approved by the Queensland Department of Primary Industries authorised inspector - at the New South Wales producer's expense! Then a New South Wales producer must set up a grading floor in Queensland and seek approval for that grading floor and the egg inspection process, again from a Queensland Department of Primary Industries authorised inspector.

Tasmanian law also effectively prohibits New South Wales egg imports by imposing grading requirements unique to that State. Mutual recognition will mean producers in Australia will only have to ensure that their products comply with the laws in the place of production. If they do so, they will then be free to distribute and sell their products throughout Australia without being subjected to further testing or assessment of their product. This will ensure a national market for those products. Similarly, goods manufactured or produced overseas which comply with the relevant standards in the jurisdiction through which they are imported will be able to be sold in any jurisdiction. The second principle is that if a person is registered to carry out an occupation in one State or Territory, then he or she should be able to be registered and carry on the

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equivalent occupation in any other State or Territory. If someone is assessed to be good enough to practise a profession or occupation in one State or Territory, then he should be able to do so anywhere in Australia.

A person who is registered in one jurisdiction will only need to give notice,

including evidence of his home registration, to the relevant registration authority in another jurisdiction. Then they will immediately be entitled to commence practice in an equivalent occupation in that State or Territory. No additional assessment will be undertaken by the local registration or licensing body to assess the person's capabilities or expertise. Local registration authorities will be required to accept the judgment of their interstate counterparts of a person's educational qualifications, experience, character or fitness to practise. It is ridiculous that under present arrangements lawyers, doctors and the professionals may have qualifications from the best universities in Australia or the world; skilled tradesmen may have the finest training and on-the-job experience, but cannot work outside their home State because of a multiplicity of bureaucratic obstacles and delays. In some cases, their work experience in their home State is considered irrelevant; in others they are required to spend months or even years retraining. Even then they may never succeed in gaining recognition without virtually starting from scratch. This has little to do with ensuring competency. Much of it is simply motivated by a desire to protect local practitioners from competition.

I am sure that everyone would agree that in Australia the existing regulatory arrangements of each State or Territory generally provide a satisfactory set of standards. Thus, on implementation of mutual recognition, no jurisdiction will suddenly be flooded with products that are inherently dangerous, unsafe or unhealthy, nor will there be an influx of inadequately qualified practitioners. Indeed, mutual recognition could result in an elevation of standards in some instances. The mechanism for implementing mutual recognition and thus achieving free trade in goods and services in Australia is an innovative one. The States and Territories have agreed to require and empower the Commonwealth to pass a single Act which, once enacted by the Commonwealth, will override any State or Territory Acts or regulations that are inconsistent with the mutual recognition principles.

The States and Territories will effectively cede power to one another through the mechanism of Commonwealth legislation. Let me stress that the additional powers of the Commonwealth will be extremely limited. States and Territories are not granting extensive new powers to regulate goods and occupations. The Commonwealth will be empowered to pass a single piece of legislation. Amendments to this legislation will require unanimous agreement among all participating jurisdictions. There will be no new powers for the Commonwealth to unilaterally establish new standards or controls. Under the terms of the intergovernmental agreement on mutual recognition that all heads of government signed in May 1992, Commonwealth Ministers, like their State and Territory counterparts on ministerial councils, will be subject to the same controls and limits. A majority vote of Ministers in support of a new standard will bind all the parties. Madam Deputy Speaker, at this point I seek leave to have the Deputy Premier, on my behalf, continue this second reading speech during my imminent absence.

**Leave granted.**

**Mr W. T. J. MURRAY** (Barwon - Deputy Premier, Minister for Public Works, and Minister for Roads) [6.30], on behalf of Mr Fahey: I will now explain the provisions of the Mutual Recognition (New South Wales) Bill in greater detail. As already explained, the New South Wales Bill will enable the Commonwealth to pass an Act in the terms, or substantially in the terms, of the Act which is set out in the schedule

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to the Mutual Recognition (New South Wales) Bill. Amendment of the Commonwealth Act will require approval by a designated person from each jurisdiction. For New South Wales this person is the Governor. The mutual recognition scheme is to last initially for five years, after which time the Governor has the power to terminate the reference by

proclamation. The mutual recognition principles in relation to goods and occupation are set down in clauses 9 to 11, for goods, and clause 17, for occupations, of the schedule to the State legislation. The bill in the schedule is intended to become an Act of the Commonwealth Parliament.

The legislation will not encroach on the ability of jurisdictions to impose standards for locally produced or imported goods, nor for local people wishing to enter into an occupation. Mutual recognition will not affect the ability of jurisdictions to regulate the operations of businesses or the conduct of persons registered in an occupation, nor is it intended to affect the registration of bodies corporate. Its focus is on the regulation of goods at the point of sale and on entry by registered persons into equivalent occupations in another State or Territory. Laws that regulate the manner in which goods are sold, such as laws restricting the sale of certain goods to minors, or the manner in which sellers conduct their businesses, are explicitly exempted from mutual recognition. For occupations, the legislation is expressed to apply to individuals and occupations carried on by them.

As indicated earlier, mutual recognition is intended to encourage the development of uniform standards where these are considered necessary for reasons of protecting health and safety or preventing or minimising environmental pollution. Thus provision is made for States and Territories to enact or declare certain goods or laws relating to goods to be exempt from mutual recognition on these grounds on a temporary basis, up to 12 months. During that time the intergovernmental agreement provides for the relevant ministerial council to consider the issue and make a determination on whether to develop and apply a uniform standard in the area under examination. Wherever possible, ministerial councils are to apply those standards commonly accepted in international trade. In respect of occupations, the Administrative Appeals Tribunal will hear appeals against decisions of local registration authorities and will have the power to declare an occupation to be non-equivalent. This would occur in circumstances where there is no technical equivalence, in the sense that the activities a practitioner is authorised to carry out under registration for one jurisdiction to another are not substantially the same.

Declarations of non-equivalence may also be made where there is technical equivalence but there are health, safety or pollution grounds for preventing practitioners from one State carrying on that occupation in other States and Territories. Such declarations are to have effect for 12 months, during which time relevant State and Commonwealth Ministers have to agree on whether to develop and apply a uniform standard: if not, mutual recognition will apply. The intergovernmental agreement also provides for a concerned State or Territory to refer a matter relating to a particular good or occupation to the appropriate ministerial council for a decision on whether or not to develop and apply a uniform standard. It is expected that where a ministerial council decides that a uniform standard is required in respect of a particular occupation, it will apply a national competency standard if such a standard is available. Heads of Government have asked that the process of developing such standards be accelerated so that by December 1992 it is expected that national competency standards will be developed for all regulated occupations and professions.

The legislation also provides for certain permanent exemptions in relation to  
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goods. Heads of Government have agreed that the exemptions schedules should be extremely limited, focusing on those products for which a national market is undesirable. Examples include pornography, firearms and other offensive weapons and gaming machines. Amendment of the exemptions schedules will require the unanimous

agreement of all jurisdictions. The mutual recognition principle in relation to goods is intended to operate by way of a defence; that is, it would be a defence to a prosecution for an offence against a law of a jurisdiction in relation to the sale of goods if the defendant expressly claims that the mutual recognition principle applies, and establishes that:

- (i) the goods offered for sale have labels saying the goods were produced in or imported into another jurisdiction; and
- (ii) he or she had no reasonable grounds for suspecting the goods were not produced in or imported into that other jurisdiction.

It will then be up to the prosecutor to rebut this or to say that the mutual recognition principle does not apply - because, for example, the goods did not comply with requirements imposed by the law of the other jurisdiction. Except where the defence is overturned, mutual recognition will apply. The mutual recognition principle in relation to occupations will mean that a registered practitioner wishing to practise in another State can notify the local registration authority of his or her intention to seek registration in an equivalent occupation there. The local registration authority then has one month to process the application and make a decision on whether to grant registration. Pending registration, the practitioner is entitled, once the notice is made and all necessary information provided, to commence practise immediately in that occupation, subject to the payment of fees and compliance with various indemnity or insurance requirements in relation to that occupation. No other preconditions can be imposed on the entitlement to commence practise. Conditions can be placed on the practitioner's registration in order to achieve equivalence. In addition, the interstate practitioner is immediately subject to the disciplinary requirements and other rules of conduct in the new jurisdiction applicable to local practitioners.

The Government is confident that participation in this legislative scheme will provide major benefits for New South Wales. The unnecessary costs for producers in accommodating minor differences in regulatory requirements of States and Territories, in relation to goods will be removed. Genuine competition across State and Territory borders will be encouraged as a result of producers having more ready access to the Australian market as a whole. Labour mobility will be enhanced by the removal of artificial barriers linked to registration and licensing laws. As a result, we will be able to make better use of our labour force skills. Australia's international competitiveness will rise as producers capitalise on the economies of scale made possible by mutual recognition. This is a process that will occur over the medium to long term. More efficient standards brought about by competition among jurisdictions should result in community requirements being met at a lower overall cost. Wider consumer choice and a greater responsiveness to the needs and demands of consumers among producers and regulators should result. At the same time, as pointed out earlier, the mutual recognition scheme is designed to ensure that there is no compromise on standards in the important areas of health and safety and environmental protection.

This legislative scheme is an historic initiative aimed at overcoming the regulatory impediments to the creation of a truly national market in goods and services in this country. I am pleased to acknowledge the substantial contribution New South Wales officials have made in developing the mutual recognition scheme. The

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Government would also like to acknowledge the positive contribution made by all heads of Government, including Nick Greiner, in fostering and promoting this important development. It is a fine example of what can be achieved when all governments co-operate and work together in the national interest. I commend the bill to the House.

**Debate adjourned on motion by Mr Amery.**

**NATURAL RESOURCES MANAGEMENT COUNCIL BILL**

**ENDANGERED AND OTHER THREATENED SPECIES CONSERVATION BILL**

**ENVIRONMENTAL PLANNING AND ASSESSMENT (AMENDMENT) BILL**

**FOREST (RESOURCE SECURITY) BILL**

**HERITAGE (AMENDMENT) BILL**

**Bills introduced and read a first time.**

**Second Reading**

**Mr W. T. J. MURRAY** (Barwon - Deputy Premier, Minister for Public Works, and Minister for Roads) [6.41], on behalf of Mr Fahey: I move:

That these bills be now read a second time.

These bills - the natural resources package - represent one of the major initiatives of the Government and a new approach to resource planning and conservation in this State and probably in Australia. The package gives effect to a number of commitments that the Government has made to improve the management and conservation of the State's natural resources. The natural resources package is the first attempt in this State to promote a whole of resource approach to land and resource management. It recognises that there are competing needs in relation to the resources, and the mechanism it puts in place will enable those needs to be properly balanced. As honourable members will be aware, the package was unveiled by the Government in June. A discussion paper and draft exposure bills were released to encourage public comment. The legislation is complex. It is therefore important to have the benefit of the input and reaction of the community and interest groups and to respond to any concerns.

The introduction of the legislation into the Parliament today is not intended in any way to short circuit the process of public consultation. Instead it should facilitate that process and maximise exposure of the bills. In addition I propose to refer the bills to a legislation committee in accordance with the memorandum of understanding with the Independents. Again this will ensure a thorough examination of the legislation and the issues involved, encouraging public participation in the process. The bills will lie on the table for a number of months and the Government will review them in the light of feedback and discussion and in particular the report of the legislation committee. However, I intend that the legislation will be in place by the end of the year.

The Natural Resources Management Council Bill is central to the package and gives effect to the Government's undertaking to establish a council to conduct an environmental audit of the State's natural resources. Our existing information about the State's natural resources is piecemeal and inadequate. As a result, there are continuing

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disputes about the economic and environmental values of those resources. Credible and objective information is essential for both environmental protection and in order to provide certainty for our resource-based industries. Clearly, we cannot effectively protect endangered and threatened species of animals and plants without adequate

information about those species. Nor can long-term investment in the State's resource-based industries be encouraged when there is no certainty about the future access to resources and ongoing disagreement about their conservation and economic value.

The first task of the council will therefore be to provide comprehensive and reliable information about the resources owned or managed by the State Government - that is public land and its resources such as timber, water, soil, fishery resources and minerals. The audit of the State's resources will be carried out region by region in contrast to current resource assessment, which is made on an ad hoc site-by-site basis. The council will build on databases which already have been established in the State, commissioning new research where necessary. The Government has given a commitment to allocate up to \$100 million to this audit over a five-year period. All values of resources will be assessed; that is, not only will their economic and conservation significance for the State be examined but also their social, cultural and scientific significance.

After assessing all the values of the State's resources in a region, the council will then consider, on behalf of the community, how those resources should be allocated and accordingly make recommendations to the Government. In making recommendations on resource allocation the council will be required to apply the principles of environmental policy set out in the 1992 intergovernmental agreement on the environment. The New South Wales Government is again taking the initiative in Australia to give effect to the objectives of the agreement.

Public consultation will be a mandatory and critical part of any review. The council will be required to make a draft report of a review available to the public before submitting it to the Premier and finalising its report. It must take into account the submissions received. In addition, the Premier must table a copy of the report in Parliament before deciding whether to adopt it as government policy. Thus, the Parliament will have the opportunity to debate every report of the council and the Government will have the benefit of that debate in assessing NRMC reports. The council will also advise the Government on specific issues and disputes relating to public land and its resources which the Government refers to it. I should emphasise that the council will not be subject to ministerial direction and control in relation to the contents and reports and advice to the Government.

The membership of the council has been carefully chosen to achieve a balance between conservation and resource development interests. It will be under the direction of an independent chairperson. The council will have seven Government members, comprising the chief executive officers of agencies in both the environmental and resource areas. Agencies will have to accommodate their competing interests in relation to any issue before the council. They will thus have to resolve their conflicts before a decision is made rather than after, as frequently happens at present. The bill also provides for a Commonwealth representative - a commissioner of the Australian Heritage Commission - to be a member of the council in recognition of the need to identify national estate values in the assessment process. The Government has approached the Prime Minister seeking his concurrence in this proposal. The council will also have five non-government members, including the chairperson. Between them they will have a broad range of

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expertise in resource economics and industry and nature conservation, including biodiversity conservation.

The next bill in the package is the Endangered and Other Threatened Species Conservation Bill. The aim of this legislation is to promote the recovery of endangered and other threatened species of Australian animals and plants occurring in New South Wales and maintain their genetic diversity. The Opposition's legislative attempt in this area - the Endangered Fauna (Interim Protection) Act - has done little or nothing to further the protection of our native species. All it has done is impose an additional layer of bureaucratic regulation on development and activities often vital to the economic and social welfare of the State. It fails to adequately integrate decisions about nature conservation with planning and other resource decisions that take into account all relevant matters - social, economic and environmental.

The Government has met the challenge the Opposition has held out with its interim protection bill. I want to stress, however, that the Government had endangered species legislation on its agenda long before the Opposition introduced its legislation. In contrast to that legislation, the bill before the House requires the Director of National Parks and Wildlife to prepare recovery plans for endangered species. The director must consider what positive steps should be taken to ensure the return of endangered species to a position of viability in the wild. In addition, the bill before the House encourages, and indeed requires, decisions about species conservation to be taken in consultation with other agencies with resource planning and environmental responsibilities. The director will need to consult any government agency potentially affected by a recovery plan and, where public land is involved, it must consult the Natural Resources Management Council. The submissions of those agencies and the council must be considered.

In particular, the bill encourages the integration of measures for the conservation and protection of native species with the system of environmental planning and assessment in the State. The Environmental Planning and Assessment Act will be amended by the bill to clearly authorise the making of environmental planning instruments for the protection, conservation and recovery of native species and their habitat. Most significantly, where habitat is designated as critical habitat by the planning instrument - that is, habitat whose protection is necessary for the survival of the species - any damage to that habitat will attract very significant penalties. The designation of habitat as critical in a planning instrument will require the approval of the Minister for Planning. The Minister for Planning will consider and assess the desirability of any proposal of the National Parks and Wildlife Service to specify critical habitat in a planning instrument in light of the objects of the Environmental Planning and Assessment Act. Thus the Minister will need to consider the social and economic welfare of the community as well as the protection of the environment in keeping with principles of ecologically sustainable development.

Public participation is an integral part of preparation of local and regional planning instruments. The public will thus have the opportunity to comment on proposals for protection of native species and their habitat by environmental planning instruments before their implementation. The bill provides for the protection of both endangered and other threatened species of animals and plants - that is, vulnerable, rare, indeterminate and insufficiently known species. The task of assessing the eligibility of species for listing will be given to an independent scientific committee with a broad range of expertise. A species will only be able to be listed on the recommendation of the committee. The criteria for listing which the committee are to apply are set out in the

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Act and are generally consistent with international standards. In particular, a species will be eligible for listing as endangered only if it is likely to become extinct within Australia within a 20-year period. Provisions have also been included to refine the criteria in accordance with advances in scientific thinking and available technology.

Finally, the bill repeals the Opposition's interim protection Act and restores the National Parks and Wildlife Act 1974 as it was before the Opposition's misguided attempt at its amendment. The bill amends the offences relating to the taking and killing of endangered and other protected fauna in the National Parks and Wildlife Act. Those provisions were the subject of the proceedings brought by Mr Corkhill in the Land and Environment Court to stop logging in the Chaelundi State Forest. The court held that the "taking or killing" offences extend to habitat destruction and degradation which disturbs an endangered or protected species, leading either immediately or over time to a reduced population. The interpretation has potentially far-reaching consequences, not only for forestry operations but for a broad range of activities and development in this State. The Opposition attempted to deal with the problem by relying on the licensing system for the taking or killing of fauna already set up by the Act. It has made that system unwieldy and cumbersome and imposed onerous requirements in relation to the obtaining of licences. I doubt whether anything tangible has been achieved for the protection of fauna.

The amendments made by the bill will confine the scope of the "taking and killing" offences and thus limit the need for licences. The provisions will be restricted essentially to the hunting, killing, injuring and capturing of endangered and other protected fauna. These offences will require proof of intention to kill or injure or capture the fauna concerned. The new offence of damage to critical habitat identified in an environmental planning instrument will more effectively safeguard habitat from damage as people will actually know where that habitat is and what they can and cannot do in the area. The Environmental Planning and Assessment (Amendment) Bill will give the Minister for Planning a critical role in determining whether undertakings and activities of government agencies which are likely to have a significant effect on the environment may proceed. The amendment was foreshadowed by the Government when the Timber Industry (Interim Protection) Bill was being debated. The scheme for the Minister for Planning to assess and approve logging operations for which an environmental planning instrument is prepared is substantially continued.

Under the present scheme established by part 5 of the Environmental Planning and Assessment Act, State Government agencies such as the Forestry Commission and the Roads and Traffic Authority must take into account the likely environmental impact of their proposed activities before proceeding. Ultimately, however, the decision as to whether or not an activity is to proceed rests with the agency. Even where an activity is likely to have a significant effect on the environment and the agency must therefore prepare or obtain an environmental impact statement, the agency itself nevertheless makes the decision about whether to go ahead with the activity. It is argued that the agency is unlikely to be perceived as sufficiently objective in making that decision. There is a lack of public confidence that the agency will give sufficient weight to environmental considerations in arriving at that decision. The Environmental Planning and Assessment (Amendment) Bill will introduce greater objectivity into the process. Any activity for which a government agency is the proponent and for which it obtains an environmental impact statement will not be able to be carried out unless the approval of the Minister for Planning has first been obtained. The Minister for Planning will make his or her decision as to whether or not to grant approval having regard to a wide range of matters. The Minister will review the agency's decision to carry out the activity having regard to both the environmental assessment of the activity by the agency and the rights and obligations of the agency.



use of our State's resources. All relevant factors - environmental, social and economic - will be taken into account by the Minister for Planning. It should be emphasised that the Minister will make a decision only after considering a report of the Director of Planning or a commission of inquiry. All relevant issues will therefore have been comprehensively canvassed and considered before approval is granted or refused. The reports of the director and the decisions of the Minister for Planning will be made public. It should be emphasised also that the bill in no way derogates from an agency's own environmental assessment obligations under part 5. An agency will not be able to apply for approval by the Minister for Planning until it has considered the environmental impact statement, publicly exhibited it and taken into account submissions it receives from the public.

The next bill in the package is the Forest (Resource Security) Bill. It is intended to give investors in the timber industry the confidence they need to continue and expand their investment in New South Wales. I believe this legislation will protect existing jobs and will generate new jobs over time. While the establishment of the NRMC should encourage investment in resource-based industries in this State, the setbacks suffered by the timber industry in recent years indicate that a greater measure of security for that industry is required. As honourable members will be aware, the Federal Government failed to get resource security legislation through its Parliament earlier in the year. That legislation was limited in its scope to projects worth \$100 million or more. The Government expressed serious concern at the practicality of this threshold test for security. The bill takes a more measured and practical approach to resource security for the industry as a whole. Under the bill State forests will be set aside for timber production or conservation or restricted use after exhaustive resource assessment studies.

No decision will be made regarding the allocation of forests to timber production or conservation until the Natural Resources Management Council has made a comprehensive study of the forested land involved and reported to the Government on the use of the land under the Natural Resources Management Council Act. The southeast forest is an obvious exception to the general requirement because it has been subjected already to exhaustive studies. There is no need - and indeed it would be a waste of resources - for the same land to be assessed by the NRMC. Further, the Commonwealth and State have already reached agreement that certain land in the southeast forest currently under the management of the Forestry Commission will be reserved as national park. Resource security will be conferred by the legislation in relation to the timber resources on land designated as timber production forest by an environmental planning instrument. The bill authorises forestry operations to be carried out on land classified in this way. Part 5 of the Environment Protection Authority Act will no longer have to be complied with, as the environmental impact of those operations will already have been assessed by the NRMC.

The bill also prohibits an environmental planning instrument from being made which requires development consent to be obtained before forestry operations are carried out on this land. Any change in classification from timber production forest will be possible only if the NRMC modifies its assessment of the land because of new information or new circumstances. Thus there will be greater certainty as to long-term access to timber resources on which to base investment in the industry. Finally, resource security will be conferred by contractual arrangement for compensation if land is withdrawn from timber production. Thus when a company contracts with the Forestry Commission to supply a certain quantity of timber over a specified period, that contract can include provision for compensation if the Forestry Commission is unable to meet its obligations because land is withdrawn from timber production. Another key feature of

the legislation is the requirement for the responsible Minister to develop forestry practices codes for forestry operations on public forested lands. Forestry practices codes will regulate the manner in which forestry operations and ancillary activities are carried out so as to protect the environment and promote ecologically sustainable forest use. More specifically, forestry practices codes may deal with matters such as soil deterioration and water quality, road construction and harvesting practices. The Minister will have to make any draft code available to the public and take into account any submissions of the public before finalising the code. In addition, no code will have effect until it is adopted by regulation. The making of the regulation will, of course, require a regulatory impact statement.

The final bill in the package is the Heritage (Amendment) Bill. The Chaelundi dispute highlighted the unwieldy duplication of statutory provisions for the protection of the natural environment. Interim protection or conservation orders were applied for under both the Heritage Act and the National Parks and Wildlife Act. The Heritage (Amendment) Bill will make items of cultural heritage the clear focus of that Act on the basis that there are comprehensive provisions for the protection of our natural heritage in other legislation. Most significantly, the National Parks and Wildlife Act provides for the permanent protection of land which has unique or outstanding scenery or natural phenomena. Such land may be dedicated as national park or otherwise reserved. In addition, interim protection orders may be made to protect land of natural significance. The Wilderness Act also provides for the permanent protection and proper management of areas of wilderness. The new endangered species legislation will empower the Minister responsible for national parks and wildlife to make interim protection orders in respect of habitat of species which he or she considers to be critical for the survival of that species. The Heritage (Amendment) Bill also makes it clear that Aboriginal places and relics are outside the scope of the Heritage Act if they come within the protective provisions of the National Parks and Wildlife Act. The Minister administering that Act has responsibility for Aboriginal places and relics, which may be reserved as historic sites. In addition, the National Parks and Wildlife Act imposes significant penalties for damaging places and relics.

In summary, a key feature of the natural resources package is its balanced and integrated approach to resource management and conservation, consistent with the principles of ecologically sustainable development. It promotes the making of sound decisions about the State's natural resources by ensuring that they are based on comprehensive and objective information, and after all relevant factors have been considered. Public participation is another key feature of this legislation, ensuring that the Government has the benefit of community input in the decisions it makes on resource allocation and conservation. For the first time the claims made by opposing interests - whether in the community or within government, environmental or pro-development - will be able to be tested on the basis of sound and objective information and assessment. I commend the bills to the House.

**Debate adjourned on motion by Mr Amery.**

#### **Legislation Committee**

**Motion, by leave, by Mr W. T. J. Murray agreed to:**

That:

(1) The Natural Resources Management Council Bill and cognate bills be referred to a Legislation Committee for consideration and report to the House on such amendments as it

considers should be proposed to the Committee of the Whole on the bills..

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(2) Such committee consist of Ms Allan, Mr Fraser, Dr Macdonald, Mr Martin and Mr Yabsley:

(3) The committee report by 31st October, 1992.

## **WHISTLEBLOWERS PROTECTION BILL**

**Bill introduced and read a first time.**

### **Second Reading**

**Mr W. T. J. MURRAY** (Barwon - Deputy Premier, Minister for Public Works, and Minister for Roads) [7.10], on behalf of Mr Fahey: I move:

That this bill be now read a second time.

The Whistleblowers Protection Bill is one of the most significant initiatives to flow from the memorandum of understanding with the Independent members of Parliament. In the memorandum of understanding the Government recognised the fundamental right of freedom of speech for all public sector employees. The Government undertook to legislate to provide full protection of the rights and employment of any public sector employee who exposed corruption or matters constituting public maladministration or significant waste. It was also acknowledged in the memorandum that such legislation must not protect exposure of distorted, fabricated or incomplete material. The bill which is now being introduced fulfils the undertaking made in the memorandum of understanding. It provides a scheme for the protection of whistleblowers whereby public officials are able to make what are termed protected disclosures. By this scheme protected disclosures concerning corrupt conduct will be able to be made to the Independent Commission Against Corruption. Protected disclosures concerning maladministration will be able to be made to the Ombudsman. Protected disclosures which concern allegations of substantial waste will be able to be made to the Auditor-General. It should be emphasised that under the proposed scheme protected disclosures will be permitted notwithstanding any confidentiality or privacy provision which may apply to any material or information.

The right to override confidentiality provisions in making disclosures can be conferred because protected disclosures are made only to specific authorised agencies. This is one of the benefits of requiring disclosures to be made through authorised channels rather than randomly to any recipient chosen by the person making the disclosure. Moreover, it is obvious that the most appropriate whistleblowers' protection scheme for New South Wales is one which utilises existing agencies which possess powers and experience in considering and investigating complaints and allegations. Under the bill a person who makes a protected disclosure will receive protection against detrimental action taken in reprisal for the disclosure. The detrimental action against which protection is provided by the bill is widely defined to include injury, damage or loss; intimidation or harassment; discrimination, disadvantage or adverse treatment in relation to employment; dismissal from or prejudice in employment; and disciplinary proceedings. Also a defence of absolute privilege is provided against any proceedings in defamation for the publication of a protected disclosure to an investigating agency. Moreover, the Public Sector Management Act will be amended to expand the definition

of breaches of public sector discipline to include taking detrimental action against a person who has made a protected disclosure.

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The Whistleblowers Protection Bill will not affect the powers of the relevant investigating authorities which are currently conferred by legislation. Once a disclosure is made, the handling of the disclosure becomes a matter for the relevant investigating authority. The bill will amend the Public Finance and Audit Act to explicitly confer on the Auditor-General the power to conduct a special audit when a public official has complained that public money has been substantially wasted. The bill will provide investigating agencies with an explicit right to refer matters raised by disclosures to other investigating authorities or to any other person or body considered to be appropriate. The Whistleblowers Protection Bill will provide an additional channel by which the relevant investigating authorities - the Independent Commission Against Corruption, the Ombudsman and the Auditor-General - can become aware of misconduct relevant to their existing areas of responsibility. This approach of having whistleblower protection legislation integrated with and complementary to other legislative provisions is by no means novel or unique. In the United States provisions at the Federal level to protect whistleblowers form part of a wider legislative scheme designed to ensure that personnel practices are based on merit and fitness criteria. The Whistleblowers Protection Bill will establish an effective scheme for encouraging the reporting of corruption, maladministration and significant waste and for protecting those who disclose such matters in the public interest. The scheme augments the structures and mechanisms already in place for promoting efficient public administration in New South Wales. It is the Government's intention that the Whistleblowers Protection Bill lie on the table as an exposure draft so that interested parties may have an opportunity to comment on the proposed legislation. I commend the bill.

**Debate adjourned on motion by Mr Face.**

### **CONVEYANCERS LICENSING BILL**

**Bill introduced and read a first time.**

#### **Second Reading**

**Mr COLLINS** (Willoughby - Attorney General, Minister for Consumer Affairs, and Minister for Arts) [7.15]: I move:

That this bill be now read a second time.

The Conveyancers Licensing Bill is part of the Government's clear commitment to promoting competition and efficiency in all sectors through microeconomic reform. The legal profession should not be, and is not, immune from that process. In November last year I introduced significant changes to the regulation of advertising by solicitors. Solicitors are now permitted to advertise areas of expertise and discount fees. The benefits to consumers can already be seen from the reduced fees being advertised by many solicitors in New South Wales. A wider market for conveyancing through the introduction of conveyancers will provide greater consumer choice. Consumers will be able to make quality and cost decisions as to whether to use a solicitor or a licensed conveyancer. At the same time the licensing scheme introduced by this bill will protect consumers of conveyancing services by providing that conveyancers must be licensed, accountable, and meet practice requirements for conveyancing to the same standard as

solicitors. The conveyancing of title to real property can be complex, involving the legal rights of the contracting parties, the quality of the title to be transferred, the numerous types of title in this State, and the impact of other laws on the transaction. Regard must be had to family law, the law of succession, taxation law and the general law of contract. At the same time many aspects of Torrens title conveyancing are relatively simple, involving sequential steps and standard forms.

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The Government seeks to balance the underlying complexity of the law governing conveyancing on the one hand and the relatively simple procedures in the transaction on the other, by providing an outcome that protects the public and at the same time opens up a competitive market. This balance is achieved in the Conveyancers Licensing Bill. For the benefit of honourable members I shall outline briefly the licensing system that this bill will establish. It must first be noted that the regulation of conveyancers will be under the supervision of an independent committee. The Conveyancers Licensing Committee will have the following functions: first, to determine the educational qualifications, practical training and conveyancing experience necessary to qualify a person for a licence; second, to accredit courses of study; third, to issue certificates of eligibility; fourth, to approve policies of professional indemnity and fidelity insurance; fifth, to establish guidelines for the conduct of conveyancing businesses; and, sixth, to advise the Law Society on complaints investigated by the Law Society.

The Law Society, under the supervision of the Conveyancers Licensing Committee, will be responsible for much of the day-to-day regulation of conveyancers. There has been considerable fuss made by sections of the media at the proposal to involve the Law Society in the regulatory process. It is my view that this involvement is necessary to ensure that the legal and ethical standards expected of conveyancers are equal to that required of solicitors in a conveyancing transaction. I am also confident that the Law Society Council will discharge its functions impartially and responsibly, not engage in conduct which is oppressive to licensed conveyancers or applicants for a licence, or otherwise attempt to frustrate the intention of the legislation. The functions of the Law Society under the bill include the appointment of trust account inspectors and investigators and the taking of any necessary action in relation to reports of inspectors and investigators. The Law Society may appoint a manager or apply to the Supreme Court for appointment of a receiver where there has been a failure to account by a conveyancer or where it is otherwise necessary to protect the interests of other persons. The Law Society will also receive and investigate complaints. In dealing with a complaint, the society must obtain the advice of the Conveyancers Licensing Committee prior to determining whether the complaint is to be dismissed or referred to either the Disciplinary Tribunal or the Standards Board.

I point out to honourable members that the Association of Property Conveyancers also has a significant role under the bill. Before I come to that, though, I want to say that the functions I have already outlined will be exercised by the Law Society and represent a significant subsidy by the Law Society of the introduction of licensed conveyancers in the State. Indeed, the value of services such as trust account inspection and other supervisory day-to-day administrative functions will probably amount to a subsidy of hundreds of thousands of dollars by the Law Society. The Government has examined the alternative to that, which would be a form of self funding by this as yet relatively small group of potentially licensed conveyancers. That group is seen to be so small that to impose the full administrative burden on it from the outset would be quite crippling and would not enable the scheme of licensed conveyancers to get off the ground at all. The third option would be for the Government to provide at

substantial cost to the Government, probably running into the best part of a million dollars a year, the administrative services necessary to back a wholly stand-alone Conveyancers Licensing Committee. That too has been examined but rejected because of cost implications. What the Government is accepting is that the Law Society is in a position to perform those services. It has these schemes up and running. It has these trust account inspectors. It is capable of day-to-day administration of solicitors' accounts and operations. That is a valuable opportunity for this embryonic group of licensed conveyancers envisaged by this bill once it becomes an Act.

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I turn now to the Association of Property Conveyancers. The main function of the association will be to negotiate policies of professional indemnity and fidelity insurance and submit these to the committee for approval. To enable the insurance coverage to be to similar levels and in similar terms as that which applies to solicitors, it is necessary that there be a master policy of insurance taken by the association to cover claims arising from the actions of its members. So far as the licensing arrangements are concerned, a person who has the necessary qualifications, training and experience will apply to the Conveyancers Licensing Committee for a certificate of eligibility. The committee will also determine whether the person is fit and proper to be issued with a licence. Once a certificate of eligibility has been issued, the holder may apply to the Law Society for the issue of a licence. At this stage, evidence will need to be provided indicating that the person is covered by an approved policy of indemnity and fidelity insurance. Certain circumstances will disqualify a person from obtaining or continuing to hold a licence to conduct conveyancing. These include: bankruptcy; a conviction for fraud or dishonesty; being struck off or disbarred from practising as a solicitor or barrister; being subject to an order under section 120 of the Legal Profession Act, controlling the employment of clerks; and being disqualified from acting as a real estate agent. In addition, persons who have been granted a licence to undertake conveyancing and fail to comply with the practice requirements may have their licence cancelled and be refused the issue of a further licence.

Conveyancers will be permitted to undertake all conveyancing transactions associated with residential property of up to 10 hectares. We have had discussions with the Association of Property Conveyancers. It would be comfortable with this limitation. It is principally and almost totally interested in transactions relating to residential property. Indeed, I am yet to come across conveyancers who seek to deal with other than residential property. Therefore, the legislation limits proposed conveyancers to residential property. Conveyancers will be permitted to undertake sales, purchases, mortgages, discharge of mortgages and leases. Conveyancers will not be permitted to do work involved in the sale of a business, stock in trade or animals; the creation or variation of a trust; the formation of a corporation; giving financial advice; or investment of money other than investment of money under the trust account provisions where it is incidental to a property transaction. Conveyancers will be permitted to be independent and will not be permitted to carry on business in conjunction with others where there may be a conflict of interests. Real estate agents and institutions such as banks and building societies will not be licensed or permitted to offer conveyancing services direct to the public. All persons who obtain a licence to practise as a conveyancer will be required to carry on business in their own name or an approved business name. There will be no facility by which licensees could avoid personal liability by incorporation. Franchising of business names will not be permitted. Franchising of solicitors' practices is not permitted either. What we see is as level a playing field as we can establish.

A necessary element of consumer protection is the requirement that

conveyancers be required to hold professional indemnity and fidelity insurance. While the insurance arrangements will be subject to the approval of the Conveyancers Licensing Committee, there are certain requirements specified in the bill to ensure that the insurance is suitable in terms of coverage and amount. Conveyancers will be subject to discipline in cases of professional misconduct and unsatisfactory professional conduct on the same grounds as solicitors. Consumers will have access to a complaints system through the Law Society of New South Wales. If upheld by the Law Society, complaints will be referred to the Disciplinary Tribunal or the Standards Board. I add that the complainant will have a right of appeal to the conduct review panel where a complaint is dismissed by the Law Society Council.

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Finally, until the scheme becomes fully operational, there will need to be transitional provisions to recognise the experience of persons currently engaged in conveyancing. Subject to meeting the fit and proper person criteria, a person who was engaged in the conduct of conveyancing for a two-year period prior to 1st March, 1992, will be eligible to be issued with a transitional licence. However, he must satisfy the Conveyancers Licensing Committee of his competence and pass any exam set by the committee. The holder of an interim licence will be required to meet all of the practice requirements mentioned above and be subject to such conditions as the committee may prescribe. Interim licence holders will be subject to the indemnity and fidelity insurance requirements. Once the first persons enrolled in the course of study graduate and become eligible for full licences, the transitional licence scheme will end. The bill has been drafted after very extensive consultation with the Law Society of New South Wales and the Association of Property Conveyancers, which I am sure the Opposition will appreciate, and I place on record my appreciation for the assistance of both groups, coming at this issue from opposite ends of the spectrum.

Before I conclude I want to say that much will hinge on the Conveyancers Licensing Committee and on who comprises that committee. It ought to be established here and now that solicitors will not be able to constitute a majority on the Conveyancers Licensing Committee which is envisaged to be a body of seven members; two of whom will represent the Law Society and its interests; two of whom will represent the Association of Property Conveyancers; two of whom will represent community interests; and, in addition to that, a chairman will be appointed. It is crucial that all of the people appointed to that body, when it is established, be committed to making this legislation work. This legislation will not be frustrated. The Government is committed to the implementation of this proposed legislation. The Government is committed to making it work and it is committed, therefore, to establishing a Conveyancers Licensing Committee which will capture the spirit of this bill when finally presented to the Parliament. So it is with some considerable personal satisfaction at this stage that I table this bill as an exposure draft for the consideration of the House and the people of New South Wales. I commend the bill to the House.

**Debate adjourned on motion by Mr Amery.**

#### **LOTTO (AMENDMENT) BILL**

**Bill introduced and read a first time.**

#### **Second Reading**

**Mrs COHEN** (Badgerys Creek - Chief Secretary, and Minister for Administrative

Services, and Minister Assisting the Premier on the Status of Women) [7.33]: I move:

That this bill be now read a second time.

The purpose of the Lotto (Amendment) Bill is to amend the Lotto Act in relation to the approval of agents; the assessment of key employees; the distribution of surplus funds; and to prohibit credit betting. The Lotto Act was last amended in 1988 for the purpose of validating the lotto licence granted by the previous Labor Government and facilitating the introduction of the game of keno into New South Wales clubs. Honourable members will be aware that this game, which is well known as lotto, will not only be regulated by this legislation but that keno, which is based on the same principles as lotto, will also be embraced by this Act. Before the 1988 election this Government gave a commitment that

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the game of keno would be introduced and run by the registered club industry; it would be run by the clubs for the clubs. That commitment was honoured in 1988 when the Lotto Act was amended to provide for the establishment of keno.

The bill now before the Parliament represents a refinement of the earlier legislation in the light of experience gained. The provisions of the bill will ensure that proper controls are maintained and that the integrity of gambling in this State - whatever form it may take - is of the highest standard. The amendments to the Lotto Act in November 1988 to give life to the game of keno were supported unequivocally by the Opposition. Those amendments provided a secure framework for the introduction of keno, including provisions for the appropriate licence terms to provide the highest standards of security for all aspects of the game. In New South Wales keno is now played exclusively in participating registered clubs across the State and more are joining each week as agents. The joint licence holders - a subsidiary of AWA and a company representing the registered clubs movement - have invested substantial funds in the technology required for the implementation and operation of the game. Keno will celebrate the first anniversary of its introduction into New South Wales clubs on 9th September this year.

Since its inception the game of keno has been strictly controlled. All participating registered clubs are appointed as agents by the joint licensees and must be approved by the Chief Secretary or her delegate. When a club is established as a keno agent it assumes a wide range of responsibilities for the game's operation within the club. Participating clubs are subject to controls and obligations and their compliance is monitored by inspectors of the Chief Secretary's Department. At present 265 clubs across New South Wales provide keno for the enjoyment of their patrons. Those clubs are linked with the central computer site in North Ryde where the keno draw takes place. To date the turnover on keno is over \$75 million, with the largest single prize paid out to date being \$44,000. At present the jackpot stands at \$1.4 million. The game of keno has been enthusiastically received by both clubs and club patrons. Keno offers a different form of gambling for players with the possibility of winning a large amount of money for a small outlay. Keno draws are undertaken under strict security and surveillance by the Chief Secretary's Department. Games are drawn and winners are determined every six minutes from 10 a.m. to at least midnight each day and the game draws are displayed electronically on club premises. The game may also be played for an additional hour on Friday and Saturday nights.

I turn now to the details of the Lotto (Amendment) Bill. The bill addresses a number of issues which have arisen since the introduction of the game in September last year. Clubs which operate keno are appointed as agents under the legislation. The



existing legislation allows agencies to be approved but it does not specifically allow agency approvals to be revoked. I have received advice that the statutory power to grant an approval carries with it an inherent power to revoke that approval. However, the Government takes the view that if the power to revoke an approval is available, it should be clearly spelt out in the very Act which covers the conduct of the game and the granting of the licence. In that way, all parties intending to be involved will know just what the rules are. Schedule 1, clause 2 of the bill overcomes those concerns by amending the Lotto Act specifically to provide that an agency approval can be withdrawn. I emphasise that the withdrawal of an approval will not take place without notice being given, along with an opportunity for the person involved to respond to that notice. A new section 6(2) provides for this. Clauses 3 and 5 of schedule 1 are consequential to this amendment.

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I now draw the attention of honourable members to clauses 1 and 4 of the bill which deal with key employees. The grant of a licence to conduct a game such as this not only imposes contractual obligations on the parties but charges the Government, in granting such a licence, with ensuring that the people of New South Wales and the players of the game are protected from persons who are unfit to be involved in gambling. Earlier this year Parliament approved legislation for the establishment of a casino in New South Wales. That legislation placed significant emphasis on probity assessment for persons who are involved in the operation, management and conduct of the casino. Honourable members will be aware that this Government is committed to ensuring the absolute integrity of gaming - whatever form it takes. When the 1988 amendments to facilitate the introduction of keno were introduced, it was intended that the proposed addition of section 9B to the Act would allow the Minister to dispense with the services of a person employed by the licensee if it was necessary to ensure the integrity of the game. The commercial structure subsequently adopted by one of the joint keno licensees involves, in the game of keno, persons who are effectively one step removed from the licensee, that is, they are not directly employed by the licensee but are employed by a trust company. The Lotto Act does not prevent the licensee from adopting such a corporate structure. However, as key employees are not directly employed by the licensee they may be beyond the scope of the controls presently contained in the Act.

The current section 9B(1) presently allows persons not directly employed by the licensee or agent to be prescribed as key employees. Section 9B(2) describes the circumstances under which the Minister may direct that the employment or the association of the key employee be terminated. However, in its description, section 9B(2) limits the operation of the whole of section 9B to key employees of the licensee or the agent of the licensee. The section effectively prevents the Minister from making any directions in relation to the key employees who are most directly involved in the operation of the game, in this case the employees of the trust company established by the licensees. This situation was clearly not intended by section 9B(1A). The proposed amendment will ensure that the Minister's power to give directions to key employees includes all key employees involved in the running of keno and is not limited to key employees of the licensee or agent. Honourable members will note that although the section refers to lotto key employees, the objective is to ensure that the section can be applied to keno personnel and, in particular, to those employed by the trust company. The regulations will prescribe the persons to whom the section applies.

One further issue raised in relation to the new section 9B is its potential applicability to lotto agents, that is, to the newsagents who sell lotto tickets. In fact, the section does not alter the existing powers under the present Act and agreements between the agents and the licensee. That agreement allows the licensee to terminate the

agreement where an agent fails to comply with any instruction or direction given by the licensee. The agreement between agents and licensees simply reinforces the current section 9B(4) which deems that power to be present in any agreement between a licensee and an agent. The section has never been applied to newsagents selling lotto tickets, and it is most unlikely that it would ever be applied to them. The inclusion of the new section 17AA has its genesis in the 1988 amendments to the Lotto Act and in section 49 of the Casino Control Act. The section is directed at key employees, a concept which will now be familiar to honourable members. The intention of the amendments introduced in 1988 was to ensure that information in relation to key employees could be acquired for the purposes of probity assessment. The amendments now proposed refine those requirements and provide for the maintenance of the confidentiality of that information. In fact, it has been the case that all persons in senior management of both licensee companies involved in keno have provided this information, and have already

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been shown to be fit and proper persons to be involved in the management of keno. The section provides for the acquisition of information in relation to a person's affairs, including the obtaining of fingerprints and information in relation to financial matters.

The amendments prescribe the material which may be acquired and the manner in which it is to be used to establish a person's suitability for involvement in operating and conducting keno. Provision is also made for further inquiry and report to be made by the Commissioner of Police. It is essential that those wishing to be involved in key positions in the administration or conduct of any form of gambling should be persons whose integrity is unquestioned and who have shown themselves to be beyond reproach. Key employees are assessed in terms of their character, integrity, honesty and financial stability. The provisions contained in clause 8 of the bill will ensure that this continues to occur. The acquisition of such personal information by a government agency also demands that there be safeguards to ensure the information is destroyed when there is no longer any use for it. Clause 8 of the bill also adds section 17AB to the Act. The section provides for the disposal of information obtained under section 17AA when the person ceases to be a key employee as described in section 9B of the Act.

I turn now to clause 9 of the bill which is related to the provisions I have just described. I am aware that the personal information sought in relation to these amendments is most sensitive in nature. Access to this kind of information is limited by the provisions contained in proposed section 19A of the Lotto Act. Proposed section 19A is similar to section 148 of the Casino Control Act. The section provides for the maintenance of the confidentiality of information obtained in the course of administration of the Act. The bill also specifies the occasions on which the public interest will require that exceptions be made. These exceptions include information given in legal proceedings and the divulging of information to agencies such as the Independent Commission Against Corruption, the National Crime Authority, the New South Wales Crime Commission and the New South Wales Ombudsman. Clearly, when a person has conducted himself or herself at all times with the utmost integrity, there will be no need for concern in relation to this section. Those provisions, in part, reflect similar provisions in the Freedom of Information Act. That legislation exempts access to material concerning a person's personal and business affairs from the operation of the access provisions of the Freedom of Information Act. Similarly, no person will have access to such material held for the purposes of assessing key personnel under this Act, unless authorised by this Act to do so.

I turn now to one of the most important aspects of the bill, the prohibition on credit betting. We have grown used to the ready availability of credit in its many forms over the last 20 years or so. As we are all aware, credit makes a most useful servant but

a demanding master. In the context of gaming, credit has no place. It is the Government's view that credit betting should be outlawed. There should be as little opportunity as possible for a person who may have difficulty controlling a predilection for gambling to have access to a source of funds which he or she effectively does not own and on which interest will be payable. This Government has moved to prohibit credit betting in all gaming legislation and these amendments are part of that process. The provision proposed in the Lotto (Amendment) Bill will ensure that there will be no opportunity to play keno on credit provided either by a club or by the operator of the game. The provisions ensure that keno patrons can only use cash or a cheque to play the game. The clause adds a new section 12B to the principal Act, making it an offence if the operator accepts subscriptions on any other than a cash or cheque basis. The offence carries a maximum penalty of 20 penalty units which at present is \$2,000.

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This amendment provides a statutory offence for an employee of a licensee or an agent who allows a client to buy a keno ticket without paying for it by cash or cheque at the time of purchase. The amendment will also operate as an additional safeguard to prevent employees involved in the conduct of the game, at the club, from issuing themselves with free tickets. Clause 7 of the bill concerns surplus funds. Section 14 of the Act currently allows the regulations to the Act to make provision for the disposal of unclaimed prizes. However, in the event that the licence ceases to exist, whether through termination or otherwise, there is no provision which would allow surplus funds to be distributed after the licence is no longer in force. Clearly, it is proper that funds which have been subscribed to the game for prizes be available to be returned to those who play it. It is intended that the regulations will provide for the distribution of any surplus prize funds.

The Government's primary interests in the game of keno from its earliest consideration were, as with any lawful game, first, to safeguard the interests of players; second, to ensure public confidence in the integrity of the game; and, third, to secure the protection of government revenue. In meeting these objectives, it is appropriate for the Government to provide a strict framework for the conduct of gambling in its many forms, rather than prohibit them or to allow them to go on in an uncontrolled manner. As I have indicated previously, these amendments to the Lotto Act are of a housekeeping nature. The spirit of the bill - if not the actual words adopted in this bill - has been considered by the Parliament on at least two other occasions; that is, in relation to the Lotto (Amendment) Bill 1988 and the Casino Control Bill 1992. The amendments are intended to promote and protect the absolute integrity both of gaming generally and the game of keno in particular. These considerations are the motivating force behind our continued monitoring and fine-tuning of the legislation concerning keno. The proposed amendments are evidence of that commitment. I commend the bill.

**Debate adjourned on motion by Mr Face.**

#### **REAL PROPERTY (COMPENSATION) AMENDMENT BILL**

**Bill introduced and read a first time.**

#### **Second Reading**

**Mr WEST** (Orange - Minister for Conservation and Land Management) [7.50]: I move:

That this bill be now read a second time.

The purpose of the Real Property (Compensation) Amendment Bill is to amend the Real Property Act to clarify the State's liability to pay compensation to persons deprived of Torrens title land. The Torrens system is a system of title by registration administered by the Registrar General. Its object is to provide certainty of title to land and save persons dealing with the recorded owner from undertaking often expensive and time-consuming investigations in order to be satisfied as to its validity. The essential feature of the Torrens title system is a State guarantee which, with certain exceptions, may be relied upon by anyone who deals with the recorded owner of the land. This State guarantee is backed by the compensation provisions of the Real Property Act. The operation of the State guarantee can, however, result in persons, through no fault of their own, being deprived of their land. This may occur, for example, as a consequence of fraud, by the registration of another person as owner, or by an error, omission or misdescription in the Torrens register.

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A person who is wrongly deprived of land or who otherwise suffers a loss as a result of the system may claim compensation from the Consolidated Fund. The action is taken against the Registrar General as nominal defendant and, in the case of fraud, is available only where the fraudulent person is unavailable to be sued or is bankrupt. For example, land may be lost through fraud where a certificate of title is misappropriated and the wrongdoer forges the owner's signature on a transfer of the land in the title to an innocent third party. When the transfer is registered the person whose title was misappropriated is deprived of his or her land. Invariably, in these circumstances the wrongdoer either absconds or disposes of the proceeds of the sale, leaving the Consolidated Fund open to a claim by the deprived owner.

Though the Government is concerned to ensure that innocent parties who suffer a loss are adequately compensated, it was never intended that such compensation should be paid out of public moneys if a more appropriate source of compensation was available. This bill therefore provides that where a person has been paid compensation for a loss caused by a member of a professional indemnity fund - for example the Solicitors' Fidelity Fund or the Real Estate Services Council Compensation Fund - the indemnity fund cannot then claim the amount it has paid from the Registrar General. As a corollary to this, the bill also provides that if the Registrar General pays a claim to a person who has suffered a loss through the actions of a member of a professional indemnity fund, the Registrar General is entitled to take action to recover the money paid from the wrongdoer or the indemnity fund. I should point out that this bill has been initiated partly because of a number of actions in the Supreme Court that are yet to be finally adjudicated upon.

In the most recent case, the Solicitors' Fidelity Fund has paid compensation to persons who have suffered financial loss through the fraud of a solicitor. Subsequently, the Law Society commenced litigation against the Registrar General claiming reimbursement from consolidated revenue of the amount paid. The bill before the House will not affect the course of that litigation. Clearly, as professional indemnity funds are established for the specific purpose of reimbursing persons who suffer a loss by reason of the default of their members, any loss of this nature should be made good by the funds and not through the compensation provisions of the Real Property Act, which were provided to pay compensation where no other avenue is available. This principle - that professions as a group and their insurers should be responsible for correcting the misdeeds of their members - should apply generally and is embodied in this bill. In conclusion, I should add that the New South Wales Law Reform Commission is

conducting a review of the compensation provisions of the Torrens system generally and is expected to publish its final report later this year. The commission has advised that its final report, when published, will express support for the proposals in this bill and that the commission has no objection to the bill preceding the publication of the commission's final report. I commend the bill to the House.

**Debate adjourned on motion by Mr Face.**

#### **THE GOVERNMENT: MOTION OF NO CONFIDENCE**

**Debate resumed from an earlier hour.**

**Mr E. T. PAGE** (Coogee) [7.55]: I support the Leader of the Opposition on this no confidence motion. Having heard the honourable member for South Coast, I should like to give my views on the position and integrity of the Independents in this Parliament. They have come under a great deal of personal attack, particularly from the somewhat disgraced member for Vacluse. I wish to place on record that so far as I am concerned  
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they have been elected to this Parliament on the same basis as me and every other member of this Chamber. They are not here through any aberration in the voting system or some chicanery. Their place in this Parliament is as valid as any other member's. I am surprised at any member of the Government attacking the Independents, because the stability of the Liberal Party-National Party Government is dependent upon the continued integrity of the three Independents, who entered into an agreement with the former Premier to sustain the Government. They made a reasoned and traumatic decision not to continue supporting the former Premier and the former Minister for the Environment, but indicated they were still willing to support the Government.

Though their making that decision gives me no great joy, they made it consciously and, I believe, with integrity. I do not understand why any member of the Government would attack them over that decision. There has been some suggestion that because of the decision they made about the former Premier they are no longer true Independents. I have not heard any member of the Government castigate the representatives of the Call to Australia group in another place. They invariably support the Government. So long as one votes with the Government one is okay and one's integrity is intact, but as soon as one makes a conscious decision to disagree with the Government, somehow or other one is corrupt and has no integrity. That is balderdash. I should like to put on record that I have faith in the integrity of the three Independents, who made difficult decisions. Turning to the matter at hand, without going into what happened in great detail as it has been well canvassed by members of both sides, no one could say that a Premier buying a seat in Parliament for his party had not acted in a corrupt manner. In the current political climate that is just not acceptable. My statement has been validated by the Liberal Party, because it was through party pressure that the former Premier and the former Minister for the Environment resigned. The Government was not prepared to go to the wire to support those two people. They were beheaded by their own group.

There might have been problems last week if Government members had gone to the wire but they were not prepared to test whether the Independents would persist with their objection to the honourable member for Ku-ring-gai continuing as Premier. Another factor which was instrumental in the former Premier going was the intemperate attacks by members of his party, both inside and outside the Parliament, against Mr Temby. The honourable member for Vacluse and the Minister for Justice attacked him, and that Liberal has-been and political pygmy John Valder also attacked him from

outside this Parliament. It was an ill- advised and stupid action which reinforced people's feelings that the two Ministers were guilty. The former Premier was involved in the charade right from the start. He said it was a political move. He did not try to justify the validity of the appointment; he said the matter was politics. He said that he had only a minor role. Yet the commissioner found that he played a major role in the negotiations. The former Premier also had the perspicacity to warn the local Liberal Party organisation well beforehand to be ready for a by-election in Davidson. This was all part of the conspiracy to transfer a fractious member out of the House and to gain control.

For most of my previous working life I was in a managerial position. I interviewed people for various jobs and was used to assessing their integrity and suitability for those jobs. The former Premier said that Dr Metherell was a man capable of political treachery, personal disloyalty and deceitfulness, a man he could not trust. Yet he was prepared to appoint him to a job requiring the utmost integrity and competence. How could anyone argue that what the former Premier did was a reasonable action by a reasonable man? There is no way that can be argued. This matter was brought to a

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head by the diaries. Dr Metherell had enough sense not to tell anyone about his diaries. For the Premier they were the Dead Sea scrolls. They really shafted him. They presented the truth in a manner that the Premier could not refute. His only reaction was to say that he could not remember. He had selective amnesia on 20 occasions.

Well respected journalists such as Matthew Moore and Mike Steketee from the *Sydney Morning Herald* have often commented on the keen intellect of the former Premier. Yet on crucial matters he could not remember. And it was not the first time. Back in the middle 1980s when he was questioned by the Corporate Affairs Commission about his involvement with the White River Timber Company he also had a problem with Alzheimer's disease: he could not remember. It is an indictment of someone of noted intelligence confronted with evidence against his case that he should reply that he cannot remember. There has been a fair amount of sympathy for the former Premier. It has been suggested that somehow he has been shafted by the system, he is a victim of a complex situation, a victim of circumstance. There has been an appeal that he should be shown compassion by Opposition members and the community at large. I suppose people of good will could feel that although he has been caught out this should be overlooked, he should be given the benefit of the doubt, and his integrity should not be impugned.

Let us look at a case back in 1986. On 11th March, 1986, in this Parliament the same person, then the Leader of the Opposition, made an unwarranted slanderous attack on a Mr John Cooke, who was the Chairman of the Corporate Affairs Commission. He accused him of a cover-up over an investigation into the collapse of the Balanced Property investment group. This was because of his alleged political association with the Labor Party. The former Premier asked for an inquiry. He said that the inquiry would discover that Mr Cooke, quite apart from his well-known political associations, had a close personal relationship with at least one of the directors of the Balanced Property group of trusts.

**Mr Hartcher:** Who was it? Mochalski?

**Mr E. T. PAGE:** No, David McCarthy was the person involved. The former Premier asked whether Mr Cooke was influenced by his party political connections or his personal association with the principal of Balanced Property in procuring the quite

obvious cover-up. The Labor Government of the day instituted a public service inquiry under a Mr Reidy. The inquiry reported in April 1988, when the honourable member for Kur-ing-gai was Premier. Mr Reidy's report concluded that there was no evidence at all to suggest that Mr Cooke had impeded the Balanced Property investigation and that there was no evidence that anything Mr Cooke did in relation to the investigation was politically motivated. Nor was there any association between Messrs Cooke and McCarthy such as to cause Mr Cooke to assist McCarthy in any improper way. The body of the report went further. The former Premier, the honourable member for Kur-ing-gai, was asked to assist the inquiry by giving it information but he was unable to offer any real assistance to the inquiry. So in 1986 the coward rubbished a competent and well-respected public servant; an inquiry was carried out and the man was exonerated. The former Premier then further denigrated him.

Then the famous Curran report came out, a discredited report if ever there was one. It recommended that Mr Cooke be removed from his post, which at that time was with the Legal Aid Commission. So Mr Cooke was sacked from the public service at 54. He had impeccable credentials. There was no evidence whatsoever of any impropriety. Yet the former Premier railroaded him out of the public service and slandered him in the House. So I ask: why would I have any great compassion for such a person who was

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found by the Independent Commission Against Corruption to have acted in a corrupt manner when from 1986 to 1988 he denigrated a well-respected public servant in this State? I must admit that it does not give me any great incentive to support this individual in his time of trespass. He should be required to wear the odium. When the ICAC was instituted in this Parliament the then Attorney General, John Dowd, was saying all around Sydney that the ICAC would carry out a permanent investigation into the New South Wales branch of the Australian Labor Party. That was his view of the ICAC but was never denied by the Premier. The Premier and this Government set up the ICAC, not the Opposition. The Government set the rules and it would appear it thought it knew what it was doing when the Attorney General altered the description of corrupt conduct in clauses 7 and 9 of the original bill. He said:

Amendments are being made to clauses 7 and 9 of the original bill to ensure that the test for corrupt conduct is an objective one and not one which depends upon the opinion of the commission. The bill therefore deletes reference to the commissioner's opinion, and simply provides that conduct is not corrupt conduct unless it could constitute or involve a criminal offence, a disciplinary offence or reasonable grounds for dismissal.

The criteria used to judge and damn the former Premier were brought in after considerable consideration by his own Cabinet and by him. It is difficult for honourable members opposite to argue that somehow the rules should not apply. I mentioned earlier Mr Valder, Mr Griffiths and Mr Yabsley who attacked Mr Temby. Mr Greiner, the honourable member for Ku-ring-gai and former Premier, on 31st May, 1988, said:

There have been suggestions that Parliament rather than the Government should appoint the commissioner. I have already told the House that the Government is mindful of the need to ensure that the right person is appointed to the job and that the independent commission does not become politicized. However, the Government considers appointment by Parliament would be unworkable and impracticable.

Mr Greiner and the Government appointed Mr Temby. How can they or their running dogs now complain about the man? [*Extension of time agreed to.*]

With such consideration having been given by the Premier to the appointment of

the commissioner, how can he or any of his confreres now turn around and suggest that Mr Temby is a compromised person? He was the Government's choice solely. This motion deals with the competence of the Government, the administration and possible corrupt behaviour by the Government. There could only be two possibilities: either the Government was involved in maladministration or for some reason the Government was corrupt. The former Premier made a big deal about paying off the debt on the Sydney Harbour Bridge. That is reasonable enough but the debt that was paid off was running at probably the lowest rate of interest available. The interest rate on the Sydney Harbour Bridge was about 0 per cent whereas government loans at that time were running at 17 per cent. One asks why a low interest loan would be paid off but not a high interest loan. At the very least that must be gross maladministration.

I raise also another matter on which I have not received an adequate answer, that is, the payment of \$35 million to Mr George Herscu and the Hooker Corporation. The House will remember that there was a legal contract between Herscu, the Hooker Corporation and the Government when the former Labor administration pulled out of a deal for a casino at Darling Harbour. It is well known - and has not been denied - that Mr Greiner, as the Premier, had conflicting legal advice. One advice was that the Government was liable for compensation. The other advice was that the Government was not liable. At that time all the world and its dog knew that Hooker Corporation was

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going broke and would be bankrupt and that George Herscu had been found guilty of corruption, of giving a bribe in Victoria. However, the Premier paid the Hooker Corporation \$35 million. Weeks later the Hooker Corporation became bankrupt.

Any person who understands commercial activities - and the Minister for Transport, and Minister for the Environment, who is listening intently and hopefully will learn something - will know that companies in bankruptcy do not sue very often because the liquidator is trying to conserve assets. Those borrowers who have an interest in trying to extract money from a company are not keen to become involved in lengthy legal actions. The fact that Hooker Corporation was going bankrupt should have been reason enough not to give away \$35 million of the State's assets. Yet the Premier did that, and against legal advice he had received. I have never had a proper explanation of why that money was paid. George Herscu is now in gaol in Queensland, so matters for him have not changed. However, through him and some connection with the former Premier, \$35 million of State taxpayers' funds have disappeared.

I should also like to raise the matter of third party insurance. In July 1987 the then Labor Government brought in TransCover in an effort to improve the financial situation of third party vehicle insurance. It went some way towards addressing the financial drain on the State's resources. This was a scheme financed by the then Government and operated by the Government Insurance Office. In July 1989 the then Liberal Attorney General, John Dowd, did two things. He brought in legislation which reduced payments under the scheme. This made the scheme a very profitable organisation for the insurer. He also gave away 90 per cent of business to private insurance companies. Two years later, in July 1991, the scheme was to become deregulated. In that two-year period it is estimated that private insurance companies made a profit of \$1.5 billion. This Government's action resulted in the giving away of \$1.5 billion which would have gone a long way to solving the budget problems of this State. It is estimated now that the asset value of that insurance is \$500 million. If it were sold today I am informed that the Government would receive \$500 million for it. It must be profitable because advertisements for green slips are constant. About 10 companies advertise regularly on radio and television seeking that people obtain a green slip from a particular company, only because it is such a profitable business.



Yet the Government gave away that bonanza of \$1.5 billion during that two-year period and an asset which is now worth \$500 million. Was that maladministration, or was that corruption because there was some quid pro quo with the insurance companies? Was the Government somehow or other indebted to the insurance companies? I turn to Eastern Creek Raceway. This subject has been done to death. It started as a \$2 million investment. On 21st November, 1990, the Premier told this House that there would be no further guarantees and no further commitment of Government money to the project. It has now blown out to about \$100 million. The Government, which is allegedly committed to privatisation to improve the State budget, has bought out the private individuals involved with Eastern Creek Raceway, which is a losing proposition. More taxpayers' money has been paid out to buy something which is financially unviable. Why would the Government do that? Was it keen on losing money, which is obviously maladministration, or was it because of corruption? Who knows? Someone must know. I would like to hear an answer from the Minister for Transport, and Minister for the Environment. I return to the Independent Commission Against Corruption. About two and a half years ago, a number of members of the Government from the National Party had to appear before the ICAC in relation to land deals on the North Coast. The Deputy Premier was one of them. What did the Independent Commission Against Corruption report say about the Deputy Premier? The report said:

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... the haste with which the release and disposal of the Crown land was handled created a climate conducive to corrupt conduct.

There was a conflict between the evidence of the Deputy Premier and the evidence of Mr Charles O'Neil, a property developer who was involved. The Independent Commission Against Corruption report said:

I am satisfied that the evidence of Mr O'Neil should be accepted.

The Independent Commission Against Corruption report said that the Deputy Premier was not a credible witness. In that case the Independent Commission Against Corruption recommended prosecution of three members of the National Party who now sit as members of this Parliament. Those prosecutions were never proceeded with. One of the defences of the honourable member for Ku-ring-gai in the case that has been heard today is that, because the Independent Commission Against Corruption Act mentions Ministers, public officials and the Governor and does not mention the Premier, he as Premier was not covered by the Independent Commission Against Corruption. The Deputy Premier is not mentioned either, but in the North Coast case the Premier did not institute legal action in the Supreme Court claiming that the Deputy Premier was not covered by the Act. He was prepared to let him sweat it out and cop the odium that followed from his actions. Surely the argument by the honourable member for Ku-ring-gai that he was not covered by the Act is a sign of his lack of belief in his own case. Instead of fighting the case purely on the rights and wrongs of his actions, he is trying to say, "I am not mentioned in the legislation so you cannot fit me with a crime".

Mr Singleton, another member of the National Party who was formerly the Minister for Administrative Services, had some undeclared shareholdings in finance and property development companies. He lobbied a fellow Minister, the Minister for Local Government, the former member for Manly, David Hay, for preferential rezoning which would have affected one of the companies with which he was involved. He received short shrift from the Premier. There were no legal appeals for him. He walked off the

gangplank. I have quite a bit of time for the National Party as an organisation. It is a cohesive unit. When the Independent Commission Against Corruption report was released on the Friday, I was surprised to hear the Premier try to claim that he had been exonerated. Of course that was balderdash. He misled his ministerial colleagues when he said that. The next day at the National Party conference, he claimed that Temby got it wrong. In that 24 hours he changed his spiel. As a friend of mine said to me, "If the National Party gets up and gives you unanimous support, you have got to be finished", and what he said was true.

**Mr BAIRD** (Northcott - Minister for Transport, and Minister for the Environment) [8.25]: All honourable members know that the motion before the House is a 100 per cent furphy because this Government has taken the most reformist approach of any government in recent history. It is clear from reading any editorial what the government has achieved. On 25th June, 1992, the *Sydney Morning Herald* reported:

Mr Greiner cut the extraordinary waste and inefficiency in the public sector left by the Wran and Unsworth governments. He attacked the union featherbedding in the State's major statutory authorities and reduced public sector employment by more than 20,000. The result was a dramatic increase in labour productivity, more than 70 per cent in Elcom, more than 100 per cent in Graincorp and up to 46 per cent in the railways.

The tributes to the Government's achievements, particularly in the State Rail Authority, go on and on. The *Australian* of 24th June reported:

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The notoriously overstaffed State Rail Authority cut its number of employees by around 10,000 or 33 per cent which, along with other changes, shaved \$700,000 a day from the running costs of the outdated rail system.

On 20th June the *Sydney Morning Herald* reported:

Mr Greiner reformed the statutory authorities. He has cleaned out much of the waste and inefficiency of the railways, Elcom and the Maritime Services Board.

On coming to office in 1988, the Government discovered what the lot opposite had not been doing for 12 years. They presided over the most inefficient, run-down organisation this State has ever seen. A particular example of that was the State Rail Authority. When the coalition parties came to office, the State Rail Authority had a combined debt of \$3.53 billion. The Government was told by consultants that, if the State Rail Authority did not change its ways, the debt would be \$30 billion by the year 2000. The Curran report found that the annual cost to the taxpayer was \$1.25 billion, in other words, more than \$4.6 million a day. So, before breakfast every day, the debt had cost New South Wales something of the order of \$1 million. In its study of the State rail system, Booz Allen Hamilton found that unless urgent action was taken the State Rail Authority would lose huge amounts. The State Rail Authority had to change its ways. It was massively overstaffed. Under the management of David Hill, staff numbers reached 43,000, twice the number estimated to be required to run an efficient rail system. Those figures demonstrate the type of economic managers New South Wales had under the previous Labor Government. They acted as if there was no tomorrow. Our children and grandchildren will be in hock as a result of the inefficiencies of the previous Labor Government.

**Mr ACTING-SPEAKER (Mr Chappell):** Order! The member for Bulli will

have his opportunity to take part in the debate at a later time.

**Mr BAIRD:** Overheads made up 12 per cent of expenses. They had the worst accounting system of any railway studied by Booz Allen Hamilton. Inventory controls were so inefficient that as much as \$50 million in stores was either wasted or disappeared each year. Each employee averaged 13 sick days per year. That is a total of more than 485,000 work days lost annually. As I have told this House before, the consultants found that on a range of zero to 10 the signalling system was at 0.995. It was a wonder New South Wales did not suffer another great rail catastrophe. At Narrandera 26 staff were on the payroll. Eleven were train crew. There were no trains. Three were there to drive the train crew to and from the stations. There were no stations. Six were employed on the station and platform, selling a total of \$87,000 worth of passenger tickets per annum at a rate of five tickets per day. The remaining six were relief staff. That was the type of inefficiency that existed. On one occasion David Hill took the whole of the Labor Party transport caucus, 20 people plus wives, out to Central Australia. The cost to the taxpayers of New South Wales was \$100,000. What were the benefits? I am sure the 20-odd members of the Labor Party transport caucus who went by special train to Uluru for a week enjoyed the experience. But the taxpayers of New South Wales had to pay the cost. The Opposition talks about waste and inefficiency. The Government would not know how to be as inefficient as the Opposition was. The Opposition wrote the book. David Hill used to go out to the country by train every second month, at a cost of \$40,000 per train. Black label scotch was laid on. He used to take his mates, including that famous writer from the *Bulletin* magazine, Bob Carr. He went on one of these trips into the country.

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But that is not all. One trip was made to Western Australia. The Labor Party transport caucus went there for the America's Cup no less. What it had to do with transport, I do not know. I am sure my colleague the honourable member for Albury would be jealous of the type of trips these people had, because they had their own private train, the commissioner's car, which has never been used by this Government - by the Premier, by me, or by Ross Sayers. Honourable members will remember the dreadful attack made on Ross Sayers and the results of it. The cost of the trip to Western Australia was \$100,000 - no benefits, just all put their snout in the trough and enjoyed it all. The Opposition has the audacity to talk about waste and mismanagement. They wrote the book. By comparison this Government has transformed the State Rail Authority. There is still a way to go to make it a world first-class system but we are well on the way.

The transport portfolio has saved the New South Wales taxpayers more than \$866 million since this Government came to office four years ago. Net Government contributions have fallen by \$315 million per year. In 1987-88 when we came to government the contributions to transport authorities amounted to \$944 million. In 1991-92 the contributions were \$629 million. Most of the savings have been brought about by improvements in productivity. Services are up and costs are down. In terms of the State Rail Authority, the numbers have been reduced by 13,000 and the productivity improvements as a result have been substantial. CountryLink patronage is up by 25 per cent; CityRail by 33 per cent; freight rail by 44 per cent; operating costs have fallen by almost \$1 million per day. Operating costs have been reduced in real terms by more than \$404 million in the past four years, representing a cumulative saving on operating costs of \$1.2 billion in that period. These are real savings, money that can be channelled into hospitals, roads, schools and policing. Money that was wasted on trips to Uluru in Central Australia, to Perth and on the bi-monthly trips into the Never

Never have been turned into real savings.

In terms of the total Government contribution, in State Rail there has been a saving of \$230 million annually, a cumulative saving of \$622 million. By comparison, despite all these reductions in cost, patronage has increased by 31 million passenger journeys over the past four years; freight volumes have increased by 7 per cent or 4 million tonnes; on-time running has reached an all-time high. During the past 12 months on-time running has averaged well in excess of 86 per cent and during the past six months has averaged 90 per cent - the best on-time running figure recorded since records commenced in the 1970s. Train cleanliness is better than it has ever been before. Within 48 hours of graffiti having been detected it is removed. A \$2 billion investment program has been instituted with \$450 million of new wiring being installed, embankment control, new concrete sleepers and the upgrading of stations - a \$105 million program - improved security, safety zones, help points and, of course, the upgrading of the trains themselves. The Government has ordered more Tangaras, super Tangaras for the Central Coast and Blue Mountains; Explorer Trains for Armidale - which were well agitated for by the honourable member for Northern Tablelands, and rightly so; new XPT trains which will travel through Albury and on to Melbourne; and sleeper trains.

The old red rattlers which had been on the rails since 1927 have been replaced with modern equipment. That is why there is continued improvement in terms of on-time running and patronage. The transport system has become more user-friendly as we upgrade our stations and improve the intercom systems. All of these improvements have contributed towards a more commercial organisation which will place the New South Wales transport system at the forefront of the best railway systems around the world. The new power by the hour contract will see the State Rail Authority enter into a contract

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with Clyde-General Motors for the provision of rolling-stock. There will be a saving of \$60 million a year as a result of the way this Government does business. It is this Government that understands how the commercial world operates. All the Opposition knew about was debt. It did not matter what was spent or how it was done. It just kept on rolling the expenditure through. That Government just kept on accumulating the debt and did not worry about it. This Government is not about spending; it is about saving money and redistributing it where it is necessary - in hospitals and schools, roads and on the police.

There has also been private sector participation in new programs, such as the airport link. The honourable member for Cronulla - an outstanding member - has been involved in the program of encouraging the extension of the rail system to the airport so that, as we approach the year 2000 and look forward to 25 million tourists a year passing through the airport, they can be brought directly from the airport to the city in 12 minutes. This Government has initiated this plan. Though the previous Government was in office for 12 years, it is difficult to find any new initiatives which it introduced in State Rail. One of the things which the previous Government had on the program was \$500,000 for plastic noses to be placed on the front of the trains. That is what the previous Government was about - cosmetics and gloss. Before every election that Government brought out a new train, a new XPT, but no substance, no reform of the rail system itself, no reform of the signalling system, no working on concrete sleepers, no working on video cameras, no upgrading of the stations. As long as Mr Wran could roll out a new train for the television cameras he felt that he was doing something for the State. Of course, everyone would be fooled, without realising what was happening - every day \$4 million a day in operating costs, more and more debt, more and more expenditure, more and more rorts going on and on, with the most bloated and inefficient system that this country has

ever seen.

The consultants employed by State Rail said it was the worst accounting system they had ever seen on any railway outside Malawi. That is the type of system that existed in New South Wales. This Government reformed it and introduced an accounting system which everyone can understand; not the creative system which existed whereby the previous Government could pretend it was actually making a profit on State Rail. It claimed a profit of \$360 million a year. Of course, it was only creative. The Government would work out the figure it wanted to get; meanwhile the debt went up and up and up. New South Wales will be paying for that debt for a long time. The Opposition has introduced a no confidence motion in this House. What a joke. If one thing is clear it is that the Opposition would not know how to run a chook raffle. They were absolutely hopelessly incompetent in running anything. All they were about was running a good media organisation so they could put a gloss and spin on it, but there was no substance. It was just pure tap dancing.

This Government has reformed the State Rail Authority in a very significant way. In fact, it leads all other rail systems in Australia. Other State governments come to New South Wales to find out how it is done. To find out how not to run a rail system, I suggest honourable members look at Victoria. I understand the only reason the rail system is running in Victoria is to allow the food parcels to come through. The *Age* has reported the worst on-time running figures for a long time. In fact, 11 per cent of all trains run late and graffiti is everywhere. The press is constantly attacking the rail system and its debt is going through the roof. This is what happens under a Labor Government - no reform. Victoria bought one of our Tangara trains. It runs it around the tracks to gloss up the system; it has tried to pretend, as the previous Government did here, that all is well, but everyone recognises it as a hopeless system. What else could

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they do? They increased fares by 31 per cent during the last 12 months. Our increases have been in line with the consumer price index. They claim they are the workers' friends. With friends like that one does not need enemies. They have increased fares; their stations are covered with graffiti; they have the worst trains in Australia; they are in debt up to their necks and they cannot cope. By contrast this Government is into real reforms. For example, the State Transit Authority has saved \$71 million since the Government came into office in 1988. Staff numbers have been reduced, productivity has increased, bus services have increased, and the number of express buses during peak hours has doubled. Ferry services have improved. The new JetCats offer 98 per cent reliability and a speedier service. The trip between Manly and Circular Quay now takes 12 minutes rather than 26 minutes on the old hydrofoils. Passenger numbers have increased to a total of over one million passengers.

Recently the State Transit Authority has entered into a bus tender with Ansett to provide 250 new environmentally friendly buses. The buses, operated by compressed natural gas, will not only reduce the level of carbon dioxide emission by approximately 20 per cent but will also improve local air quality by reducing emissions of hydrocarbons, nitrogen oxides and other polluting gases. What do members opposite offer as a solution? Electric buses! No country in the world is operating electric buses, but the Opposition wants them. There will be tonnes of batteries being carted around. What nonsense. It is another display of ineptitude by the Opposition with regard to transport. The Department of Transport has guaranteed levels of service for buses and after-hours and weekend services have been expanded. The average age of buses on the roads has been reduced to 12 years. Operator accreditation has led the way for coach safety. Tachographs and comprehensive driver training have been introduced. A review of taxi operations has led to a 50 per cent reduction in complaints. From 1st June all taxis in

metropolitan areas of New South Wales will be no older than six years. When Night Ride bus services were introduced the Government was criticised mercilessly by the Opposition, which said it was a dreadful outrage that we were cutting services. But what happened? There was a 300 per cent increase in the number of people using the service because they said they felt secure and safe, and, of course, approximately \$10 million a year has been saved.

In terms of intrastate air services the Government is providing more competition on the main routes, as the member for Albury would know, to Dubbo, Coffs Harbour and Ballina. We have introduced competition which has led to lower fares and a greater level of services. Four years ago the Maritime Services Board was heavily in debt. At the end of 1991 the turnabout was so significant that the Maritime Services Board was paying a record dividend of \$30 million to the Government and reducing its debt by \$220 million. When this is added to the savings in the State Rail Authority and the State Transit Authority, close to \$1.5 billion has been saved by this Government. Yet members opposite say we are into waste and mismanagement. These savings reduce costs to every taxpayer in New South Wales. We have provided a better level of transport service in New South Wales. We have provided better on-time running services. We have better, cleaner, safer trains in which to operate a better standard of public transport. New South Wales has a reformed transport system.

**Ms ALLAN (Blacktown) [8.45]:** One thing that comes through loud and clear in the ICAC report is that this Government has to go. The evidence is before us. There is something rotten in the State of New South Wales and it goes to the very heart of government and democracy - namely, the corruption of the former Premier and his chief tactician. I say that advisedly. Because it goes to the very heart of government and democracy it is for the Parliament to cleanse it by supporting no confidence in this Government. The Deputy Premier has said that Ian Temby is a liar. This claim goes to the centre of today's no confidence motion. It is not that Mr Temby is a liar but that

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the Deputy Premier supports his corrupt colleagues, and supports corruption by his Government. We really need go no further than the support of the Government's second most senior member to realise that this Government has the stamp of corruption on it. This climate, conducive to corruption, has to be rejected today. Despite the former Premier's extraordinary contortion act when the report was released, Mr Temby's unequivocal finding, placed right at the head of his report, was:

The conduct of Mr Greiner and Mr Moore . . . was corrupt . . . in that it involved the partial exercise of official functions, it involved a breach of public trust and could involve reasonable grounds for dismissing them from their official positions.

It is simply not good enough for the member for Ku-ring-gai and the member for Gordon to resign their commissions and assume that their reluctant action - forced by a gun held at their heads - is sufficient to resolve this outrage. There has been no acceptance of fault, no contrition, no apology, no acknowledgment of the moral bankruptcy of their behaviour. Quite the reverse. In fact, the National Party wants to destroy the ICAC and now the member for Vacluse, while formally resigning from the Ministry, has appointed himself as the minister for the abolition of ICAC and the return of corrupt tory principles. The new Premier and his entire frontbench have been like a collection of monkeys - no seeing, no hearing and, most fundamentally, no speaking out against the moral bankruptcy of the former leadership. They supported it and now they must face the consequence: that the Parliament has no confidence in this Government. In this sense the resignations of the former Premier and the former Minister for the Environment are to be seen only as the acts of scapegoats and not the acceptance of any fault or wrongdoing

by the Government. That the new Premier and his Cabinet have consistently, steadfastly and unwaveringly supported the actions and the behaviour of the former Premier during the course of this crisis disqualifies them from defending the public trust and restoring the standing of this Government in the eyes of the voters of New South Wales.

Members of the Cabinet have all lined up one by one in front of the cameras to give their support to the corrupt Premier and the Minister named in the report. Key figures in the organisation of the New South Wales Liberal Party have also gone public on their endorsement of the activities of the former Premier and the honourable member for Gordon. The former President of the Liberal Party, John Valder, made a number of valiant and completely immoral attempts publicly to defend the former Premier's actions. Interestingly enough 24 hours after John Valder went public, the current Chairman of the New South Wales Liberal Party made a public pronouncement and completely abrogated any sense of responsibility that he had as the head of the Liberal Party machine in this State to criticise or to condemn the actions of the former Premier. I remember thinking as I listened to him exonerate the former Premier that it was something a key officeholder in the Labor Party would not attempt to do. The current Attorney General has suffered - and we are seeing the results of that suffering now. It appears that the new Premier may, if not drop the Attorney General completely from the Cabinet, demote him to a position of lesser responsibility than that which he currently holds. Already he has lost his position as Deputy Leader of the Liberal Party. In the past few weeks he, of all Cabinet Ministers, stood out in partial defiance of the overall thrust of the Government by refusing to grant legal assistance to the honourable member for Wakehurst. Peter Collins, a very able Minister in my opinion, has been punished by the Government and he appears likely to continue to be punished by the new Premier because of his actions. All other members of Cabinet are tainted with the stain of corruption. The stain runs deep and must be excised through today's motion of no confidence in the Fahey administration.

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Out of respect for Westminster tradition, if not for their own dignity, the former Premier and the former Minister should have stood aside from their positions as soon as the Parliament referred the Metherell deal to the Independent Commission Against Corruption. At that time the Parliamentary Labor Party sought to point out to the public and to the Parliament the important precedents that had occurred in similar situations. If the former Premier and the former Minister had respect for their dignity, they would have resigned when the report was released. Given the facts before us, honourable members would acknowledge that there was no option but to dispense with both of them. In particular I wish to speak about the former Minister for the Environment. He was the Minister who went to the former Premier with a plan to trade a vital seat in Parliament for a \$110,000 a year job in the public service. It was the honourable member for Gordon, as architect, with the former Premier's imprimatur and later Cabinet's continued approval, who stitched up the deal for his mate Dr Terry Metherell. But the role of the honourable member for Gordon went even further than to secure a seat for a job. He went so far as to specially create a job in the Environment Protection Authority for Dr Metherell, despite the objections of the Director-General, Dr Neil Shepherd, who believed that the position was not necessary at that time and who objected to the appointment on legal and moral grounds. The honourable member for Gordon lied to Dr Shepherd about the proposed appointment - so much for the former Minister's honesty and integrity. It will be interesting to see if Dr Shepherd manages to retain his position as the chief executive officer of the Environment Protection Authority when a new Minister for the Environment is eventually appointed by the current Premier.

The honourable member for Gordon, as Minister, created the job within the

Environment Protection Authority. He wrote Dr Metherell's job application and the statement of duties. He and Dr Metherell discussed management of the media when news of the appointment was announced and discussed how they would massage community opinion. His actions were not merely immoral, they were unlawful. The direct appointment to the public service contravened the Greiner Government's own Public Sector Management Act. It was found to be corrupt behaviour under the Greiner Government's own Independent Commission Against Corruption Act. The gravity of this partisan exercise of duties by the former Minister is clear. Mr Temby in his report stated that the deal "exchanging a Government job for a Parliamentary seat, and it impacted upon the balance of power in the Legislative Assembly . . . is a matter of profound importance to all citizens of this State". No matter how much the former Minister squeals about the unfairness of it all and no matter how little contrition he shows, at the end of the day he has given his ungrateful Liberal Party the reward of an additional seat in Parliament to stave off defeat on the floor of the House.

No amount of verbal gymnastics or tears can wipe away the corrupt conduct of the honourable member for Gordon. It is ironic and hypocritical for members of the Government and the Liberal Party in particular to mercilessly attack and denigrate the role of the Independents, when, in the words of the former Premier, it was the Liberal Party caucus that executed them at dawn in the morning before the trial. The new Premier, with crocodile tears streaming down from those bovine eyes, swooped on the carcase like a vulture tumescent with the lust for power. In his assertion that Greinerism is alive and well, the Premier has confirmed that the standard of corruption established by the honourable member for Ku-ring-gai will be maintained and defended under his Government. This is made clear by the fact that the former Premier's conduct is still not rejected by the Government.

The Premier, Mr Fahey, made a spirited defence of his former boss. It is impossible for this Parliament to have confidence in the present Premier, and his Government, when all he can offer is more of the same - more of the same corruption,

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higher taxes and charges and environmental destruction. Obviously Dr Metherell learned from his mistakes a lot quicker than the former Minister for the Environment and the corrupt former Premier. Dr Metherell learned from the exercise of the ICAC inquiry and the weeks of embarrassing publicity. Realising that the job was now untenable, Dr Metherell did the honourable thing and resigned - which contrasts sharply with the conduct of the corrupt former Minister and Premier. They wanted to cling to power for the sake of it, despite the findings of the umpire. In the process they dragged down the reputations of every other politician in the State - Labor, Liberal, National and Independent alike.

The refusal of the former Premier and the former Minister to resign brought all politicians in this State into disrepute. We are now all seen as supporters of officials who have acted corruptly. Cabinet members more than anyone still endorse it and they deserve to lose their jobs because of it. These corrupt men have gone to great pains to put the best possible gloss on the damning report. They have inflicted unbelievable damage on the English language in order to twist and distort the words of the commissioner. At his joint media conference with the former Premier when the report was released, the honourable member for Gordon claimed, "Mr Temby has found that we acted in an honourable and proper fashion in terms of standards of decency as individuals". Last week when the former Minister for the Environment attempted to defend himself in this House he reflected that continued self-delusion that the actions he took were common standards of decency. Nothing could be further from the truth, and he knew it. On the weekend the former Premier and the honourable member for Gordon



themselves exposed this as a lie when they performed a backflip and announced that they would be appealing to the Supreme Court. This action has gone on today while debate in this Chamber has continued. However, their resignations are further evidence of the lie.

Both the former Minister for the Environment and the former Premier wanted to portray the image of business as usual in the lead-up to the release of the ICAC report and their eventual resignations. Before the release of the ICAC report the honourable member for Gordon orchestrated a raid on the Australian Nuclear Science and Technology Organisation at Lucas Heights so that he could opportunistically ignore the issues raised at the Metherell inquiry. He attempted to divert the whole of the metropolitan media away from the ICAC inquiry. His track record on ANSTO has been very poor indeed. His role in the embarrassing political issue of the disposal of waste at Lucas Heights is another issue which we will debate at another time. The former Premier also desperately tried to deflect the Metherell issue, by announcing a new resources package which represents the most odious collection of anti-environmental measures ever initiated or even contemplated by an Australian government. This all occurred a day before the release of the ICAC report.

The current Premier told the Parliament today that he will continue with the package of natural resources legislation if he survives today's no confidence motion. His support for that package is a trade-off for the support that he is currently receiving from the National Party for his continued leadership of the Government. The Premier will be allowed to continue his attacks on women which, as Minister, were savage. He disbanded the women's directorate in the Department of Industrial Relations, which was charged with the very important task of giving working women in this State advice on parental leave, discrimination in hiring and promotion, unfair allocation of overtime, work-based childcare and the earnings gap between men and women. The Premier endorsed the introduction of certain technical and further education fees, a significant economic barrier to women seeking further education, particularly in the leisure course area.

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Every other recommendation for dismissal as a result of an ICAC report has been followed through by the Government. The former Minister for the Environment knew that his motivating force was to help his friend Dr Metherell. He knew that his actions were absolutely premeditated. He knew what he was doing and knew that the Government would gain a direct benefit on the floor of the Legislative Assembly through the trade-off. Yet the former Premier and the former Minister think that they should survive when others have been dismissed. They have rightfully been forced to resign to satisfy the standards set by themselves through the ICAC. The former Premier will learn when he goes to the Supreme Court, as he is already finding out today, that no one is exempt from investigation by the Independent Commission Against Corruption. We cannot afford to have one set of standards for public servants and another set for the Premier. Yet the Government has not acted to defend the ICAC or the standards. In fact, during debate today, Government members have continued to attack the ICAC. *[Extension of time agreed to.]*

If the Government does not respect the commission, it obviously follows that it supports the corrupt conduct of those who are found guilty by the commission. The Premier would receive no criticism from the Labor Party for breaking his promise to freeze job cuts in the public service if the broken promise related only to the two jobs applied for by Dr Terry Metherell. The Fahey Government had a responsibility to cut these two Government jobs, which were proved to be unnecessary by the Metherell affair.

Dr Metherell has waived his right for a position within the public service, but the jobs which were created still exist within the Environment Protection Authority. These jobs were created to suit the needs of Terry Metherell. Only Dr Metherell's curriculum vitae would match the job description at the EPA and in the Premier's Department. Dr Metherell made it clear in his diaries that the Director-General of the EPA did not want this job to be created in the EPA. As Dr Metherell puts it:

Dick Humphry . . . called Shepherd too and told him it would happen using Humphry's powers to use one of his "warehoused" SES positions, and seconded to the EPA.

Dr Metherell claims that the EPA Director-General said that he "had no real job for [Metherell]". It is incumbent on the Premier to finalise today the Metherell affair by wiping away the jobs that caused the controversy. These jobs were created for political expediency and are a waste of public money. It is likely that we will have more vacancies on the Government benches as a result of a number of other court actions pending and we do not want to keep those superfluous positions in the EPA available, allowing some members opposite alternative career paths after they lose their jobs in Parliament. These jobs remain a monument to corruption and to the Government's support of it. If it were not for the former Premier's direct involvement in this case, it is arguable that the former Minister for the Environment would have resigned the day the report was released. The media's concentration on the commission's findings against the former Premier have detracted from Mr Temby's finding on the former Minister for the Environment. Mr Temby said:

Indeed the case is somewhat more clear in Moore's case than in Greiner's. The Premier knew that his Minister for the Environment was actuated by friendship for Metherell but only Moore knew the extent of that as a motivating force, and it was considerable. He went beyond ensuring that Metherell was not precluded from consideration for a public service position by reason of his controversial Parliamentary career. Moore favoured his friend so as to ensure he got the job. It is about as good an example as one could imagine of official functions being exercised in a manner which was positively partial.

With these words Mr Temby found that the former Minister was guilty of corrupt conduct which was reasonable ground for his dismissal. I made the point just a minute ago that it is quite obvious from the expressions of concern and unhappiness we saw on Tim

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Moore's face virtually from the very moment that the ICAC report was released that he had absorbed the criticisms of Ian Temby and would have jumped at the time of that report's release except for the arrogance of his leader, who refused to be shoe-horned out of the position of Premier by Mr Temby. It is unequivocal that the Parliament can only conclude that the removal of the former Premier and the former Minister for the Environment was justified, but this was only the beginning of the story. The story continues with the debate proceeding in this Chamber. We have heard no apology, seen no repentance whatever from those Ministers and members of the Government who have spoken today. In some cases we have seen a continuation of the blatant attacks that were occurring last week in the public media. The Government has got off lightly. It has survived to date. It is now time for the Parliament to dispense with the Government, which has been a party to the conduct of the former Premier and former Minister for the Environment. As my parliamentary leader, the honourable member for Maroubra, pointed out this afternoon, those Ministers and members had on many occasions promoted the conduct of the very people whom ICAC has found corrupt. There is no choice.

Despite public pronouncements from Independent members of the Parliament

that they are not prepared to support a motion of no confidence in the Government as a whole, they must have felt their resolve shaken today as they listened to the debate because there has been no attempt by other members of the Government to retreat from the very hard position taken by the former Premier and former Minister for the Environment over the past week when they launched their virulent attack on the ICAC. It has been said on a number of occasions, and now by the honourable member for Bligh, the honourable member for South Coast and the honourable member for Manly, that one of the reasons they became so united in their decision to ensure that the former Premier and former Minister for the Environment were forced into the positions they took was their continued attacks on the ICAC. In today's debate no attempt has been made by members of the Government and Ministers to back down from those attacks. For that reason, I believe that those honourable members representing Bligh, South Coast and Manly should reconsider their decision to continue to give this unrepentant Government a mandate to continue its attacks on the Independent Commission Against Corruption.

**Mr ARMSTRONG** (Lachlan - Minister for Agriculture and Rural Affairs) [9.10]: The real question in this debate is whether any action could be more hypocritical than that of the Australian Labor Party of New South Wales in, first, bringing on this motion; and, second and more important, presenting arguments of such low standard in an attempt to support a motion of no confidence in a government that has been described as probably the best this State has ever had. This afternoon in this Chamber the Australian Labor Party has made a fool of itself. The Opposition has made a mockery of democracy in its expensive joke on the taxpayers of New South Wales. The honourable member for Blacktown in her contribution epitomised the trite and arrant nonsense, totally without meaning, substance or purpose, produced by the Opposition in this debate. The attempt by the Opposition to present some form of no confidence motion is almost macabre. The Australian Labor Party has demonstrated that it is a joke and that its real lack of confidence is in its leader. The member for Maroubra, who masquerades as the Leader of the Opposition, demonstrated this afternoon that much of the criticism that had been directed at him during the past week or 10 days was ever so right. No wonder he manages to achieve headlines in the *Australian* such as "Carr loses face over rural rip-off claim". I quote from the *Australian* of Wednesday, 17th June - this is when Bob Carr was caught lying, the big one - though that happens every day:

The New South Wales Farmers' Association spokesman Mr Stephen Ware criticised the Opposition for getting its sums wrong and indulging in irresponsible political grandstanding.

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The newspaper further reported:

The criticism is a setback for the Opposition, which has been on the offensive since an Independent Commission Against Corruption inquiry last month.

The report continues:

Mr Ware said, "Mr Carr's irresponsible comments would only make embattled farmers more angry and bitter. Mr Carr is basically flying kites in picking up one figure and claiming this money has been denied to farmers".

What hypocrisy. The very much respected *New Englander* newspaper said, "Lies on amount of rural payouts". That is the calibre of the alternative government of New South Wales tonight. It is a sad day for New South Wales when the Labor Party cannot present a more credentialled leader and more credentialled members to speak in this

debate. However, the real hypocrisy of all members opposite who have contributed to this debate, and in particular the honourable member for Blacktown, is about the so-called jobs for the boys. Every Opposition member who has contributed to this debate spoke about the allegation that this whole facade started as a job for the boys. Members opposite have been talking about that for two weeks. I quote from a press release of 29th June, yesterday, by the Minister for Tourism and Minister for Resources, Alan Griffiths, M.P. of the Federal Parliament, at a time when the Labor Party claims it has no jobs for the boys:

The appointment of Mr Jack Hallam as chairman of the new Quarantine and Inspection Advisory Council was announced by the Federal Minister for Resources . . . Mr Hallam, 49, served as the New South Wales Minister for Agriculture in the Wran and Unsworth Governments between 1980 and 1988 and prior to his 20 years in State politics was a rice farmer in the Murrumbidgee irrigation area . . . Jack Hallam's considerable knowledge of rural affairs and his first-hand experience with quarantine matters over many years will ensure the new council has sound and informed leadership.

I bet that every farmer, every representative of a farmers organisation and every writer who ever wrote a word for a newspaper, for radio, for television in those years that Hallam was Minister treated Jack Hallam as a joke - and as an expensive joke - because he failed the egg industry, the oyster industry, the wheat industry, the wool industry and every industry that he represented. Now he has been given the classic job for the boys. Is the Leader of the Opposition prepared to refer that to the Independent Commission Against Corruption? Is the Leader of the Opposition prepared to say to Mr Griffiths, the Federal Minister for Tourism and Minister for Resources, "You have given a job to a former politician, you may be corrupt". Will Bob Carr visit Mr Temby tomorrow morning to tell him, "I want you to investigate this job for a former member of Parliament"? Come on! Talk about double standards. No wonder only one member of the Opposition is in the House to support the Opposition motion. We all know how good he is but we thank him for being in the House anyway. The member opposite might be the weakest man in the team but at least he is here.

Labor Party members are hypocrites, liars, mischief-makers and are an absolute disgrace. They have no capacity or future to get on to the treasury benches of New South Wales. On Tuesday I stated clearly in this House that the former Premier was denied natural justice. The Supreme Court hearing is now under way. Yet the Opposition could not wait a few days to hear the outcome of natural justice, a right to go to law, a right to a fair hearing, which is extended to every citizen in this State. That right is fundamental in our Constitution and is fundamental to decency. The Opposition, however, has denied the former Premier the opportunity to clear his name. Community  
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outrage at actions by Labor in making the bullets and forcing the Independent members of Parliament to fire them continues to grow. The television programs, talkback shows and the newspapers, as I have already evidenced, have indicated that the Labor Party members are blatant and arrant liars who have deprived a New South Wales citizen of his fundamental rights. Any citizen is entitled to test a matter of this kind in a court of law.

The former Premier effectively has been denied his rights. The genuineness of the Leader of the Opposition was brought into question by his statement on the afternoon when the ICAC report was released, when he said, "Nowhere in this report is anything like the language used by the Premier in his press conference". The Leader of the Opposition said this in the knowledge that his statement would galvanise public opinion against the honourable member for Ku-ring-gai. We are still waiting for the Leader of the Opposition to accept that the following words are contained in the report and were

central to the former Premier's response. I quote from page 73 of the ICAC report:

I do not think that it can be concluded that Greiner saw himself or would be seen by a notional jury as conducting himself contrary to known and recognised standards of honesty and integrity.

Compounding the inaccurate public image, the honourable member for Bligh told the House last week:

What has not been challenged in the Supreme Court - and this is the crux of the matter - is the substance of the report, which is undisputed.

This assertion is patently false. The submission to the Supreme Court challenges statements in the ICAC report that "conduct . . . could involve reasonable grounds for dismissal" and challenges the "corruption" referred to being in part of the ICAC Act. It is remarkable that this did not show up on the computer of the honourable member for South Coast. The appeals go to the crux of the matter. In only six days the court could have made its findings so that the people of New South Wales could have made a proper judgment. This must be regarded as one of the worst if not the worst ever denials of natural justice that I have encountered. I think most people in New South Wales would agree, judging by the number of responses from the broader public in recent days. I turn to the editorials. I quote from the *Australian* of last Saturday, 27th June:

The Parliament with the Labor Opposition and Independents forming a majority acted upon Mr Temby's report with speed - far too much speed.

The *Sydney Morning Herald* of the same date stated:

What happens, for instance, if Mr Greiner is cleared by the Supreme Court? The public may then decide the Independents exercised a power that was totally beyond the mandate given to them by the handful of votes they collected during the general election.

The *Australian Financial Review* of last Thursday, 25th June, stated:

Parliament continues to be the State's peak decision-maker and the place for prosecuting and deciding legal matters arising from Independent Commission Against Corruption recommendations continues to be the courts.

The *Sunday Telegraph* of last Sunday, 28th June, stated:

The role of the three so-called non-aligned Independent MPs in the departure from the Premier's office of Mr Greiner was as cynical an abuse of political power as we have seen in recent years . . .

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(Their) contribution to the fallout from the Metherell affairs was, in the end, decisive and damning - to themselves as much as to their victim . . .

The three demonstrated how wasted and dangerous votes for independents can be in certain circumstances.

However we like to put it, it is obvious that there has been a miscarriage of fundamental justice and decency. The former Premier and the former Minister for the Environment

have been denied what every person in the street tonight - cabdriver, barrow boy, businessman, mum, school teacher, politician, whoever it is - would have thought was a fundamental right in this democracy of ours. Yet two of our citizenry have found that they are different because the Opposition, aided by the Independents, has decided that it knows better than the court, better than the fundamental rules of decency and justice in this State. I stand here with enormous pride in knowing that this Government has done and is doing a superb job in governing New South Wales. It is common to hear that this Government has consulted more than any government in recent history. All of the major commitments have been actioned. In my portfolio of agriculture, the relocation of the department to Orange, with more than 400 positions in the head office, will pump \$20 million per annum into the region. There has been no dislocation of service to clientele. In fact, the service has been enhanced. Eighty-five per cent of staff are outside the metropolitan region. Staff will have unprecedented promotion opportunities. They will have career opportunities. Savings to taxpayers are projected to be up to \$56 million over the next 20 years.

Agsell, the marketing arm of the Department of Agriculture, has facilitated new business of more than \$400 million in the past couple of years. The recent wool deal involving Mr Peter Allen of West Wyalong involves \$157 million or 9 per cent of next year's woolclip in New South Wales. I note that last Sunday week the AustralianWool Commission released a report stating that it had done a deal with Russia under an arrangement similar to that of our wool deal with China. Our Chinese deal was used as a model for the Russian deal. I refer to developments with International Manufacturers Market at Singapore. Danpork will bring \$80 million to Scone. The New South Wales Department of Agriculture has facilitated beef feedlot investment of \$150 million. The drought west of the Newell Highway is the worst for 40 years and \$21 million has been spent in drought assistance. In the nine months to March, \$45 million was spent on rural assistance. The outlook for the dairy industry is possibly the best ever. Dairying is now a blue chip industry. When Minister Jack Hallam and Minister Don Day left it, it was a disaster. The dairy industry had been the poor man's industry for the past 50 years but since 1988 the situation has been turned around with excellent leadership from the dairy industry, good government and good, sound principles. The *Land* newspaper has described it as a blue chip industry.

**Mr Cochran:** Was that the same corrupt Jack Hallam?

**Mr ARMSTRONG:** It is exactly the same Jack Hallam, that joke that just took the job for the boys in Canberra. Last year incomes for dairy farmers were up \$270 a week on average. We have turned around a fall in farm numbers since 1970 and New South Wales farmers now have close to 100 per cent of the New South Wales fresh milk market. We have just introduced into the Parliament section 38 legislation, as it is known, which will give post-farm deregulation. Farmers will be given security. New South Wales will lead Australia. What has Labor done on agriculture? The Leader of the Opposition says that he will be the next Premier of New South Wales. What has he said about agriculture, the State's biggest income earner? On the Australian Broadcasting Corporation "Country Hour" program on 15th November, 1990, he said:

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Farmers cannot be described as part of Labor's natural political base in New South Wales.

He can say that again. Labor has no agriculture policy, no constructive comments. Despite the so-called rural conference in Bathurst a few weeks ago, no agriculture policy

was released. In a rare foray into agriculture on the John Laws program on 2UE on 16th June, the Leader of the Opposition claimed that \$60 million of available funds for rural assistance was locked up. Earlier I referred to what the *Australian* said about that. The Leader of the Opposition lied to the people on that radio program. He has lied to the press. He actually rang around the press gallery to find a journalist or two who would believe him. Most of them shunned him, because they knew he was a liar before he rang. They said: "Bob, do not ring back. You cannot tell the truth, mate". Coalition economic policies have given New South Wales the best performance of any State. This has been achieved through structural efficiencies in government, encouraging private enterprise growth and more jobs and encouraging private investment. Labor is opportunistically opposed to initiatives such as the badly needed Port Macquarie hospital, but changes its tune to suit the audience. Just last month the Leader of the Opposition was asked about the success of the Government's decentralisation initiatives such as moving the head office of the Department of Agriculture to Orange. He said:

The answer must be in market forces delivering private sector investment. The size of government overall will be contracting. The private sector must be involved.

He can say such things when it suits him but in the next breath he will condemn private enterprise investment. Just what is his policy on expansion, investment and growth in this State? He would have to be the greatest hypocrite, who flies with the wind in trying to please all but satisfying none. When one walks about the corridors of this building and goes to the dining-room one hears the backbenchers of the Labor Party expressing serious doubts about the leadership of their party. They recognise that they have major fundamental problems. The honourable member for Auburn is to be married on Friday. He has been touting himself as a future leader. His wife might make him one. On the specific issue of health funding, the Leader of the Opposition told the Labor conference last December:

Labor's goals for . . . health care . . . depend on the tax flow generated by the private sector.

Madam Deputy-Speaker, you would be interested in that. If it is good enough to take private sector funding to the Treasury, what is so evil about private funding for an urgently needed general hospital for Port Macquarie? Why deny patients access to first-class, modern hospital facilities? Labor is opportunistic. It has no credible policy or philosophy. In recent days the people of New South Wales have expressed enormous confidence in this Government. There was great confidence in the former Premier, who was railroaded out by an Opposition and a group of Independents in a most unfair and unjust manner. New South Wales is the poorer for the loss of that Premier. New Premier John Fahey will lead this State to strength and future prosperity. The hypocrisy of the Australian Labor Party must stop. It cannot have it both ways. It cannot condemn the Government on the one hand and on the other hand give jobs for the boys to an old dodo such as Jack Hallam, a proven failure. He was given a plum, cushy job in the new Parliament House in Canberra. He was set up for life. Is it or is it not a corrupt act when they appoint one of their old hacks to a job in the new Parliament House in Canberra? This matter should be taken up again and I hope honourable members hear a response from the Leader of the Opposition as to how he will explain a job for Jack Hallam in cushy, powerful Canberra. [*Time expired.*]

because of the ICAC report that was released last Friday week. Since that report was released, the Government has undertaken a series of back-peddalling strategies. First, on Friday, 19th June, when the report was released, the then Premier told all of Australia that he had been exonerated and that Commissioner Temby had found him to be a person of honesty and integrity. Any five-year-old child who bothered to scan the report would have realised that the Premier was quoting Commissioner Temby completely out of context. When Mr and Mrs New South Wales also realised that, what happened? The Government changed its strategy and its approach to this matter completely by criticising the umpire. That is a favourite tactic of the conservatives. If they are not getting their way, they have a go at the umpire.

Particularly during the first weekend of this whole saga, members of the Greiner Government attacked Temby and his performance of his duties under an Act, which, of course, was devised by the present Government. Senator Bishop and that swimming pool fence opponent, John Valder, both said Commissioner Temby was biased and a supporter of the Australian Labor Party. They claimed that Commissioner Temby stood as a Labor candidate in an election some years ago. The problem was that it was so long ago, no one could remember how many years ago it was. The fact is that there is no great love between the Australian Labor Party and Commissioner Temby. We are aware of the fact that as Director of Public Prosecutions, he was responsible for sending Lionel Murphy to trial. The Leader of the Opposition is on record in this Parliament as initially expressing grave concerns about the appointment of Commissioner Temby. But that did not stop Senator Bishop or John Valder from trying to turn the tables. That strategy also failed.

The Government tried a third strategy. Early last week the former Premier argued that the word "corruption" should be defined by the Supreme Court. He adopted that stalling tactic in the hope of hanging on. However, it must be emphasised that the ICAC was the creation of the former Premier and corruption was defined in that Act according to his rules and standards. Frankly, the Opposition had no problem whatsoever in choosing Commissioner Temby's recommendation in preference to the stalling tactics devised by the honourable member for Ku-ring-gai. But last Wednesday the Government supported the honourable member for Ku-ring-gai in this Parliament. Government members were most disappointed that he was forced to resign. During the debate last Wednesday, the present Premier pointed out that we are all fallible. Of course we are, and I hope members of the Government realise that the Supreme Court is also fallible.

A number of lawyers associated with the coalition may not agree with that, but I am attempting to point out that it does not matter what the Supreme Court finds. The honourable member for Ku-ring-gai and the former Minister for the Environment grossly abused their power by trading a parliamentary seat for a government job. That amounted to a breach of public trust, which, according to the Independent Commission Against Corruption Act, is corrupt conduct. If anyone has any doubt as to the guilt of the honourable member for Ku-ring-gai or the honourable member for Gordon, they only have to read two short statements from the report which deal with the Environment Protection Authority position that was offered to Terry Metherell. On page 37 the report reads:

That position was created at the time it was so that Metherell could be appointed to it. Greiner and Moore were not just aware of, but desired, the political advantage likely to flow from Metherell's resignation.



No one has denied that. On page 38 the report reads:

But he would not have resigned unless assured of the job and in that sense the job was the inducement. And it needs to be remembered that the consequence of the arrangement reached was a change in the composition of the Legislative Assembly . . .

The first purpose of the motion is to point out that not only were the honourable member for Ku-ring-gai and the honourable member for Gordon desirous of gaining the political advantage which would flow from Metherell's resignation, but so was the entire Government. The second purpose of the motion is to point out that not only were the former Premier and the former Minister for the Environment aware that the arrangement would lead to a change in the Legislative Assembly, but so was the New South Wales Cabinet, which of course is the New South Wales Government. In other words, the Government is up to its neck in all of this because of its support of actions taken and its endorsement of decisions that had already been made.

Earlier in the debate the Leader of the Opposition pointed out the role played by the Deputy Premier in this affair. However, in addition to the Deputy Premier a number of Cabinet Ministers have supported the actions of the former Premier and former Minister for the Environment. On 5th May on the "7.30 Report" the Minister for School Education and Youth Affairs stated that had the decision been up to her, she would have appointed Terry Metherell to a senior executive service position. The Chief Secretary, who by virtue of that position is a member of the Executive Council, confirmed Metherell's appointment. Is that not involvement? I think it is. On 22nd April in the *Sydney Morning Herald* the Minister for Planning, Minister for Energy, Minister for State Development, and Minister for Tourism stated that he was confident that the Premier would resolve the matter satisfactorily. In answer to a question put to him by the *Daily Telegraph Mirror*, which asked whether he supported Greiner's handling of the Metherell affair, the Minister for Justice answered, "Yes". On 28th April at page 2811 of *Hansard* the Minister for Police and Emergency Services is reported as stating that undoubtedly Metherell was well qualified academically.

All of these statements imply that Cabinet fully supported the appointment of Terry Metherell to the position that was offered to him. I might add that it is not only Cabinet Ministers. The Hon. D. F. Moppett, the Hon. D. J. Gay, and the honourable member for Ermington, to name three others, are also quoted; but the lulu of them all is the statements made the former Premier himself. In a radio interview with Alan Jones, he stated that he would say Cabinet overwhelmingly supported the decision. Jones asked, "No rumbles?" Greiner replied, "Yep, not a one". He told Frank Crook that Cabinet was unanimously in support. On 22nd April on the "7.30 Report" he stated that Cabinet had given a unanimous endorsement. This all boils down to the fact that the former Premier had full support from the Cabinet all the way through. That is why the Opposition believes that a motion of no confidence in the Government should be carried. There is a host of other reasons why the Opposition finds it necessary to move this motion of no confidence. One reason that concerns me particularly is accountability.

"Ours is an open government" said the former Premier. "It is a Government which will continuously provide a proper accounting of the State's financial position". This was the cry of the former Premier on 2nd June, 1988. But a series of breaches have occurred since then. Between July 1988 and February 1989, the monthly financial statement did not contain material on the level of Treasury balances of cash and securities. The Public Accounts Committee reported, on 5th December, 1989, that 20 per cent of organisations audited by the Auditor General in 1988 had failed to submit their

financial statements on time. Further, it found that 40 per cent of all 1987-88

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annual reports which were due in 1988 were received after the statutory time limit. It goes on and on. In the 1989-90 budgets "off budget" departments were deleted, breaching an undertaking given by the former Premier in the Parliament on 31st May, 1988. So much for accountability.

In respect of financial management, the State's level of debt is rising and is likely to have reached \$29 billion. Similarly, State liabilities have risen to more than \$52 billion - both all time highs. Borrowings in the last Budget have increased by a massive 20 per cent, with the real figure to be revealed in September. The Budget is operating with a record deficit. Recurrent spending increased in real terms in three out of four budgets - exposed independently by the Nichols' report last December. There is a record \$1.3 billion increase in State taxes entrenching New South Wales as the highest taxed State, as independently found by the Australian Bureau of Statistics and recently reinforced by the June tax increases. Charges have not been pegged to the consumer price index for the fifth year in a row. Microeconomic reform has stalled and a series of incidents highlights the lack of accountability under this Government.

That record is an indictment of the Government's financial management. It is not just the Government's financial record, it is also its economic record which needs to be condemned. New South Wales' leadership of the Australian economy is being chiselled away. The State is losing investment because of the failure of the Government to settle on a development strategy and its failure to frame clear development guidelines. New South Wales is falling behind under this Government, which has failed to secure important and prestigious new investment. In 1989 New South Wales lost the frigates. In 1990 it lost the multifunction polis. The World Square site remains empty. Walsh Bay redevelopment is stalled. Other States are beating New South Wales in attracting high tech industry from overseas. New South Wales lost the data processing centre for the Australian Securities Commission. Major projects have collapsed amid a welter of argument about tendering procedures. The most spectacular example is the \$700 million Walsh Bay redevelopment, the largest urban renewal dogged by controversy.

The private sector has lacked clear, firm investment guidelines under this Government, particularly under the Deputy Premier. In four years there have been four State Development Ministers - Murray, Hannaford, Yabsley and caretaker Webster - and the former Premier took no interest. The new Premier says he has a poor grasp of economics. While some indicators might show New South Wales performing better than other States, the performance is patchy. New South Wales has been behind the other States in motor vehicle registrations, non-residential building approvals, private new capital expenditure and the consumer price index. On any test, the Government's record on debt, borrowings, taxes, charges, the deficit, accountability, microeconomic reform and economic development has been characterised by broken promises and mismanagement.

I want to dispel one argument that has been peddled in this debate - and in fact peddled by the Government before this debate began - and that is: why should the Opposition move a motion of no confidence when they are aware that it is going to be defeated? Of course, that is a stupid argument, an absolutely stupid argument. If that argument is taken to its logical conclusion, the Opposition should contribute only to 5 per cent of the debates that take place in this House, because it is a fact that the Opposition, by virtue of its role, very seldom wins. If we do away with debate in this instance, we might as well throw parliamentary democracy out the window. On ABC radio this morning I heard that the Minister for Justice was anxious to make a point that the

Opposition was wasting money by forcing this special session of Parliament to debate this

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issue. What a hypocritical statement to make when that very Minister supported the inducement of Metherell which has necessitated a by-election costing a lot more than the reconvening of this Parliament.

What a statement to make when that same Minister supported the creation of a job for Metherell valued at \$110,000 a year yet argues that the Opposition is wasting the taxpayers' money by reconvening Parliament to debate this very important issue. What gall, to argue that the Opposition is wasting the taxpayers' money. It is important that the process of parliamentary democracy proceed so the Opposition can convince this Parliament that, not only are the honourable member for Ku-ring-gai and the honourable member for Gordon guilty, and not only have they acted corruptly, but so has the entire Government. This motion primarily refers to the Government's actions with respect to the Metherell affair, which was seen as a smart political move. However, when the report was made public the honourable member for Ku-ring-gai and the honourable member for Gordon proposed to tough it out. But they miscalculated the public's perception of the issue, because their smart political move was seen by the people of this State as an involvement in a low, dishonest exercise, unbecoming of a Premier and a Minister. No doubt on a number of occasions the former Premier and Minister for the Environment had the backing of the full Cabinet. They had that collective backing both through outspoken support by individual Ministers, and through support for actions that had been taken or were to be taken.

I believe this Government stands condemned and a motion of no confidence should be carried so that the people of this State can be given the opportunity to decide at a general election whether they want to hang on to this corrupt Government or want to vote a Carr Labor Government into office to right the wrongs.

**Mr COLLINS** (Willoughby - Attorney General, Minister for Consumer Affairs, and Minister for Arts) [9.48]: My contribution to this fairly lengthy debate involving most members of this Chamber is, hopefully, going to be slightly more rational than the dissertation we have just heard. One of the principal policies on which the coalition was elected to government in March 1988 was the pledge to fight corruption by public officials. It was widely believed that the former Labor Government was corrupt, and that corruption was widespread throughout the public sector. Indeed, this had become part of the folklore of New South Wales politics and applied from time to time to both sides of this Chamber. So it was an entrenched and established perception. The perception was so deeply rooted that it was regarded by the general public as self-evidently true. The evidence, of course, is overwhelming - with Labor's corruption extending to the highest levels of their administration in the latter days of the previous Labor Government and even resulting in the jailing of a former Cabinet Minister for bribery.

It was also regarded as self-evidently true that Labor would arrange a job if it suited its purpose. Indeed, many have rightly commented that Labor developed the political appointment into an art form. The examples of this art are so many that it would be tedious to enumerate them. Suffice to say that the list constitutes literally dozens of names, many of which have been used already in this debate. The hypocrisy of the Opposition in moving this motion is really quite astonishing. After all, the motion is already out of date at this stage and should have lapsed. They, who during 12 years in government protected, supported and encouraged official corruption, now have the temerity to move that this Government should lose the confidence of this House. Not only did we promise to root out corruption, we put in place a whole series of measures to

ensure that the promise was kept. By far the most significant of these measures was the establishment of the Independent Commission Against Corruption. The ICAC was

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one of the first initiatives of the Greiner Government. The legislation was introduced two months after the 1988 election. Unique in Australia and virtually unique in the world, the ICAC is one of the finest achievements of the Greiner Government and an enduring legacy of Nick Greiner. It is, of course, well known to honourable members that the Supreme Court is at this time being asked to consider aspects of the report of Commissioner Temby. It is not for me or, I suggest, for any of us here present to intrude too deeply into those matters before the court. I can say that both the honourable member for Ku-ring-gai and the honourable member for Gordon, like any citizen aggrieved by the findings of a statutory tribunal, are perfectly entitled to test those findings. That test is going on now.

That does not in any way take away from or reduce the role of the ICAC. That quasi appeal is not an attack on the ICAC because frequently decisions by tribunals, by commissions, are tested in superior courts. Indeed, decisions of the lesser courts are frequently tested in courts of appeal around this country. That is part and parcel of the judicial system that we enjoy. The mere fact that legal issues are being tested now in the Supreme Court in no way reduces the authority of the ICAC or its commissioner. The opportunity for judicial review must be recognised as the foundation upon which the proper conduct of all administrative bodies rests. It has always been an important role for the courts to ensure that an improper exercise of jurisdiction conferred on statutory tribunals does not occur. The Independent Commission Against Corruption Act does not contain any provisions expressly conferring appeal rights but that does not mean that those rights are not available. Indeed, I have been assured by those concerned in the drafting of the legislation that consideration was given to the inclusion of appeal rights. However, as prerogative relief will always be available unless specifically excluded, express provision was not necessary. Accordingly, none was made.

Honourable members should be aware that the present challenge to the commissioner's action is not the first of its kind. The commission's annual reports provide an account of numerous challenges before the courts which have sought to have the commission's powers more precisely defined. One such challenge even questioned the commission's power to do more than give a bare repetition of the wording of its Act when reporting to Parliament. That action did not result in cries of outrage. It was a legitimate testing of the legislation. The present action is an equally legitimate call for judicial review and should be viewed in this proper perspective. It is absurd to deny that the honourable member for Ku-ring-gai and the honourable member for Gordon have the right to test the true meaning of the legislation which affects them. It is equally absurd to have equated that process with an attack on the commission itself. Nor do I in any way impugn the integrity of the commission or of its commissioner. Indeed, I must say that, as Attorney General for this State, I am profoundly disturbed by the personal attacks on Mr Temby, from which I disassociate myself. Not only are such attacks totally counter-productive and out of step with the spirit of the ICAC legislation but they also strike at the heart of our system of justice.

No doubt the ICAC will change over time but constructive change is impeded, not aided, by personal attacks on its chairman. That process will best be served by a lowering of the temperature of debate in this Chamber which, last week, boiled over in a way which weakened the public perception of the process of government and indeed this very Parliament in this State. It is important to recognise that the Metherell inquiry constituted a task of considerable magnitude and sensitivity for Mr Temby and the report which we have received is only the first of two which will result from this inquiry. The

issues raised go to the very heart of our system of government and politics. Practices which have been accepted, taken for granted, by us all are being scrutinised against a  
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standard never previously applied. The rule book is being rewritten. Standards of conduct and accountability are being entirely reassessed. We must not resile from our responsibilities. The ICAC was our creation, this Parliament's creation and Mr Temby, the chairman, was the appointment of this Government. It is, however, the profound duty of this Parliament to give proper, fair and impartial consideration to these issues. I fully endorse, as did Mr Temby, the sentiments of Sir Isaac Isaacs in *Horn v. Barber* where His Honour said, and the passage is reproduced in Mr Temby's report:

When a man becomes a member of Parliament, he undertakes high public duties. Those duties are inseparable from the position: he cannot retain the honour and divest himself of the duties. One of the duties is that of watching on behalf of the general community the conduct of the Executive, of criticising it and, if necessary, of calling it to account in the constitutional way by censure from his place in Parliament - censure which, if sufficiently supported, means removal from office.

That is the whole essence of responsible government, which is the keystone of our political system, and the main constitutional safeguard the community possesses. The effective discharge of that duty is necessarily left to the member's conscience and the judgment of the electors, but the law will not sanction or support the creation of any position of a member of Parliament when his own personal interest may lead him to act prejudicially to the public interest by weakening (to say the least of it) his sense of obligation of due watchfulness, criticism and censure of the administration.

As Attorney General I fully recognise the gravity of that pronouncement. It has, of course, stood the test of time and I believe it will continue to do so. Nevertheless it is my duty as Attorney General to draw the attention of honourable members to that part of Sir Isaac Isaacs remarks which touch upon the very heart and soul of the conduct of members of this House. I repeat for the benefit of honourable members the observation that the effectiveness of the discharge of the high duties of a member of Parliament is "necessarily left to the member's conscience". We cannot, with any sense of fairness, condemn our colleagues when this Parliament has failed, in over 150 years of self-government in this State, to formulate any firm principles for the evaluation of parliamentary conduct. Mr Temby found - and for this I refer honourable members to page 73 of his report - that the former Premier could not "be seen by a notional jury as conducting himself contrary to known and recognised standards of honesty and integrity". Indeed, the commissioner himself has reminded us how easy it is to criticise. Mr Temby said at page 51 of his report:

Any politician inclined to criticise Greiner for his answers when interviewed should ensure, before going on the attack, that he or she has never behaved in like manner.

As I said before, it is undeniable that very many precedents exist on both sides of politics for the appointment of members of Parliament to positions in circumstances calculated to attract political advantage to the Government of the day. That much was found, of course, by Mr Temby. The circumstances differed but the object was the same. The commissioner has also pointed to the grave responsibility resting upon honourable members to act in an appropriate manner as the basis of his report. That responsibility should have carried with it a heavy onus, requiring from each one of us an earnest and conscientious appraisal of what was appropriate.

The commissioner reminded us that it is easy to criticise and certainly, the

serious misjudgments that were made deserve criticism. But the conversion of that criticism into an indictment is intolerable. Let us pause to consider the standards of candour that prevail in contemporary politics. Let us reflect upon the tide of nepotism and patronage that has, at times, characterised politics in this country. In that respect no one has a monopoly on virtue. Surely it should not have been the few that stand condemned for what history shows us are wrongs practised by many, on all sides of

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politics and in all legislatures. Surely that was not an appropriate response to this report. A more worthy approach is to take a lesson from what has occurred, and to formulate new standards for conduct in public life, together with the machinery necessary to ensure that those standards are uniformly observed. Surely that, and not a hypocritical charade of petty point-scoring, should have been and still is the response appropriate to meet the grave onus cast upon members of this House. Only that response can adequately ensure that the findings of the commissioner's report are properly dealt with in the interests of all members of the community whom we, as members of this House, are privileged to serve.

The commissioner's report would not have prevented us taking that course. Indeed, the commissioner, out of deference to the Parliament, deliberately and expressly refrained from suggesting the course that we should follow. He did, in every sense, preserve for us the action which should be taken. His report did not tell us what we should do and the commissioner himself denied that it would be appropriate for the commission to push the Parliament in any direction. The report itself dictates no particular course of action. It is incumbent upon this Parliament to ensure that a mature and responsible course is taken and that there is not merely a polarised and bitter slanging match. What we must do now is await the remaining stages of the commission's investigation and then take any action appropriate to set the standards by which governments will be judged. Those remaining stages will, I believe, offer to all of us valuable guidance in the formulation of appropriate laws and standards of practice.

The matter is far too important to allow considerations of party opportunism to prevail. In two elections the Government of which I am proud to be a member has received a mandate from the people for its policies. Those policies have been implemented steadily and consistently. In May 1991 we received 44.7 per cent of the first preference vote, and 52.5 per cent of the two party preferred vote. I acknowledge that the mandate of May 1991 has since been limited by the Independent members elected to this place. However, the Independents have, in large measure, supported the policies of the Government and do not support this particular motion of no confidence. The result, I believe, has been to the benefit of this State as a whole, and that will continue. Major initiatives of the Government, even in recent times, have included the formulation of a new legal framework for co-operative societies, the systematic review of our criminal laws, and, of great importance in the present debate, constitutional reform with a view to fixed four-year parliamentary terms.

The reform agenda rolls on with a mandate from the people of New South Wales and, I would contend, with justified support of the people who sit on the crossbenches in this Parliament. On any view it would be most untimely and unjustified to endorse, in effect, a vote of no confidence in a government which has consistently delivered to the people that which was entrusted to it. Honourable members should bear in mind the importance of the task before them. That task should not be borne in a partial fashion or in a manner lacking in vision. It should be borne responsibly. It should be borne fairly, with dignity and with a proper regard to the consequences that our future actions will have for all governments in the future.

**Mr NAGLE** (Auburn) [10.4]: The *Concise Oxford Dictionary* defines

confidence in these terms:

Full trust; belief in the trustworthiness or reliability of a person or thing; politics - the wish to retain the incumbent government in office as shown by a vote on a particular issue; self reliance, assurance and boldness.

This debate is about a vote of no confidence in the four-year-old Liberal Party-National  
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Party Government, which in effect has governed the State of New South Wales to a large extent incompetently. The culmination of that incompetence can be found in what is termed the Metherell affair. On the Monday after the 1988 elections Robert Haupt, a journalist for the *Sydney Morning Herald*, wrote an article concerning his activities on the Saturday night of the election. He said that he went to the Labor Party headquarters, where a particular radio personality tried to job him. After deciding to leave that particular party he went to the Liberal Party function at the Regent Hotel. He looked around the room and saw the finery and the champagne. The last sentence in his article is telling. He said, "Therein lies their destruction, their arrogance". An example of that arrogance can be found in a report in the *Daily Telegraph Mirror* of 24th June under the headlines, "Greiner resigns: Fahey voted new Premier", and "Greiner goes with dignity". Under the word dignity there appears a horrendous cartoon of the former Premier with the words, "Australia's Best Salespeople will be 'LIVE' with 1992 State selling champion Nick Greiner - Darling Harbour". That is the former Premier's epitaph of his four-year term as Premier. It is significant that Greinerism and now Faheyism, reinforces the Maitland situation, the Hills situation, the Vacluse situation, the Gordon situation and the Wakehurst situation. The abusive Minister for Justice, the honourable member for Georges River, is at this moment flagrantly disregarding the basic standing order of courtesy in this place by speaking to members in the gallery. He knows that that is not appropriate. His behaviour typifies the arrogance of this Government. As the Minister is now leaving the Chamber we can proceed with some sensible debate. Greinerism, now Faheyism, has affected hospitals, education, the environment and transport and, if this Government remains in office, the result will be the bankruptcy of the State of New South Wales.

The new Premier defended the Metherell affair in this House. He said, "I come to praise Caesar" - namely the honourable member for Ku-ring-gai. He did not come to bury him because the former Premier had been buried already by others. He pleaded for the right to be heard, but I believe he protested a little too much about his innocence and what happened. If there was no criminality in the Metherell affair, then the actions of the former Premier can only be regarded as incompetent. The honourable member for Ku-ring-gai, with whom I sympathise, said, "I apologise to the people of New South Wales. I was wrong", and "This was against the interests of the State". That was the greatest piece of sophistry ever perpetrated on the people of New South Wales. If the constituents of the electorate of Auburn were asked about what assistance they received from the Greiner Government after the destruction of a massive storm in 1990, their answer would be, "Not one penny".

**Mr West:** That is a lie.

**Mr NAGLE:** That is the truth of the matter. When the same storm hit a few months later in his own area \$9 million was allocated to those people. It is sophistry at its worst, and he wants us to be sympathetic. Honourable members should remember that the Premier said 20 times before the ICAC inquiry that he could not remember. One can only conclude that he would now be entitled to Peter Staples' dementia grants for loss of memory. Let us examine the exact words of Mr Temby's findings. I concur with

what the Attorney General said. I do not think anyone can attack Mr Temby for what he had to say. His was a difficult and most stressing task. It would be a most stressing task for anyone to deal with matters that go to the very heart of government, particularly matters involving a Premier - and then to determine whether what happened in the past, now looked at in the present, in relation to what will happen in the future was a criminal act or breach of the ICAC legislation. To criticise Mr Temby for doing the job that we

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gave him is totally wrong and should be deplored by all members in this Chamber. On page 37 of the ICAC report Mr Temby says:

At this stage I am dealing with the general picture. To me it is not a pretty one.

Metherell and his friends, Moore and Hazzard, wanted to get him out of Parliament and into a career position in the public service, where he could do useful and challenging work. Moore wanted Metherell to fill a position with the EPA . . . That position was created . . . Greiner and Moore were not just aware of, but desired, the political advantage likely to flow from Metherell's resignation.

What telling words they are. The report continued:

It does not appear that at any stage the participants were so crass as to talk of a job being provided in exchange for Metherell's seat. In that sense no inducements were offered. However it is quite clear that the resignation and the appointment to the SES position were inextricably linked. Metherell could not take up any public service position unless he resigned, and all concerned knew that.

Where is the innocence? An enormous amount was to be gained by this manoeuvre, and the loss for the Government has been enormous. Mr Temby says the following of the Premier on page 38 of the report:

Putting the matter plainly, the offer of a job to Metherell and his subsequent appointment were conditions that had to be met if he was to resign. Accordingly a job was given in exchange for Metherell's resignation.

In anyone's language that is tantamount to a bribe. Mr Temby says the following of the Premier:

The facts I have found which warrant this conclusion are that Greiner:

- \* played a major role in the negotiations;
- \* which led to Metherell resigning his seat from Parliament in exchange for an SES position;
- \* which became his as a result of a process which was not impartial;
- \* involving as it did, to Greiner's knowledge, a desire on Moore's part to help a friend;

Mr Temby continued:

I do not conclude that at any time Greiner knew or believed that he was doing anything corrupt.

Mr Temby continued:



The Premier knew that his Minister for the Environment was actuated by friendship for Metherell, but only Moore knew the extent of that as a motivating force, and it was considerable. He went beyond ensuring that Metherell was not precluded from consideration for a senior public service position by reason of his controversial Parliamentary career.

It is called common purpose at law: if all involved have the same purpose, despite there being further crimes committed, the person who initiated the crime is just as guilty as the people who perpetrate the crime. The problem with the whole situation is that those involved were in such a hurry, they were so desperate to get rid of Terry Metherell, the former member for Davidson, that they decided to go to any lengths. I quote what a

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former member of this Parliament, John Thomas Lang, had to say in his book *The Great Bust*:

When a government realises that it is losing its grip on the political situation it invariably commences to go from one blunder to another. It panics. It loses its perspective. It listens to too many advisers. Then in a moment of despair it is likely to take a desperate risk.

That is what Lang wrote about Bruce and the National Party in the depression years. What he said then is what has happened here. If the former Premier, the honourable member for Ku-ring-gai, had called in his Attorney General, put the proposition of the appointment to him and asked, "What do you think?", I submit that the Attorney General would have taken a step back, saying: "Hold it. Let me think about this first. Give me 24 hours to think about this and I will let you know what my view is". But those involved did not want to tell him about it; they were hellbent on this course of conduct. Someone said to me, "Ah, but a lawyer thought it up". That is not so. A law student with a law degree thought it up, but not a practising lawyer. A lawyer, a solicitor with very little litigation experience except in the area of defamation, was the negotiator. The real lawyer, the Attorney General, would have thought through the previous situations. John Thomas Lang in regard to a mine deadlock said that he would seize the mines at Newcastle. The Federal Attorney General, Brennan, said:

Good God, man, you are mad. We couldn't do that. It would be unconstitutional.

Brennan wanted to know how to proceed. Lang said:

I am not surrounded by legal men. I know the right thing to do; it is the lawyers' job to tell me how to do it. I do not ask the lawyers whether I am right or wrong. I tell them I want to do something. It is then their job to tell me how to do it.

If I were the Prime Minister, with a mandate from the people to open the mines in a fortnight, I would seize them and work them under the conditions of the lawful award.

Lang believed that too much time had been wasted in lawyers' arguments so he asked the lawyers how to do it. That is what the former Premier should have done. He should have asked the Attorney General, the real lawyer, who would have taken a step back. There would have been a warning signal that something was wrong. But, because of his hatred for lawyers, he decided that he would not ask them but would go on his own. The former Premier and former Minister for the Environment are no longer on the front bench. They sit on the backbench and their careers are pretty well ruined. They took the appointment to the Cabinet as a fait accompli and they forced Cabinet to agree to it.

Some members of the Parliament believe that this was an unusual situation, but I

have a report of a parliamentary committee dated 23rd March, 1859, about a very similar matter. The report is entitled "Vacant Seat Question of Privilege". On that occasion a number of bills were before the House to be debated. Premier Cowper had moved the bills in toto. Just as they were about to be put to the vote in a division, one member of Parliament asked whether Robert Owen had been offered a position as District Court judge arising out of the fact that he supported the bills. He said, "No". Later he was appointed to the District Court bench and an inquiry was set up. It was found that the Premier, Charles Cowper, had offered him the position of District Court judge two days before the vote had been taken. In this case the letter referring to the appointment was lost. Mr Owen could not recall receiving the letter, but thought he had seen it. He said in evidence that he could not find it and thought he had destroyed it because it was not an important letter. After all, it was only a letter appointing him as a District Court judge! Also he could not remember the contents of the letter. The contents of the letter

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were as follows:

Are you likely to be in Sydney soon? If not, may I inquire whether you would feel disposed to accept an appointment as District Court Judge, if the offer were made to you? Pray see me soon, or give me a speedy reply.

Yours faithfully,  
Charles Cowper

Does that not sound very familiar and similar to the type of letter that was written by the Premier to the former member for Davidson?

**Mr Scully:** Did they have memory problems?

**Mr NAGLE:** Yes, they had a lot of memory problems and could not remember conversations. The final upshot was that a motion of no confidence was carried, the Premier and the Government resigned, and a new Premier was elected. In those days members did not belong to political parties but divided into different little groups called Independents. Mr Cowper won the next election and again became Premier. I may as well be honest about it: they had the opportunity. After that parliamentary inquiry the Premier resigned on 23rd March, 1859 - as the former Premier did last week, after an enormous amount of pressure, not because of what Parliament did or was going to do, but because of what three Independents said they were going to do in voting on a matter of conscience. They believed their actions to be right. The motion of no confidence deals only with the arrogance of the Government, about which Mr Robert Haupt has said that therein lies their destruction. Over the past four years we have seen that arrogance in all that has happened in New South Wales. The Government has gone from one crisis to another and from one blunder to another. In 1939 the then honourable member for Ryde, Mr Spooner, moved the following no confidence motion in the Government.

That in the opinion of this House the drift in the State's finances as disclosed by the . . . receipts and payments just published has seriously weakened the Government's cash resources and created the present difficult financial position for 1939-40.

Mr Spooner was a member of a party the equivalent of the Liberal Party-National Party. [*Extension of time agreed to.*]

In that debate the former member for Auburn, Mr J.T. Lang, said:

It is not only a hardy annual but a quarterly one. Hitherto it has been directed to

members of the Opposition, particularly to myself. Any criticism of the Premier is regarded as degrading Parliament, and an hon. member who indulges in it speaks without a sense of responsibility.

Is that not similar to what Government members have said about Opposition members and about this no confidence motion, that the Opposition is said to have acted irresponsibly to determine the fate of the Government. Perhaps it is true that the more things change, the more they remain the same. One only has to read Jack Lang's book *The Great Bust* to determine that what has happened in this Parliament during the last year or so is indicative that the more things change, the more they remain the same. In 1939 a vote of no confidence in the Government brought down Mr Stevens - he was called Tubby Stevens - and Mr Mair became Premier of New South Wales. As an illustration that the more things change, the more they remain the same, I quote the following reported interchange in debate in Parliament in 1939:

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Mr Stevens: If you will only let me finish my sentence.

Mr Spooner: You told me a fortnight ago that you had lost it.

Mr Stevens: The last thing that I want to do is to make a statement that won't bear investigation.

Mr Horsington (Indus. Lab. Sturt): You are a paragon of virtue.

A member then called out from the Chamber, "Give the letter back". The interchange continued:

Mr Stevens: So far as my memory serves me I gave this letter back to Mr Spooner.

How can the Government say that the present circumstances are exceptional when it is clear that history repeats itself? The Attorney General, Minister for Consumer Affairs, and Minister for Arts said that at the May 1991 election the voters of New South Wales gave the Greiner Government a mandate to govern -

**Mr Scully:** It was the ticks and crosses.

**Mr NAGLE:** I will return to that issue - a mandate on which the Government says it can continue to govern and to succeed in the vote of no confidence moved by the Leader of the Opposition. The Attorney General said that in that election the Government received 43 per cent of the first preference vote, but he omitted one significant word - the word formal. Deduction of the tens and hundreds of thousands of informal votes produced a result of 43 per cent of the formal vote, but addition of those votes by ticks and crosses would have given the Government only 37 per cent of the vote. The Attorney General has said that the Government should remain in office because it has a mandate. In the Auburn electorate, for example, about 5,200 informal votes by ticks and crosses were received. In one polling booth - my biggest polling booth but the worst polling booth for me in the electorate - a count indicated that 59 per cent of the votes were for me and that the other votes were divided up amongst those hooligans that the Government had enticed to stand, not including, of course, the Liberal candidate, Mr Hussein, a man of great honour and respect. Mr Hussein should be in the upper House representing the ethnic community. I hope that the Liberal Party endorses Mr Hussein for the Legislative Council because he is a good candidate and this Parliament would

benefit from the presence of such a man. The Government would do well to have a man like Mr Hussein on that side of the Parliament to straighten out some Government members. The Government has no mandate because it rorted the vote. The Government allowed ticks and crosses in the upper House election but not in the lower House election and thus confused voters. As a result the people of New South Wales have had to put up with the Government that they wanted to get rid of. The voters reinforced that sentiment in the Coffs Harbour by-election, when the honourable member for Coffs Harbour scraped in by the skin of his teeth in what had been one of the safest National Party seats, and in the by-election in The Entrance when the sitting member was kicked out by a 3,500 majority.

**Mr Cochran:** You are being irrelevant.

**Mr NAGLE:** The Government is. It should accept the vote of no confidence and go to the polls. Though it is very pleasing to see the honourable member for Ermington on the rare occasions that he visits this Chamber, I am terrified by the thought that he could be the new Minister for the Environment. Bring back Tim Moore, all is forgiven.

**Mr Photios:** I should ask you to retract that.

**Mr NAGLE:** It is terrifying to think of the honourable member for Ermington as the Minister for anything. Does the honourable member for Ermington want me to retract? No, he does not. I return to the motion. The honourable member for Southern Highlands has been elected as Premier of New South Wales. A number of contenders are dissatisfied and - as I predicted would happen when Askin ceased to be Premier of New South Wales - a power and leadership struggle will occur within the Government. That struggle may not happen during the honeymoon period but it will begin to happen after Parliament resumes in September. It has been said that the Premier is a nice man - not many people could dispute that - but he has also been described as a fumbler and as being indecisive. I am looking at the man who actually said that about the Premier about 18 months ago - the member for Ermington.

**Mr Photios:** Who said what?

**Mr NAGLE:** The honourable member said that the Premier was indecisive. One can only imagine the leadership turmoil in the Liberal Party that occurred in the days after Premier Askin retired when his mantle was taken over by Eric Willis and then Tom Lewis, who only lasted a short time. That ultimately turned out to be the downfall of that Government. The conservative parties went into Opposition for 12 years. The same will happen again. The crisis that has brought down Nick Greiner will bring down the Government. It will face the rising tide of opposition. I am very pleased to see that the honourable member for Bligh is in the Chamber. For her benefit I say that I wish publicly to thank the honourable member for Ku-ring-gai, the honourable member for Gordon, the honourable member for Wakehurst and the former member for Davidson for removing the honourable member for Vacluse from the Ministry. On behalf of the people of New South Wales and my constituents I thank those gentlemen for what they did. Last Monday week on the "A.M." program the Deputy Premier, Minister for Public Works, and Minister for Roads made a strong attack on the three Independents.

As it was with Mr Temby, so it is with the three Independents. It is easy to go with the flow and not make waves. It would have been easy to say, "Let us go with the Labor Party fully and totally, have a baton change and bring this Government undone". It

would have been easy to say, "Let us just stick with the Government, because it still has a majority in the House and we still have an agreement with it". But the three Independents, two men and a lady, thought about this matter seriously. No one can say that they did not think about it or agonise over it. They changed their views at different times about what they should do. That is no criticism of them; it proves they were thinking about what they should do. The Deputy Premier said this in a strong attack on them:

The three Independents represent 1.28 per cent of the vote and yet they are holding the people of Port Macquarie, nay the people of New South Wales and the rest of New South Wales to their view. Where is their mandate for such irresponsible action and is this to be deemed as democracy at work?

Whether the Independents represent one voter or 50 per cent of the voters of New South Wales, they are members of this Chamber and as such they are entitled to express their view according to their conscience. From everything I have heard I anticipate that they

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will vote against this motion of no confidence in the Government. I am not happy about that. However, they have thought about what they are going to do and they understand their obligations and responsibilities. There has been a culmination of financial mismanagement in this State over the past four years. If we accept the Government's version of its financial management, within four years it turned around what it says was the greatest disaster in New South Wales political history after coming to government. Yet everyone with half an ounce of political sense - the honourable member for Monaro and the honourable member for Ermington have little sense - would realise that putting financial mismanagement right cannot be done in two or three years. The financial situation has got worse and worse.

In my electorate St Joseph's Hospital was closed without consultation. Lidcombe Hospital has been downgraded ward by ward. The other day ward 37A, a respite ward, was closed. A respite ward would be a good ward for the honourable member for Monaro to go into soon, perhaps followed by the honourable member for Ermington. The Government's action on the F4 and F5 freeways has been unpopular. The Minister for Justice said that he would reopen Lidcombe court house. That is a sensible move. I congratulate him on putting that court to use. I hope it can be modified so that it is suitable as a court for juveniles. Many other problems have emanated from this Government's management - from the time of the Curran report to the present. I again quote the words of Jack Lang:

When a government realises that it is losing its grip on the political situation it invariably commences to go from one blunder to another. It panics. It loses its perspective. It listens to too many advisers. Then in a moment of despair it is likely to take a desperate risk.

The desperate risk was the Metherell affair. There are many more desperate risks out there waiting to be grabbed by this Government and it will grab them. "Their arrogance will be their downfall", so said Robert Haupt, *Sydney Morning Herald* journalist in March 1988. The Government's downfall is imminent. We will not have to do much; Government members will do it all themselves.

**Mr WEST** (Orange - Minister for Conservation and Land Management) [10.34]: In any parliament a motion of no confidence is probably one of the most serious motions that can be moved. Sadly, in this debate we have seen a deterioration of the standard of issues brought forward. The Labor Party members who persisted in bringing the motion on after being told very clearly, as a result of the events of last week, what was going to

happen with it, have debased the very seriousness of a motion of no confidence. Censure motions are a dime a dozen. In the almost 17 years that I have been a member of this place I have seen plenty of them.

**Mr Scully:** How many have you faced here?

**Mr WEST:** I have been censured by the Parliament. In my time here I have seen fewer than five motions of no confidence. They have all been treated very seriously. The honourable member for Auburn has just treated us to a history lesson. Not enough Labor members have been here for sufficient time to understand what occurred when Labor occupied the Government benches. This motion is a sham, a travesty of justice; it constitutes hypocrisy and double standards in the extreme. Some of my colleagues have referred to the appointment of Jack Hallam, a former Labor Minister, to a job in Canberra; that appointment was announced only today. The Opposition has referred to former Minister David Hay being appointed to a job in local government. But the Opposition did not mention whom he took over from - Eric Bedford. Opposition members have forgotten whom he was. He was a Labor Minister.

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So do not give us the hypocrisy about David Hay. Opposition members had the hide to tell us about Neil Pickard going to London as Agent-General. But what about Kevin Stewart, a former Minister for Health? What about Jack Renshaw, the great stalwart, the great old hero of the Labor Party? He went off to London as the Agent-General.

There are double standards in the extreme. Let us go through the examples. Brian Bannon, a member of the Labor Party, retired from Parliament to make way for others. He took over as Chairman of the State Sports Centre. Eddy Britt, former member for Willoughby, went to the Consumer Claims Tribunal. Alan Stewart, former member for Manly, is another example. Peter Watkins went to the trotting authority. The best example of them all parallels what we are talking about. It is worth drawing to the attention of this group opposite. I refer to a fellow by the name of Peter Fitzgerald. Some members might remember the former Labor Mayor of Drummoyne. He worked on the staff of Bob Carr, the Leader of the Opposition, when he was Minister for Planning and Environment. He gave that man a job on the Sydney Cove Redevelopment Authority without advertising the position. The Opposition's arguments are the greatest load of hypocrisy and double standards ever applied in an Australian parliament. All members of the Labor Party should be ashamed. This phoney debate brought on today by the Leader of the Opposition involves an important matter of principle. The moving of the motion is pigheadedness on the part of the Labor Party. It is part of a stupid political game that will fail because there is absolutely no reason for it. The Labor Party has moved this motion of no confidence for one reason only, because it likes wallowing in the political gutters of New South Wales. Was that not evident in question time today?

**Mr McManus:** What about Yabsley?

**Mr WEST:** The honourable member for Bulli talks about the honourable member for Vacluse, but in question time today questions were asked about Brad Hazzard, the honourable member for Wakehurst. It has been said about the predecessor of the honourable member for Campbelltown that when he got into the gutter, the maggots got out. That is what honourable members saw today. The Labor Party loves wallowing in the political gutters of this State, and that is where it belongs. I will not dignify the Labor Party or its leader by going through any of the lines of the ICAC report. Other speakers have referred to them extensively. In this debate it is important to spell out to the House some of the great benefits that have been achieved in this State as a

result of a Liberal Party-National Party Government being in office. I was proud to have been a member of that Government for the past four and a half years. Despite the rhetoric that has been pushed around this State by the Labor Party, the people of New South Wales have a government of which they can be proud, a government that is economically responsible and manages better by putting people first. That has already been evidenced by the utterances of the Premier, John Fahey.

Since the Government came to office in 1988, there has been a major change in the attitude of the public service in this State. The public service is not only good but is seen by the community to be good. Much has been said about the negative aspects of the ICAC report. Let me put some positives. In my portfolio I am proud of the way the Department of Conservation and Land Management has been restructured and the way in which the New South Wales Forestry Commission has restructured itself. For years the Forestry Commission has been an inward looking organisation. The staff saw themselves as very much a part of an exclusive club and the remainder of the community could go jump. Environmentalists were the enemy and the bunker mentality was firmly entrenched at all levels of management. That was yesterday; that was the way it was

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under the Labor Party. Today the Forestry Commission is a highly visible and professional organisation. From the top down it has a goal of being the best forestry organisation in the world. I am confident it will achieve that goal. The studies undertaken by the Forestry Commission in our forests are the most comprehensive and extensive ever undertaken in Australia. The commission is moving as fast as is economically feasible to establish large tracts of hardwood forests. It will soon have in place a fully sustainable yield program, something the Labor Party dreams about but has never been able to work out how to put it in place. The Forestry Commission wants international experts to audit its work because it wants the public to know what it is doing.

A wave of professionalism is sweeping through the commission. That has come about not only because the coalition parties are in government but because the commission knows there must be a change and it must respond to it. The timber industry is facing some of the biggest challenges it has faced in its history. The industry is worth about \$900 million a year to this State and provides about 10,000 jobs. If the Labor Party had its way, that would have all been lost last year because of the shortsighted, political point scoring approach it has continually adopted. The Government recognises the importance of the industry and has developed a twofold strategy to enhance its future. It is doing this by making the Forestry Commission of New South Wales a more adept manager of the State's valuable timber resource and by developing comprehensive legislation which will ensure that the concerns of industry and the environment are balanced. The Government forestalled a complete industry closedown by the introduction of the Timber Industry (Interim Protection) Act. That Act was certainly no recipe for environmental disaster, as some would portray it. The only contribution of the Australian Labor Party to the forestry debate was during the heady days of the Wran Government. The Government at that time took more than 120,000 hectares of North Coast eucalypts out of timber production and added it to the national parks estate. It had no comprehensive formula for determining what land should be set aside and what land should be made available for production. That approach should be compared with the sensible and reasoned approach adopted by this Government.

In 1990 the former Premier, Nick Greiner, announced a forest strategy for this State. On its own that action ushered in the largest and most important environmental assessment program ever undertaken in Australian history. It was a positive and constructive attempt to ensure that the Forestry Commission met its obligations under the

Environmental Planning and Assessment Act. As well as a program of 11 major environmental impact statements, the strategy included establishing an environmental impact statement unit within the Forestry Commission headed by an environmental assessment specialist recruited from outside the commission; the appointment of regional planning foresters in six of the State's forestry regions to co-ordinate the preparation of environmental impact statements in the field; the largest ever program of fauna surveys as part of that environmental impact statement process at a cost to the commission of about \$1 million per annum; and prior consultation with environment groups and other interested parties about the scope of the environmental impact statements, something that is well beyond the statutory obligations under the Environmental Planning and Assessment Act. The Forestry Commission acknowledges and understands that it has to get out and do these things.

The commission is making extensive use of outside consultants to prepare environmental impact statements and wildlife surveys prior to harvesting. A full-time archaeologist has been appointed to the commission. Regular consultation occurs with

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Aboriginal communities at land council and State level. These are all things the Labor Party talked about but never did. Although the Opposition claims the Government has not got there yet, the Forestry Commission is moving to achieve these objectives. The excellence in the standards it has set can be compared with anything else in Australia. I am proud that the commission is taking these steps under a coalition government. Under the Government's Timber Industry (Interim Protection) Bill the environmental impact statement program to which I referred has been expanded. Additional funding has been allocated to ensure that all environmental impact statements are completed by September 1994.

The environmental impact statement program is worthy of an update. The Mount Royal, Wingham and Glen Innes environmental impact statements have been completed. The Mount Royal and Wingham environmental impact statements go on public exhibition next month. The Glen Innes environmental impact statement will go on public exhibition in August. The Dorrigo environmental impact statement is due for public exhibition in September of this year. The Grafton and Casino-Murwillumbah environmental impact statements are scheduled for public exhibition in November or December this year. The Kempsey-Wauchope environmental impact statement is scheduled for public exhibition in December of this year. The Gloucester-Dungog environmental impact statement is scheduled for public exhibition in February 1993. The Tenterfield environmental impact statement is scheduled for public exhibition in May 1993 and the Urbenville environmental impact statement in September 1993.

The Forestry Commission is being brought out of the Dark Ages. The Labor Party had plenty of opportunity to do this. It had 12 years, but of course it did nothing. That is not surprising; it is good at that. Contrary to what many people believe, forestry is all about managing resources in the field. Many people believe it is about merely cutting them down. Under the previous Labor Government, the Forestry Commission developed into a top-heavy bureaucracy. The Government is changing that. It is getting foresters away from their desks and to where they should be: managing our forests. The catchphrase adopted by the Government is: authority with accountability. The balance of operational decision making is being shifted away from head office to regional centres where the people at the coalface, those who best know the resources, can manage them and provide a more responsive and focused management.

**Mr J. H. Murray:** You have still got the head office there.



**Mr WEST:** The honourable member for Drummoyne has come into the Chamber at a late stage of the debate. He was not present earlier when I was talking about Drummoyne. He ought to be ashamed of what the former mayor did. Peter Fitzgerald was exposed by the "7.30 Report" as having undertaken a vendetta against the Southcombes at Howley Park Reserve. As a result of that, the honourable member for Drummoyne has become an absolute joke. If he wants to contribute later to this debate and make it a continual farce, he may as well join in then. This Government is moving responsibility from head office to the regional centres, making sure those at the coalface are able to provide a more responsive and more focused management. Under our reforms, the regions will become the commission's primary business centres. The regional managers will assume responsibility for day-to-day operations and will report directly to the commission, not to several layers of bureaucratic middle men, as has been the case in the past. We want them to take responsibility for their management decisions. Local foresters, those who are out in the field, will know that the buck stops with them and not with the middle management in Sydney. The commission's marketing focus has been upgraded in order to better meet customer needs and expectations.

Existing sales

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structures are being deregulated. This will allow the commission to better meet the needs of its customers and make our industry more competitive. Greater emphasis will be placed on financial skills to highlight the need for good planning and control systems.

A new financial management reporting computer system has already been installed, which is a vast improvement on the antiquated accounting system which had been allowed to exist under the previous Government. Centralised services are being set up on a commercial basis and if the commission can obtain those services outside at a cheaper rate, that is the way they will go. There is absolutely no sense in maintaining expensive, inefficient services. The regional offices will have autonomy to determine the quantum and price of the services they require and will be free to choose the best option for their needs from either internal or external supplies. A new management team will be selected, following open advertisement for the newly created positions, from those with the right experience and technical expertise to ensure that the commission, its customers and its stakeholders - the people of New South Wales - can gain the maximum benefits possible. At the end of that process, New South Wales will have a forest management agency that is an efficient and responsible manager of the State's valuable timber resource. As I have indicated, the Government has also developed a comprehensive long-term strategy for addressing environmental issues and protecting industry employment. That is our comprehensive natural resources package, on which the second reading was given earlier today. We are taking a holistic approach to this particular problem. A one-off, piecemeal approach to environmental issues only creates more problems than it solves. Honourable members have seen that already with the Labor Party's endangered fauna legislation. [*Extension of time agreed to.*]

I should have thought that honourable members opposite would have learned from their experiences in the past, but I am afraid they have not. They try to face today's problems with individual, piecemeal legislation. The Opposition creates these problems but does not have to live with the consequences. Opposition members wash their hands of the matter and leave it to someone else to try to sort it out. This Government wants to prevent a repetition of that fiasco. This package, the Natural Resources Management Council and the package that is associated with it, is designed to put some sense of balance back into environment vis a vis the industry debate - some of the sense that the Labor Party took out of it. The package contains measures which will give a statewide picture of our resource base, allowing land management decisions to be made in a fair and open way, removing once and for all the continual round of one-off confrontations

which have occurred in the forestry debate of late.

The Forest (Resource Security) Bill will guarantee access to timber on public forested land allocated to timber production under the NRMC process. The bill will also provide for contractual arrangements with the industry for compensation if land is withdrawn from timber production. It will give the industry the security it needs to invest in improved technology, technology that will make better use of timber resources. Instead of merely withdrawing resources, as the Labor Party did in the 1982 rainforest decision, which stifled investment, the Government wants to regain that investment so that those timber resources are better utilised. We want to encourage that investment so that the value-adding processes can actually be undertaken - something that is really lacking in the current climate of uncertainty. The Labor Party has forced this debate on the Parliament but it affords me the opportunity to spell out to the House the actions which have been taken by the Government to look after our greatest asset, our land. We have set up an agency - the Department of Conservation and Land Management - to handle this responsibility. That department brings together the collective expertise of the former Department of Lands and the former Soil Conservation Service.

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Despite the views of some members of this House, this initiative reflects the Government's commitment to conservation and the principle of catchment management. While achieving greater efficiency by reducing duplication of effort, the essence of this department is that it be the Government's lead agency in land management and conservation across both public and private lands. It will continue to provide the programs and service previously available through the Soil Conservation Service, and will act as one of the key agencies servicing the Natural Resources Management Council. One wonders at the lip service paid by the Opposition to conservation during the 12 years it was in government. What worthwhile initiatives did it introduce in all that time? It allowed land degradation to go on unabated. The cost of repairing land degradation in New South Wales is estimated at \$3,000 million. Each year production worth up to \$1,300 million is lost as a result of land degradation. The Government has a commitment and the will to address this travesty. It is actively sponsoring programs and community involvement through land care and catchment management, which have produced viable results. However, the problem will take many years to remedy.

The introduction of the new Crown Lands Act brought management of the Crown estate into the twentieth century. It not only simplified the plethora of Crown land tenures but introduced the concept of land assessments. Those assessments must be completed before dealing in Crown land. The assessments focus on the capability of the land rather than the previous ad hoc approach sustained by previous governments since Federation. Importantly, the assessments are rigorous reviews of land capability and have full regard for its conservation value and environmental sensitivity, as is expected by the community. It was this Government that introduced the New South Wales coastal policy, aimed at protecting the sensitive coastal zone from inappropriate development. This policy was extended to public land by the introduction of the State's Crown land policy. The Government has a commitment not only to land management but also to the community need for effective and accurate land information. We have committed \$27 million to the acquisition of the State's digital cadastral database, which will bring land information in this State into the twentieth century and which will have implications for informed land management decisions for future generations.

The Government's commitment to excellence in land information has seen the Land Information Centre at Bathurst become a world leader in its field, exporting its

expertise by consultancies to a number of overseas countries. The Land Titles Office, with this Government's commitment to investing in improved systems and technology, is now recognised as having one of the best land titling systems in the world. The New South Wales system is now being trialled in the Russian Commonwealth of Independent States and other former Eastern Bloc countries as the basis for private ownership of their land. New South Wales has a vibrant government leading a vibrant public service. The Government is getting on with the job of delivering to the taxpayer the best possible deal for the tax dollar. We are a government which will keep on doing that for years to come. One honourable member in an interjection earlier referred to the fact that this speech is like a ministerial statement. As I said in my opening remarks, I believe it is important that this debate be brought back to the seriousness of what it was really all about, that is, this Government substantiating in this Parliament the things it has done which has earned it the support and the agreement that it entered into with three Independents in this Parliament. That agreement was something to which I am committed, because I believe it was entered into genuinely by those people and by the former Premier, and which I am sure will be the subject of sincere negotiations continuing into the future. It is important for us to recognise in this debate the double standards and hypocrisy of the Labor Party, which has been going on for many years. It is worth noting the words of Neville Wran, a leader of the Labor Party, a former

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Premier of this State and a great doyen of the Labor Party. When he was once accused he asked, "What do you do, mate?" - that great old phrase of the Labor Party - "Do you employ your enemies or do you employ your mates?" That is what it really comes down to, but it is all about double standards as well. We need to come back to that in this debate.

I have been proud to serve as a Minister in a government with former Premier Nick Greiner. He put a lot of effort and energy into doing what he believed was right - a vision that turned this State around - and I believe that will be acknowledged by generations for many years to come. I believe also in the caring attitude that has been demonstrated by Premier John Fahey. I look forward equally to being able to serve with him in his Cabinet and in his Government. I look forward to those caring attitudes that he has already enunciated being put into place. I believe we can do that with the support of the people and the support of the Parliament. This motion of no confidence deserves a thorough hiding in this place. It does not deserve the air time it is getting.

**Dr MACDONALD (Manly)** [11.2]: I would like to try to get this debate back on track. Quite frankly, I think the Minister has lost the plot. Anyone entering the Chamber could be excused for wondering what this debate is about. We have just had what appears to be an extended ministerial statement on the Forestry Commission and other matters. I could have excused the Minister if he had defended the Government in relation to the Metherell affair, or condemned Metherell, but he made no reference to the matter which is the subject of the no confidence motion moved by the Australian Labor Party. I would like to consider this issue once again in the context of a no confidence motion rather than a motion to take note of the report of the Independent Commission Against Corruption. I will raise a number of points, many of which have been raised in the media, on television and so on, which need to be either underlined or restated.

I want honourable members to consider the ramifications of what really happened during the Metherell affair. I will illustrate this by referring to one hypothetical situation, and I ask honourable members to listen. We have children whom we send to school. We ask them, persuade them and encourage them to get good qualifications and to do well in their examinations. We then encourage them to go on to tertiary education and, from there, to university to get a degree. At some point they will

seek to apply for a job either in the public service or in the private sector. Would it not be a disgrace if, after all the effort and trouble they went to to get themselves properly qualified, put themselves in front of a panel only to find that someone else gets the job because of favouritism - an appointment not based on merit? Those sorts of ramifications underline this whole question of the Metherell affair. Those sorts of things will happen in society if we allow such behaviour to go unchecked.

It is important to draw this debate back to basic values: what we stand for and what we should be believing in. Another ramification of this Metherell affair needs to be brought back to simple terms. If we as legislators are here to make laws, is it not appropriate for us - particularly those in executive positions - to uphold those laws? People expect those in the most senior executive positions in the Government to make laws and uphold those laws. One of the first things that the children I mentioned would learn - the children we encourage to study - is that people in the Parliament not only make the laws but are expected to uphold them. Another matter that needs to be considered is the situation of the other applicants who applied for that job. What about the 164 applicants who only got their papers shuffled, who never got an interview, who were not even considered for the job? We are being asked - this was mentioned a number of times both today and last week - to feel some sympathy particularly for the two members of the executive who had to step down. As fellow human beings we need to have that empathy and feeling, but we must not forget the other 164 applicants who applied for that job and

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who never got past the application stage. That is where some of the faults lie. If we are to be protective of society and of the system we have, we cannot allow favouritism to reign within our public service.

This matter concerns not only individuals and the ICAC but also the supremacy of Parliament. It is about the protection of those basic things - the very network, the principles that nourish our society. We do not want Australia to degenerate into a Third World nation where favouritism, not meritocracy, exists. We are too proud and should be too protective to allow that to happen in this country and certainly in this State. I want to focus on a number of special aspects of the Metherell affair. The first concerns the total outrage on 11th April when it happened. It is interesting that that outrage was exhibited right across the political spectrum. I am disappointed that none of that outrage appears to have been shared by Government members. I did not hear that outrage expressed by them last week and I have not heard it expressed this week. In the corridors of power that outrage was being expressed informally by members of the coalition but they have not had the guts to express it in this House. Another aspect which should be remembered is that a political traitor was rewarded with a job. That makes the Metherell affair particularly unusual. Metherell was a political traitor who deserted his party and walked down the middle of this Chamber the day after and was called all sorts of names by Government members. They have either forgotten that or they do not dare stand up in this Parliament and remind us of it.

Another significant aspect of the Metherell affair, which makes it different and special, is that it happened in a Parliament with a very fine balance. We have had history lessons from honourable members on both sides of the Chamber and we have had a number of precedents from Government Ministers, but this affair is very different. This Parliament, as determined by the people approximately 14 months ago, is one of the most unusual. The very fine balance of this Parliament was in the forefront of the minds of those who perpetrated this whole conspiracy. We also need to remember the deceit throughout the whole of this affair - deceit that allowed the purchase of a seat. The very heart of democracy was at risk the whole way through. Accountability, which is so important, and openness - those very pillars of democracy - have been put at risk. That

is much more subtle than a boot or a brown paper bag full of money. When democracy is at risk such conduct is harder to understand because it is much more subtle, but it is much more dangerous than the traditional abuse and corruption we think of when we talk of money in a brown paper bag. It is much more profound and much more lasting.

It is sad that members on the Government benches have not condemned the actions of those involved in the Metherell affair. I ask all honourable members one question: What do their constituents think? Are they proud of these actions? Would honourable members say to their constituents, "I condone favouritism, abuse of public office, misuse of public monies and breaches of the Public Service Management Act"? If they will not say that to their constituents, they should at least say it in this House. They should be prepared to say in the House or to their constituents, "We are pleased with what happened in the Metherell affair", but they will not. I do not think they have the guts. Today we are debating a no confidence motion. It is interesting that five days ago on the "7.30 Report" it was said that we were the absolute pariahs who had abused our power. I wonder whether members of the coalition parties will acknowledge that that very power will be used to assist the Government to defeat this motion of no confidence. It must be remembered that any support the Independents agreed to in the memorandum of understanding is based purely on non-ideological reasons. It is based on the question of numbers, which is a theme that runs through our charter of reform. That support, which will continue with the Fahey Government, is not ideological. It is based also on providing stability for this State, for underpinning its triple-A rating, and sending out signals. The alternative to not supporting the motion is to bring great instability to this

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State, a matter that was covered earlier today by the honourable member for South Coast.

The reason this matter had to be brought to a head was that there was a cancer within the coalition parties. Honourable members will excuse me for using the medical metaphor, which I believe is appropriate, because cancer can spread. It must be cut out at a point where the spread of the disease is not so extensive as to include the whole body. I use that metaphor because it applies in a sense to the fact that this matter was at the kernel. It began with a number of individuals and it was starting to spread. Clearly under the terms of our memorandum of understanding there should be consultation and negotiation prior to consideration by the Independents of a no confidence motion, either on their own initiative or in support of the Opposition. That is what the debate was about last Tuesday - stopping the spread of the stain. It was about entering into negotiations with the coalition parties on the question of when is this going to stop. It was not a matter of blackmail in any way, as has been suggested. I remind honourable members on the Government benches that it was a chance to save the Government, and in fact that is what has happened.

I have confidence in the Fahey Government. By that I do not necessarily mean that I have confidence in all its legislation, other than that it is the commissioned Government and it has legitimacy in its numbers. It is important that we provide stability - the alternative would lead to chaos. I turn now to the role of the Independents in this whole affair. We are seen either as saviours or, as I said earlier, as pariahs. It has been argued that the Independents have too much power. They have no more power than any other members in this place. If the three Independents were grouped together, they would be the smallest group in this place, so any power the Independents have could be exercised only in conjunction with one of the larger groups. I claim, and I believe history will show, that the Independents have acted as the people's conscience. I wonder what would have happened if, instead of a minority government, there had been a majority government with a balance of power. I believe that this issue would then have

been swept under the carpet, and the opportunity would have been lost to send out signals on standards to the community.

On 28th April, when the censure motion was debated, the Independents held off a motion of no confidence in the Government by urging that the matter be referred to the Independent Commission Against Corruption. The Independents felt that it was important for the matter to be determined by the ICAC. I will deal with the ICAC report briefly but honourable members should remember that on 28th April the Independents, in effect, saved this Government from a motion of no confidence and will do the same again today or tomorrow. The security, status and future of the ICAC has been debated extensively in this place. It is a non-judicial arm of the Parliament. Before the establishment of the Independent Commission Against Corruption, legal hoops had to be gone through before any corruption charge could stick. This referral to the Supreme Court is in a sense an attempt to take us back to pre-ICAC days. It has been masqueraded as a question of fairness - "give us another six days and the opportunity to have another bite at the cherry". It is much more sinister than that. If we subscribe to that argument of fairness and that given there is some legitimacy in what the Supreme Court might say, we will move back to pre-ICAC days, to the days when these matters had to be argued in court.

The decision of the Supreme Court may benefit Mr Greiner and Mr Moore, but it cannot discount the facts. Honourable members must remember that the ICAC findings could have been much worse. If honourable members read the submission of counsel assisting the commission, and I would ask them in the quietness of time to read it, they will realise that if he had his way, a criminal charge of bribery would have been laid. Mr Temby, to his credit - and this was highlighted in the speech by the Leader of the Opposition on 24th June - gave those involved the benefit of the doubt. On the question

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of the timber legislation and the bribery charges, Mr Temby gave Mr Greiner and Mr Moore the benefit of the doubt. Since 24th June when the Independents, together with the Opposition, sought the resignations of the former Premier and the former Minister, there has been a sigh of relief from a large percentage of the electorates. The status of politicians has risen. Of course there is great division in the community, but I believe that a large percentage of people are saying that we have been kept honest. This matter is a turning point in terms of the status of politicians. We all know that in the so-called popularity stakes, for some reason medical practitioners and chemists are at the top and politicians and others are close to the bottom. I wish to send a message to my constituents that I am proud that in a sense I have gone out on a limb on this issue. I am happy to be judged in relation to it, and when I campaign in another election - which I will do - I will be happy to do so on the platform of honest, open and accountable government. I challenge other honourable members to do the same. Those who have not criticised the handling of the Metherell affair - and I condemn them - have no right to campaign in another election on that particular issue. That is what this is about, honest, open and accountable government.

**Debate adjourned on motion by Ms Moore.**

## **BUSINESS OF THE HOUSE**

### **Notice of Motion**

**Mr SPEAKER:** Order! Earlier today the member for Port Stephens gave notice of a motion for the disallowance of a notification made by the Minister for Natural Resources under section 18 of the Fisheries and Oyster Farms Act 1935. I have looked

closely at the notification sought to be disallowed and have concluded that it does not fall within the ambit of the term statutory rule as set out in section 39 of the Interpretation Act 1987, that is, it is not made by the Governor or required to be approved or confirmed by the Governor. It is therefore not a statutory rule and is not capable of being disallowed under section 41 of the Interpretation Act. I rule that the notice is out of order and I direct that it not be printed in the notice paper for tomorrow.

**Mr Martin:** May I have further explanation of that?

**Mr SPEAKER:** The member might see me in my chambers.

## **JOINT SELECT COMMITTEE UPON THE MANAGEMENT OF THE PARLIAMENT**

### **Message**

**Mr Speaker** reported the receipt of the following message from the Legislative Council:

Mr Speaker

The Legislative Council desires to inform the Legislative Assembly that the following Members have been nominated to serve on the Joint Select Committee on the Parliament Management Bill and cognate Bill.

(i) Government Members: Mr Bull, Mrs Forsythe and Mr Ryan

(ii) Opposition Members: Mr Egan, Mr O'Grady and Mr Vaughan

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(iii) Cross-Bench Members: Ms Kirkby and Revd Mr Nile

Legislative Council  
30 June 1992

**M. F. Willis**  
President

## **SWIMMING POOLS BILL**

### **Message**

**Mr Speaker** reported the receipt of the following message from the Legislative Council:

Mr Speaker

The Legislative Council, having had under consideration the Legislative Assembly's Message dated 30 June 1992 concerning amendments made by the Council in the Swimming Pools Bill, does not insist upon its amendments Nos 1-6.

Legislative Council  
30 June 1992

**M. F. Willis**  
President

**House adjourned at 11.22 p.m.**

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