

## LEGISLATIVE ASSEMBLY

Wednesday, 1st July, 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.

### ASSENT TO BILLS

Royal assent to the following bills reported:

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

### MATTER OF PUBLIC IMPORTANCE

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

### QUESTIONS WITHOUT NOTICE

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#### DEPUTY PREMIER: COMMENTS ON ICAC

**Mr CARR:** 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. Will he tell the Deputy Premier, Minister for Public Works, and Minister for Roads that in describing Ian Temby as a liar he is engaged in vilification of the Commissioner of the Independent Commission Against Corruption? Also, will he tell the Deputy Premier and other Ministers to end their attempted intimidation of the ICAC?

**Mr FAHEY:** The Leader of the Opposition has referred to statements made in the House last night by the Deputy Premier. I will not tell any member what he must say or should not say in this House. The right of free speech must be available in the Parliament. Whether or not I agree with what is said, that right must remain. I simply say that Mr Temby has my full support.

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

**Mr FAHEY:** The ICAC has my full support. It should be recognised that what the Deputy Premier said in this House was in the context of comparing one statement with another. They were opposed to one another. Whether or not the Opposition wants to look at that, it should consider the matter in the context of the absolute loyalty the Deputy Premier had to the former Premier. Loyalty is something that I admire.

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

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**Mr FAHEY:** I did not agree with the words spoken by the Deputy Premier last night, but I will not prevent him or any other member of the House, including members on the Opposition side, from expressing themselves, from exercising their freedom of speech, as they see fit within the standing orders and the proprieties that should be observed in the House.

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

#### **PACKARD MOTOR COMPANIES**

**Mr J. J. AQUILINA:** My question without notice is addressed to the Premier, Treasurer, Minister for Industrial Relations, Minister for Further Education, Training and Employment, and Minister for Ethnic Affairs. Did the Australian Securities Commission yesterday commence an investigation into the involvement of the honourable member for The Hills in the financial affairs of 10 companies? Does this include allegations of false statements to the Corporate Affairs Commission and the ASC from 1986 to the present? Does the Premier stand by his comment last week, that, "I have deep regard for Tony Packard - he has a talent."?

**Mr FAHEY:** The answer to the last part of the question is, yes. As regards the earlier part of the question, I am not aware of what the Australian Securities Commission did yesterday in respect of former companies or any other company of the honourable member for The Hills. I will obtain that information and provide it to the House.

#### **ESTATE OF Mrs KITTY LAWSON**

**Mr KNIGHT:** I address my question without notice to the Premier. Is the Premier aware of allegations that a priceless jade collection owned by the late Mrs Kitty Lawson disappeared before she died? Will the Premier investigate whether the collection formed part of her estate when probate was granted to the honourable member for Wakehurst and whether she was of sound mind when she made her will?

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

*[Interruption]*

**Mr SPEAKER:** Order! I inform the honourable member for Campbelltown that I have called him to order, in case he did not hear it the first time. Also, I call the honourable member for Wakehurst to order. Irrespective of the provocation, there is no occasion for members to act in the way that the honourable member for Campbelltown has just acted or the way in which the honourable member for Wakehurst has reacted. I warn the honourable member for Campbelltown that if he continues with similar behaviour he may be removed from the Chamber.

**Mr FAHEY:** I am not aware of the matters referred to by the honourable member for Campbelltown but this is probably an appropriate time to put into some perspective these particular matters that have been raised in this House yesterday and again today. The matters that have been raised by Opposition members in respect of the

honourable member for Wakehurst in fact were raised by Opposition members about 15 months ago. A number of members of another place were breaking a leg to try to get information in relation to a particular estate that involved the honourable member for Wakehurst in his capacity as a solicitor some years before he became a member of this

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place - accusations that were being delivered to the former member for Wakehurst and various other members of the Liberal Party. So the scuttlebutt was about then. That scuttlebutt has reappeared. Why did not the Opposition, if it were acting with anything other than hypocrisy and had the slightest concern about this matter, do something 15 months ago and report it to the Law Society or seek some kind of investigation? Nothing was done then other than to utilise it for internal political purposes. If the Opposition had had any decency, honesty, concern or anything else that may have been appropriate in the proper sense, it would have done something about it then. The question should not be regarded as anything other than political scuttlebutt. There is no concern on the Opposition benches about this particular matter. I repeat what the Attorney General said yesterday. If there is any matter now which is considered to be of some substance, bring it forward and take it to the appropriate authorities. I assure the House that it will be dealt with in a proper fashion.

### **GIO AUSTRALIA FLOAT**

**Mr ZAMMIT:** 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. In view of yesterday's announcement that the GIO float has been closed early, can the Premier advise the House of the results achieved so far from the float?

**Mr FAHEY:** The question posed by the honourable member for Strathfield is about an event that is of vital importance to the future of this State and will affect the lives of people in a most beneficial way.

**Mr SPEAKER:** Order! I call the Deputy Leader of the Opposition to order. I call the to order honourable member for Londonderry to order.

**Mr FAHEY:** The public float of the GIO has been an outstanding success and has received massive public support, particularly from family investors. Though the full details are yet to be finalised, I can provide the House with broad indications of the outstanding results achieved. To ensure that small investors get a fair go, the Government reserved 65 per cent of the issue for family and small investors, with the balance being made available to institutional investors. This will give the GIO the largest proportion of small investors of any major public float in this country, including the Commonwealth Bank float. The general public have subscribed in excess of \$1 billion for more than five million shares. However, only 325 million shares are available for non-institutional investors. This overwhelming response has caused the Government to close the float early. I can tell the House now that the GIO will have more than 1,000 shareholders and a substantial proportion of them are GIO policyholders. In addition, staff of the GIO will be shareholders through the employees' share scheme. Institutional demand has also been very strong, with bids for more than 400 million shares at the underwritten price and broadly 300 million shares at the application price, when only 175 million shares are available.

Almost one third of the institutional demand was from overseas investors in the United Kingdom, Europe, the United States of America, Japan, Hong Kong and other countries, which of course is another vote of confidence. Many of the overseas

institutions involved will be of key strategic value to the GIO in the future. Without doubt, the overwhelming demand from the general public, GIO policyholders and local and overseas institutions is a strong public endorsement of the privatisation of the GIO. The GIO float has also broken new ground within Australia in the way in which the float  
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was handled. To start with, the float used a pre-registration process whereby investors were invited to register for early receipt of a prospectus. The Government is grateful to the Australian Securities Commission for its approval of this pathfinding initiative which makes it possible to make the shares more available to small investors. Second, the Government has adopted what is, for Australia, a new share pricing system, constrained open pricing, rather than the traditional fixed price approach. Whilst open pricing in various forms is common overseas, this is the first time it has been used in Australia. This approach ensures that a fair price is established for the shares, that the price is the best possible price for the people of New South Wales as the owners of the GIO as well as a fair price for the new shareholders.

The public sale of the GIO will bring important benefits to the people of this State. There are three key benefits that I should like to mention. First, the money raised will provide an important financial benefit to all the people of New South Wales. It will reduce the level of debt which otherwise would have been accumulated as a result of the national recession. Also it will avoid the need for future injections of additional capital to the GIO which could come only at the expense of financing police, hospitals and schools, which are the real responsibility areas for a government. Governments that divert themselves from these core responsibilities, as we have seen in Victoria, South Australia and Western Australia, inevitably fail and undermine their ability to deliver these basic public services in the future. Together, cutting debt and future liabilities, will significantly assist the State in retaining its triple-A credit rating, which provides a vital boost to business and consumer confidence and general economic activity and ultimately ensures jobs in the future.

Second, the public sale of the GIO will significantly improve the business prospects of the GIO. In short, the GIO will improve its ability to expand interstate and gain access to funds which will support its future expansion. Third, the public float of the GIO has enhanced the equity and insurance markets in Australia. The very strong support from small investors broadens the Australian equity market and provides greater opportunities to fund Australia companies in the future. On every level the sale to the public of the GIO has been a resounding success. It creates a strong base for future sale of government assets for which there is no clear reason for continued public ownership. The Government's approach will continue to be balanced and responsible. Finally, I commend the Hon. George Souris, the Minister responsible for the sale, the GIO board, management and employees and the Minister's officers, all of whom have done a truly sterling job in establishing a strong benchmark for success which will be observed by governments of all persuasions around Australia for some time to come. Once again, New South Wales is leading the rest of Australia.

### **WESTERN SUBURBS ROAD TOLL**

**Mr PHOTIOS:** My question without notice is directed to the Deputy Premier, Minister for Public Works, and Minister for Roads. Is the Deputy Premier aware that analysis of the 1991 road toll showed four western Sydney suburbs to be at the top of the worst accident record list? If so, what steps are being taken to reduce the number of road accidents in Sydney's western suburbs?

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

**Mr W. T. J. MURRAY:** It is obvious that the honourable member for Riverstone has no desire to get traffic out of the streets of his electorate. He would rather have trucks driving up and down.

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

**Mr W. T. J. MURRAY:** He would rather have semitrailers travelling along suburban streets. The honourable member for Riverstone was part of a grand demonstration at the F4 motorway opening attended by a total of 30 people.

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

**Mr W. T. J. MURRAY:** I hope he has a little more support in his own electorate. It is to be noted that an interest in the problems in the western suburbs comes from a member such as the honourable member for Ermington -

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

**Mr W. T. J. MURRAY:** - who is putting forward the solutions that are needed to protect the people of the area rather than indulging in some of the gutter activities of other members of this House.

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

**Mr W. T. J. MURRAY:** The road toll is a depressing subject because every additional figure represents a life which has been tragically cut short. However, it is a subject that needs and deserves the attention of the community so that the figures can be dramatically reduced. Last year's road toll was the lowest since 1950, an amazing achievement when one remembers that 3.6 million vehicles were registered in New South Wales last year, compared with 475,000 in 1950. In that period there has been an 800 per cent increase in vehicle registrations. Almost two-thirds of all accidents and one-third of fatal accidents occurred on metropolitan roads with a 60 kilometre an hour speed limit. Blacktown city recorded both the highest number of accidents and the highest number of serious casualties of any local government area.

**Mr SPEAKER:** Order! There is far too much audible conversation in the Chamber. If members persist in conversing among themselves in such a disorderly fashion, I will call to order members at random.

**Mr W. T. J. MURRAY:** The bad record of Blacktown city was closely followed by Fairfield, Bankstown and Parramatta.

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

**Mr W. T. J. MURRAY:** However, it is a promising sign that the total number of accidents in each of these areas actually decreased between 5 per cent and 6 per cent from the previous year's figures. In an effort to further reduce the road toll in Sydney's

west, a number of road safety initiatives and road improvement measures are under way. The Roads and Traffic Authority is developing a road safety strategy for the Canterbury-Bankstown area which should commence in the next couple of months. As well, a number of roadworks under construction should help reduce the unacceptably high accident rate. The first stage of the F5 toll road, which I am sure honourable members

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opposite will be delighted to have serving their electorates, will open in August and will improve local traffic conditions and congestion. The \$10 million reconstruction of Fairfield and Davies roads between the F5 and Banks Road will be completed next year.

In the Blacktown-Mount Druitt area a three-month joint police and advertising campaign is about to commence. The campaign emphasises police enforcement of traffic offences through a 13-member task force and will target male drivers in the 17 to 25 age group, which is overrepresented in accidents involving speeding and drink driving. The task force will be known as Operation Loch Ness and will follow the theme of the advertising campaign, which is "13 Good Reasons Why You Don't Drink, Drive or Speed in Blacktown or the Mount Druitt Area". The campaign will be featured in the local press, cinema and radio, and on the backs of buses. It will be duplicated in Fairfield, another area with a high accident rate involving young male drivers. The Roads and Traffic Authority is working closely with a road safety officer who has been appointed recently by Fairfield council. This officer is believed to be the first appointed by local government to work with the Roads and Traffic Authority on a road safety strategy. The strategy, which is called "Streets Ahead", is aimed at making Fairfield's streets safer for all road users.

On 29th July the Roads and Traffic Authority will hold a school and road safety conference at the Fairfield showground. That conference will be attended by Roads and Traffic Authority representatives and education and health professionals and will discuss ways of further addressing local road safety problems which impact on schools. In a bid to improve the local road network in Fairfield, work has commenced on one of its worst black spots. The busy roundabout intersection of the Cumberland Highway, Polding Street and Smithfield Road is currently second on the list of the State's worst accident black spots. Construction of a four-lane concrete bridge is the major part of the \$9.6 million project which was funded through the Government's 3 x 3 fuel levy program.

**Mr Scully:** Long overdue!

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

**Mr W. T. J. MURRAY:** It is interesting that the honourable member for Smithfield should make that interjection. That road has been there for a day or two. The interjection recognises the total incompetence of his colleagues in the previous Government. This Government is spending an additional \$3 million on traffic measures and safety works in the area. The Government will do everything possible to ensure that the road toll continues to fall.

#### **SUPREME COURT ADMISSION APPLICATION OF Ms KATE WENTWORTH**

**Mr HATTON:** My question without notice is to the Attorney General, Minister for Consumer Affairs, and Minister for Arts. In the battle of Ms Kate Wentworth to gain admission to the bar, was a court order made by Mr Justice Campbell that discovery be made of the Bar Association's documents by 22nd June? As the Bar

Association has failed to comply with the order, will the Minister take action against the Bar Association for failure to comply with the court order?

**Mr COLLINS:** I have no knowledge of the matter raised by the honourable member for South Coast. I will make inquiries to ascertain what the situation is and report back to the House.

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### **COALMINE JOB LOSSES**

**Mr BLACKMORE:** My question without notice is addressed to the Minister for Natural Resources. What steps is the Government taking to counter the loss of jobs following the announcement of underground coalmine closures in New South Wales?

**Mr CAUSLEY:** I recognise yet again that the honourable member for Maitland has at heart the interests of the people of the Hunter Valley and the coalmining industry in that area. It is notable that the only questions I am asked about coalmining come from this side of the House. Recently I received a deputation of Hunter Valley union representatives who were concerned about the state of the coal industry in that valley and, of course, about their future. They were particularly concerned about the closure of Lemington underground mine and about the future of mining in New South Wales. I was pleased to be able to inform them that at least the members on this side of the House, and this Government, are concerned about mining in New South Wales and have done many things to ensure that it is a competitive industry. All honourable members will know that the coal loader at Newcastle is now in the hands of private enterprise and is operating much more effectively than in the past. These days it is much easier to open a new mine in New South Wales. When the Labor Party was in government, it took as long as 15 years to get a mine off the ground and operating because of all the constraints that were in place.

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

**Mr CAUSLEY:** It interests me that the honourable member for Wallsend should interject. I do not recall any representations being made to me by him on behalf of the coal industry, which seems to be vital to his electorate. The union representatives told me that they were concerned that the community does not realise the importance to the Hunter Valley of mining, and coalmining in particular.

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

**Mr CAUSLEY:** It is an extraordinarily important industry. This year about 96.7 million tonnes of coal will be exported from the Hunter Valley. That is an enormous amount of coal. It will be of great value to this State and, of course, to the Hunter Valley. The point made by the union representatives is valid. The community has to realise the value of the coal industry to New South Wales and Australia. It is a competitive industry which is under enormous threat from other coal exporting countries and a strong competitive industry in Queensland. It is only natural that the unions should be concerned about underground mining. About 12 new mines have either opened, been extended or are in the process of opening. Eight of those are underground mines. I am sure that union members are aware of that and are thankful that the Government is ensuring that those mines in the Hunter Valley can get started. They will employ as many as 2,000 people. Recently I told this House of the new developments in

the Hunter Valley. The coal-water mix, a new technology, will be used in the Newcastle area. It will create 1,000 construction jobs and 500 jobs in the plant itself.

There is a very strong future for the Hunter Valley mining industry. Might I say again that it is a very competitive industry. I assured the unionists that this Government would sit down with the unions and with the mineowners to ensure that the industry would become as competitive as possible in the market-place. Many of our competitors do not have the constraints which operate in New South Wales. South Africa, Indonesia and China, for example, do not have the constraints that are imposed  
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on the mining industry in Australia. The Government, the unions and the owners have to be sure that the industry is absolutely efficient. I congratulate the unions. They have said to me that they believe there should be one industry union, and I wholeheartedly concur with that sentiment. That would be a great step forward. The union representatives agreed with me that it is necessary for all parties involved to work closely on the question of safety features.

One of the significant costs associated with mining is the cost of third party insurance. If that can be minimised, mining in New South Wales can remain competitive. It is a matter of holding in there at present. I believe that, if we do things properly and work together, the industry in the Hunter Valley will thrive. I have been asked to attend a forum in the Hunter Valley which will seek ways to make the people of New South Wales understand the importance of the industry. I will be happy to attend that forum. I believe the Government will be able to contribute to the forum by helping to ensure that the fears which exist in the community are alleviated. I believe the industry will go from strength to strength.

#### **ESTATE OF Mrs KITTY LAWSON**

**Mr WHELAN:** My question without notice is directed to the Attorney General, Minister for Consumer Affairs, and Minister for Arts. Will the Minister establish whether the former White Russian immigrant, Mrs Kitty Lawson, was competent in English when she signed her last will and testament? Are legislative changes needed to protect older people from exploitation by those in a position of trust, such as solicitors?

**Mr COLLINS:** Any information that the honourable member for Ashfield - or indeed any honourable member opposite - has, that might assist the Law Society to consider the matters raised yesterday, really should be provided to the Law Society without further delay. This is, predictably, the last day that this Parliament will sit for some time.

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

**Mr COLLINS:** I have been expecting a member of the Opposition to come in flourishing a large clump of paper, saying, "And here it is" and throw it across the Chamber. There are still 19 minutes in which that might occur. I predict that that paper, when it is thrown across the Chamber, will bear a remarkable resemblance to the paper offered by a member of the upper House - I believe it was Mrs Kite in another place - to the former member for Wakehurst, John Booth, before the Wakehurst pre-selection last year. Honourable members should ask themselves this question: if this matter is so pressing, so desperately urgent - if this matter has to consume so much of this question time in this unusual recall of Parliament - why have the members of the Opposition sat on the information for a year? If it was that terrible, if it was that



disgraceful, if it was illegal - which no one has suggested it is - if it was in any way unethical, there is one place for that information and one place only, the Law Society of New South Wales, so that it may investigate whatever these people think they want investigated and make a finding as soon as possible.

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

**Mr COLLINS:** That is the only way this matter can be taken in any way seriously. I repeat: put up or shut up. The Opposition now has 17 minutes to come through with the slightly yellowed paper it has sat on for the last year. I will then happily provide it to the Law Society of New South Wales.

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### **CORRECTIONAL INSTITUTION ESCAPES**

**Mr COCHRAN:** My question without notice is directed to the Minister for Justice. Can the Minister inform the House of the current escape figures from New South Wales correctional institutions and the comparative figures for escapes from juvenile justice centres?

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

**Mr GRIFFITHS:** I thank the honourable member for Monaro for his question. Before answering, could I take exception to a comment made earlier by way of interjection by the honourable member for Port Stephens when he said, "If you ever put anything to the Law Society, they are disgusting". I take exception to that comment and the honourable member for Ashfield should also take exception to that comment. Do you?

**Mr SPEAKER:** Order! Conversational exchange by members across the Chamber is quite unacceptable. I direct the Minister for Justice to answer the question he was asked.

**Mr GRIFFITHS:** Thank you, Mr Speaker, I am delighted the chief clown has now left.

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

**Mr GRIFFITHS:** The Government has a proud record. If the honourable member for Ashfield would listen, we will talk about his little mate, Rex Jackson, and maybe he will tell us why he is known as "Benny the boot"? I do not know. I was not in Parliament, but maybe he will tell us. This Government has a proud record of achievement in the fields of corrective services and juvenile justice. Of course, that record looks so much better when compared with the shameful revolving door of the last Labor Government.

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

**Mr GRIFFITHS:** Indeed, that revolving door was often an open door and, in Rex Jackson's case, a tollgate. Under that criminal - Benny's little mate - a criminal in

Labor clothes, as with his mates who ran corrective services until 1988, the public was subject to a disgraceful and ongoing wave of escapes from the State's prisons. Criminals stayed in gaol only until they decided to walk away - and he was a Minister during that time. Those who decided not to walk away under a Labor Government, paid the hot-dog man to let them out - Benny's little mate.

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

**Mr GRIFFITHS:** Indeed, in the 1987-88 financial year, at the end of that disastrous 12 years of hard labour under a government of which he was a Minister -

*[Interruption]*

They do not like the truth. He continues to tell lies and does not like the truth. Under a government in which you were a Minister 143 escapes -

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*[Interruption]*

It depends who is laughing. We all know where class chaos comes from. We know who the chief clown is, so laugh as you will.

**Mr SPEAKER:** Order! I call the honourable member for Ashfield to order for the second time. As I have said on various occasions it is a pleasure in one sense to see the House in good humour. But there are times when that good humour can be taken to excess. This is one such occasion. For abundant clarity I warn the honourable member for Ashfield that he has been called to order twice and I warn other honourable members that if they continue to indulge in such behaviour they will be called to order at random. A list of calls has been recorded against a number of members and any honourable member who transgresses will be removed.

**Mr GRIFFITHS:** The honourable member for Ashfield also was a Minister of that Government until he was sacked. Even the hopeless government of which the Leader of the Opposition was a member had to sack him. For the entire 12 years of Labor's administration more than 100 escapes occurred annually. On two occasions the masterminds opposite let more than 200 criminals go walkabout - and that does not include those who paid their way to get out of prison. No wonder the public of this State had no confidence in the criminal justice system. In the 1988-89 financial year, the first full year of the coalition Government, the number of escapes decreased to 79, under the administration of my friend and colleague the honourable member for Vacluse. He achieved something that the previous Labor Government could not. This was the lowest figure recorded since reliable records have been kept by the Department of Corrective Services. I am proud to announce that for the 1991-92 financial year that record has been broken.

*[Interruption]*

Opposition members should disregard the comments of this fool and listen to facts. In the 1991-92 year a total of 66 escapes were recorded - the lowest number of escapes in recorded history and less than half the number the Labor Party allowed out in its dying days in office. The figure is even more remarkable when one compares the larger inmate population of today with that in the days of Labor's pay-as-you-go early

release schemes. The question that must be asked is why? In Jackson's case the answer was cold hard cash. In the case of his Labor colleagues it was blind, blundering incompetence. These incompetents ruled a prison system that engendered virtual Third World conditions, that inmates either ran away from or paid their way out of. The few who remained to serve their sentences came out worse than they went in. Opposition members may think it is a joke but what they did to the prison system during their 12 years in office was a disgrace.

The difference in escape rates is just one reflection of the new direction for corrective services under this Government's administration. Through the introduction of unit and case management, inmates are now treated like people, not cattle. Educational and counselling programs have been introduced to all correctional centres, giving offenders the chance to acquire the knowledge, skills and self-esteem needed to build successful, law-abiding lives. A vast expansion of prison industries has been undertaken, providing meaningful employment and the chance for inmates to acquire vocational skills. For many prisoners this is their first experience of a real job.

*[Interruption]*

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Laugh, as the honourable member for Rockdale may, this is important. For every life we can save, apart from the humanitarian side, the taxpayers of New South Wales will save \$27,000 a year. These measures have benefited not only the inmates but also the whole community by ensuring that prisoners on release are better able to cope with life on the outside, and therefore are less likely to re-offend. The innovative and caring programs introduced by this Government in juvenile justice centres are also reflected in the escape rates. In the last full year of the former Labor Government's administration there were 233 escapes from what were known then as detention centres. This disgraceful figure looked good compared with some of the results these geniuses came up with in their time.

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

**Mr GRIFFITHS:** In one of Labor's dying years in office there were 883 escapes by juveniles - more than double the entire number of juveniles now in custody in this State. In the last financial year there were only 84 escapes from juvenile justice centres - another record, and about one-third the escapes that Labor managed in its last year in office. In other words, in 1991-92 there were fewer than 10 per cent of the 883 juvenile escapes that the ALP stooges managed a few years ago. This Government has achieved what the Labor Party never had the imagination, courage or honesty to even dream of. New South Wales has a successful, caring and efficient criminal justice system in which the people of this State can have full confidence. These record breaking low escape figures are just one sign of that success. I pay tribute to the four outstanding directors-general who have achieved this remarkable -

*[Interruption]*

The honourable member for Blacktown criticises these senior public servants but they have achieved outstanding success. Under a government of which the honourable member was a member the prison system was a total disaster.

#### **LABELLING OF IMPORTED FOOD**

**Mr FRASER:** My question without notice is directed to the Minister for Agriculture and Rural Affairs. Will the Minister inform the House whether retailers are complying with new regulations requiring all imported fresh fruit, vegetables, nuts and fish to be labelled? Will he also inform the House what action the Government will take to ensure compliance with the regulations?

**Mr ARMSTRONG:** I thank the honourable member for Coffs Harbour for his most important question. Last year Australia imported \$2.3 billion worth of food that can be grown and processed here, including fruit and vegetables estimated to be worth \$364 million, meat products estimated at \$29 million, and \$101 million worth of milk products. The State Government is leading the charge in requiring truth in labelling for imported foods. My colleague the Minister for Health Services Management and I are committed to ensuring that imported food to New South Wales is correctly labelled. The Food Advisory Committee, which is administered by the Minister for Health Services Management, provides input to the National Food Authority to develop a national policy on imported foods. State and Commonwealth governments must get together to develop a national approach to imported food regulation. Regulations gazetted on 16th April in this State require all fresh unpackaged fruit, vegetables, fish and nuts to be clearly marked at the point of retail sale according to their country of origin. This brings unpackaged food into line with packaged food.

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State Government food inspectors advise that they have found a number of retail outlets that have failed to correctly label their items. At this stage the inspectors are issuing warnings only but within the next few weeks they will begin prosecutions. Given that this is a new aspect of food retailing in New South Wales, it is only fair that a reasonable education period be allowed for retailers and the general public to understand the benefits of having food correctly labelled and the importance of Australians to be made aware that by their eating so much imported food they are working against their own balance of payments, productivity and job creation. The Government, under Premier Fahey and Deputy Premier Murray, is adding another dimension to the recent regulations. Honourable members would be aware of the massive importation of frozen pork meat from Canada. In the nine-month period to March 1992, \$9 million worth of frozen pig meat was imported into Australia - a 170 per cent increase over the imports for last year.

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

**Mr ARMSTRONG:** It is ironic that the Federal Government claims to care about productivity and value adding and is attempting to address some of the country's economic problems, yet under the administration of the Federal Minister for Primary Industries, the Hon. Simon Crean, it has an open-door policy towards the importation of food which can be grown and processed successfully in Australia. There is no greater lesson to be learned about what can happen to an industry than the Federal Government's decision to open the doors to allow Canadian pork to be imported. The pig industry is experiencing the worst depression for 25 years. Pig prices are generally depressed. Thousands of jobs are at risk. Indeed, many hundreds of wholesalers, processors, distributors and retailers have lost considerable amounts of money because of the stupidity of the Federal Government in allowing pork to be imported from Canada. I emphasise that, in the nine-month period to March 1992, \$9 million of pork was imported. It is important to realise that the pork industry is worth about \$700 million a

year to this country. Most of this pork was processed further here and then sold as unpackaged, sliced ham and bacon in delicatessens and supermarkets. That is another problem.

Though packaged food, including packaged bacon and pork, is covered by regulations, pork imported in bulk, reprocessed or portion controlled and then sold unpacked and sliced in delicatessens and supermarkets, is not. I have written to my colleague the Minister for Health Services Management to ask his Food Advisory Committee to consider urgently expanding the existing regulations to include the term meat with regard to unpacked items that must be correctly labelled. I hope this will be done on a national basis. Once again, New South Wales will be leading the way. It is significant that since 1988, when the coalition took office, the improvements realised by the Government in health regulations and regulations relating to the distribution and processing of food have been copied by almost every other State. New South Wales is leading the way with the introduction of innovative legislation for the dairy industry, which the industry has been seeking for 10 or 15 years. We are undoubtedly leading the way with regard to the correct path to be followed for food labelling, and redressing the problems in our economy associated with high levels of imported food.

The problem with imported food is not one of labelling alone. However, consumers must be aware of the origin of the food that they purchase. Australia's reputation of providing clean, healthy, high-quality products is unsurpassed. Australia is the only continent never to experience an outbreak of exotic disease of either plant or animal life. That is a reputation which we must keep. I am sure there is unilateral

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support for that. It is terribly important that the public realise that by allowing food to enter Australia unlabelled - and often from areas where producing conditions are not parallel to those in Australia - we are putting at risk not only the economy and good health of consumers but, most importantly, our international reputation of being the best producer of clean foods in the world today.

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

##### **Personal Explanation**

**Mr Hazzard:** I wish to make a personal explanation.

**Leave granted.**

**Mr Hazzard:** I wish to make a personal explanation about scurrilous accusations reflecting on my parliamentary and professional probity, which have been made in this House under parliamentary privilege. Members of the Opposition have been attacking me in this cowards' castle over my relationship with a bequest from Mrs Kitty Lawson. Mrs Lawson and her husband were clients of my firm for many years. After her husband died in 1982, Mrs Lawson, who was born in Russia, was isolated; she had no family to support her and was grief-stricken by her husband's death. Mrs Lawson became very close to me and my family. She adored my baby son. Photographs of him were on her bedside table. I have here photographs from my family album of Kitty Lawson holding my baby son and of Kitty standing proudly with me and my wife at our wedding, at which she was an honoured guest. Mrs Lawson often had me and my family over for meals and afternoon teas. At Christmas I took her meals cooked by my wife's mother. I personally spent countless hours helping her in areas totally unrelated to my business.

When Mrs Lawson broke her hip in 1989, it was me she phoned for help. I spent about 1½ hours comforting her while we waited for the ambulance to arrive. She was taken to hospital, but unfortunately complications developed and she died a few weeks later. I was very saddened by her death. I arranged her funeral and wrote the eulogy. Years previously she had mentioned to me that she wanted to leave various things to me in her will. I told her I wanted nothing and suggested she leave everything to her other friends and sisters-in-law, who lived in England. She said that she wanted them to get nothing. I advised her to have her will drawn up by another solicitor to avoid any conflict of interest, and I recommended three firms in the area. She chose one from a list I provided to her. She always said that I was like a son to her. She had no children and she had no blood relatives anywhere. If anyone chooses to interpret our friendship in a malicious fashion, that can only reflect badly on that person and I feel sorry for him. These allegations were peddled by a parliamentary member of the Australian Labor Party to my preselection opponents before the last election. It is a great pity that those opposite cannot understand what sort of humanity and compassion I extended to a dignified, lonely, old woman -

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

**Mr Hazzard:** - socially isolated after the death of her husband.

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

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**Mr Hazzard:** When she turned to me for support I could not and did not refuse her. I helped her because she needed care, and not for any expectations of benefit from her. I am happy to be judged for my decency to and compassion for Kitty Lawson. Others will judge the standards of those who descend into the gutter on every single imaginable occasion.

*[Tabling of Papers]*

**Mr SPEAKER:** Order! I remind honourable members that the business of the House is continuing. The requirement to remain quiet applies equally during the tabling of papers as at any other time. If members wish to leave the Chamber, they will do so quickly and quietly.

## PETITIONS

### Western Sydney Road Charges

Petition praying that the House refrain from further increasing road charges for residents of Parramatta and Sydney's west and from imposing the proposed toll on the F4 Freeway, received from **Mr Ziolkowski**.

### Serious Traffic Offence Penalties

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

#### **Church Street Parramatta Traffic Control**

Petition praying that either traffic signals or a pedestrian crossing be provided on Church Street Parramatta, between Victoria Road and Pennant Hills Road, received from **Mr Ziolkowski**.

#### **State Transit Bus Services**

Petition praying that the House return State transit bus services 445, 441 and 442 to their previous timetables, received from **Ms Nori**.

#### **Balmain Hospital**

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

#### **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**.

#### **Wilderness Act**

Petition praying that the Wilderness Act be amended to include specific wilderness area nomination provisions, received from **Mr Chappell**.

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### **ENDANGERED FAUNA (INTERIM PROTECTION) AMENDMENT BILL**

#### **Withdrawal**

**Order of the day for second reading of this bill discharged.**

**Bill ordered to be withdrawn.**

#### **SELECT COMMITTEE UPON THE PORT MACQUARIE BASE HOSPITAL PROJECT**

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

That until 1 September 1992 should any casual vacancy occur on the Select Committee upon the Port Macquarie Base Hospital project, such vacancies be filled by written advice to the Clerk as follows:

- (1) By the Leader of the House in the case of Government members;
- (2) By the Leader of the Opposition in the case of Opposition members;
- (3) By the Leader of the House in the case of Independent members;
- (4) The Clerk report any such written advice to the House on 1 September 1992.

## **BUSINESS OF THE HOUSE**

### **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:

- (1) The State Revenue Legislation (Amendment) Bill being passed through all stages at this sitting;
- (2) The taking of Private Members' Statements at this sitting;
- (3) After the conclusion of Government Business Notices of Motion No. 1 and Government business Order of the Day No. 2, at this sitting, the consideration of General Business Order of the Day (General Orders) No. 2 with no member to be given the call after 10.30 p.m. other than the Leader of the Opposition in reply.

## **HOSPITAL ACCIDENT AND EMERGENCY SERVICES**

### **Matter of Public Importance**

#### **Mr McMANUS (Bulli) [3.18]:** I move:

That this House notes, as a matter of public importance, the disastrous state of accident and emergency services in New South Wales hospitals.

*[Interruption]*

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The honourable member for Cronulla, who has already interjected, only recently put before the Clerk of this House a proposal for dealing with accidents on roads in New South Wales. The honourable member for Cronulla should be the last member on the Government benches to interject so immediately before he is made more aware of the problems in our hospital system. A major problem is that the honourable member for Sutherland, the honourable member for Cronulla and the Minister for Health Services Management are the three sitting Liberal members in the Sutherland region, which is experiencing an absolute disaster in public services. The Minister - the Nero who fiddles while his own hospital burns - has been running around this State promoting private hospitals while in his own region his emergency services system is facing disaster.

In the past 18 months I have quietly studied the Minister and those two members and their local hospital. Sutherland hospital also is important to the electorate of Bulli in that areas of the Sutherland shire such as Engadine, Waterfall and Heathcote and areas as far south as Helensburgh are affected. In the past couple of weeks I have taken great personal interest in what has been happening with the emergency services at Sutherland District Hospital. Let me say at the outset that I have nothing but the greatest admiration for the staff working under tremendous duress and in overcrowded conditions. People in the region are being sent from St George Hospital to Sutherland. Patients are lying around in a pathetic state in the corridors of the casualty section at Sutherland hospital. I do not say that for political reasons; I am saying it because on the 10th of last month a 67-year-old lady, who just happens to be my mother, attended the Minister's hospital and was then sent home in inclement, windy conditions at 11.30 at night to Helensburgh.



Why? Because the staff could not get her a bed.

Incensed as I was, I allowed her to remain at home that night. She was like a possum in pain all night. Her general practitioner at Helensburgh forced the hospital to admit her the next day to be given the treatment she should have received in the first place. As she was not admitted to hospital in the first instance because of the lack of a bed, when she was admitted she was on Ventolin and suffering chest complaints. She was in hospital from 12th June to 29th June. On arriving home yesterday she was still not well. Mr Minister, I hope you and your Liberal colleagues from Sutherland and Cronulla are totally proud of yourselves. On Friday, 12th June I decided that I would go to the hospital myself. As I was entering I met two people leaving with the same complaint: their mother or loved one could not be admitted because there was no bed and had to be sent home in freezing conditions in the middle of winter. This is the system that this Government promotes as being great. The Minister and the honourable member for Cronulla, with his mouth full of food, really enjoyed themselves at the hospital open day. They did not know that behind the scenes people were lying in the aisles of Sutherland hospital trying to get adequate medical service.

The Minister should visit ward 4 west. Women and men use the same communal toilets and showers. Women patients are absolutely disgusted at the fact that they can find a male with them in the showers or ablution chambers. What a disgraceful, pathetic system has been introduced in New South Wales. And it is getting worse. For some reason patients are being transferred from St George to Sutherland hospital. The Minister should realise that the public hospital system in this State is falling around his ears. I do not blame only the Minister. In this case I blame also the Southern Sydney Area Health Service for kowtowing to the Minister's demands that cutbacks continue at Sutherland hospital, as they are continuing at other hospitals around New South Wales. I have no fear in condemning the Illawarra Area Health Service for allowing the Minister to dictate what services it provides in the Illawarra. It is bowing to the Minister's demands. The Minister should provide adequate funds and resources to ensure an adequate health service in the Sutherland shire and the Illawarra area.

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The ambulance service in the area does not go untouched either. Only a couple of months ago an ambulance was called to a remote section of Helensburgh to attend a dying head injury patient. The ambulance driver was alone. His only option was to deliver all the medical service he could to the patient. He had to pull a member of the public out to drive the ambulance to meet an intensive care ambulance at Waterfall. I wonder, had another ambulance driver been handy, whether the patient would have died. The new Premier has said that Greinerism is alive and well. If they are the results of Greinerism, the Government is going in the wrong direction. I will not sit back and watch my parent and other parents put up with the present situation in public hospitals. When my mother was in the hospital last Wednesday she gave the meat from her meal to a visitor to take home in a bag to feed a dog. She could not eat the meat. When I told the Minister about this he said, "Food has always been bad in the public hospital system". I can tell the Minister that food at Sutherland hospital is atrocious. Anybody who visits the hospital will say so. On the Saturday after my mother was admitted to hospital I saw when I visited her that the hospital was in an abysmal, filthy state. Adequate numbers of cleaners were not on duty to provide a reasonable standard of cleanliness at the hospital. The people of this State have the right to an adequate health service in a public hospital system which is well run. The people should also have a well-run public education system. In both those areas the Government is failing dismally.

I was embarrassed to have to meet the new general manager at the hospital on his first day there. He was confronted by an angry member of Parliament whose mother was in his hospital. Friends of his were also in the hospital. No doubt it was an embarrassment to him, as it was to me, that I had to complain about the services. The senior medical personnel were also embarrassed. But something had to be done. For 18 months I have waited and watched to see whether one of the gurus from Cronulla or Sutherland would say something to the Minister. There has been absolute silence from them while the Minister has roamed New South Wales promoting a private hospital in Port Macquarie. Yet in his own region patients have been lying in aisles and staff have been demoralised. Former staff have rung me asking me to intervene. They understand what the present staff of the hospital are going through. The glossy pamphlets about the open day show the honourable member for Cronulla with his mouth full of cake and the Minister with a great grin, sipping coffee. Do not give us the garbage about Sutherland hospital services being great. They are abysmal, just as the services at Bulli Hospital are. Three years ago the Minister then responsible for health, Mr Collins, promised us a casualty unit at Bulli hospital. No casualty unit has been provided - it is at Coffs Harbour, because that is where the Minister's mate sitting behind him had to win a by-election. I was told there was no money for Bulli. When I went to Coffs Harbour I found that the same amount of money had been provided -

**Mr Fraser:** What did the Labor Party do for the North Coast? Nothing, absolutely nothing.

**Mr McMANUS:** Stop your drivel. The same amount of money was allocated away from Bulli and spent at Coffs Harbour to provide exactly the same facility.

**Mr Fraser:** You are a hypocrite.

**Mr McMANUS:** You are a bunch of liars, lying to the people of New South Wales. Why do you not come clean and tell them that you are pork-barrelling and providing money to Coffs Harbour instead of Bulli, pork-barrelling at Shoalhaven instead of providing money at Bulli and Kiama? This is all about a redirection of funds. Why does the Government not provide the money as it promised it would at the last election? It told the people of New South Wales that they would get all the goodies.

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**Mr Harrison:** It told the people Kiama would not close.

**Mr McMANUS:** Yes, it said that Kiama would not close and that Bulli would get its emergency services unit. Bulli will be lucky to hold its radiology unit. The Minister has directed that the board of the hospital meet next week to cut another \$3 million out of its funding. Mr Lewis of the Illawarra Area Health Service is telling members of Parliament that he will be able to cut that out without job losses or a loss of services. Perhaps the Minister will be able to tell me what will happen to the accident and emergency services at Bulli hospital and Sutherland hospital. The Minister for Health Services Management has been a dismal failure. He should go to the upper House, talk to his crony there and make him understand that pretty pictures in newspapers are not enough. The people of New South Wales want the Minister for Health and Community Services and the Minister for Health Services Management to do something about the public hospital system in this State, not continue to wind it down.

The staff of Sutherland hospital work in some of the worst conditions I have ever seen. About 12 years ago I visited that hospital and it was well-maintained, freshly

painted and beautifully clean. Every person I spoke to in the ward to which my mother was admitted said that now it was a disgrace. The food was a disgrace. The doctors and nurses at the hospital are afraid to talk to members of the Opposition because they fear for their jobs. It takes someone who has been in the system and left to tell us what the real situation is. The Government is a failure. At the last election it was returned to office by the skin of its teeth. I am disappointed that the Independents will not support the motion of no confidence which has been moved by the Leader of the Opposition. The people of New South Wales know full well that the Government is a disgrace. If it had not been for the ticks and crosses, they would have had their way and the Government would have been out on its ear. Something could then have been done to improve the desperate conditions in the State's hospitals for the benefit of the patients.

**Mr PHILLIPS** (Miranda - Minister for Health Services Management) [3.31]: Honourable members have just experienced another emotional outraged speech by the honourable member for Bulli. However, there is one problem with that speech; it does not stack up with the facts. He said he had visited Sutherland hospital 12 years ago when it was in a pristine condition, painted and lovely. For eight of those 12 years New South Wales was under the administration of a Labor Government.

**Mr SPEAKER:** Order! The member for Bulli has made his contribution. He will listen to the remainder of the debate in silence. He has a right of reply.

**Mr PHILLIPS:** That hospital has now been extended at a cost of about \$25 million. The honourable member for Bulli talked about cutbacks in funding of the Southern Sydney Area Health Service. The strange thing is that that is one of the funding growth areas in this State. The Government has invested \$200 million in St George hospital to bring it up to standard. The Labor Government allowed that hospital to run down; it was a teaching hospital in name only. The Government has delivered growth funding to that area so that the people of southern Sydney can receive the standard of health care services they deserve. Why are there still casualty waiting times at St George hospital? The previous Government failed to make a contribution to that hospital to bring it up to standard. Within the next 18 months an additional 100 beds will be opened at that hospital to help ease the pressure. The Government has achieved all that within a mere four years in a time of recession. Members of the Government who were in Opposition prior to 1988 will remember that the flagship of health care disaster which helped bring the Government to office was St George hospital and the health services in that area. The Government has addressed, and will continue to address, those problems.

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The honourable member for Bulli spoke about the toilets at Sutherland hospital being in a bad condition. He knows, but it must have slipped his mind, that the area health service has recently published a 10-year master plan for the future development of Sutherland hospital. The hospital will continue to be upgraded and will be one of the leading district hospitals in this State. The honourable member for Bulli claimed that honourable members should be absolutely appalled by the services at Sutherland hospital. I wonder how the staff feel about that. I am particularly proud of the quality of work at Sutherland hospital. The vast majority of people of the Sutherland shire are proud of the work of the staff at Sutherland hospital. The honourable member referred to the unfortunate experience of his mother at Sutherland hospital. It is not for me to go into the clinical arrangements there, but the fact is that his mother was seen by the resident medical officer on staff. She was given a range of tests and a judgment was made by a clinician - not by the Minister or an administrator but by a doctor.

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

**Mr PHILLIPS:** The next day the patient returned, further tests were done and further action decided upon. The honourable member knows that it is not for parliamentarians to become involved in clinical decisions. He knows also that if he has genuine complaints, the proper course is to refer those matters to the complaints unit. Both Government and Opposition members have a tremendous regard for the independence of that unit and its ability to pursue the truth. If the honourable member for Bulli is genuinely concerned about the treatment his mother received, he has the right to refer those matters to the complaints unit so that they can be properly investigated and reported upon. I would expect him to do that. I assure him that whatever action is then necessary will be taken.

The food services at Sutherland hospital were also referred to. Everyone knows that when the method of food preparation was changed earlier this year, difficulties were experienced with the administration of the changeover and a number of complaints were made. Since that time I have contacted volunteer workers with Meals on Wheels, who I know well because I have a closer association with Sutherland hospital and the staff there than the honourable member for Bulli would ever imagine. They would have no hesitation in telling me exactly what they think about services at the hospital. For some months they have assured me that the initial problems with the implementation of the food services have been resolved and no problems have been experienced which warrant further complaint. The honourable member claimed the Government was pork-barrelling by sending funding to the North Coast and spending it in Liberal electorates. Let us examine some of that alleged pork-barrelling. An amount of \$200 million has been put into St George hospital.

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

**Mr PHILLIPS:** St George hospital is surrounded by Labor electorates! An amount of \$200 million has been put into Liverpool hospital. Liverpool hospital must be in the heartland of Liberal territory! Of course it is not; it is the heartland of Labor territory. Let me refer to Nepean hospital. Can any honourable member name all the Liberal electorates around Nepean hospital? They seem to be missing from my mind. The allegation of pork-barrelling is a total furphy.

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

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**Mr PHILLIPS:** The honourable member for Bulli knows that this Government is addressing the vital problems left to it after 12 years of Labor Government. The previous Government failed to get hospital and other health care resources into the growth areas of Sydney, to the Central Coast and the North Coast. The honourable member for Wyong has interjected. His electorate received 100 additional beds. Another key Liberal electorate!

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

**Mr PHILLIPS:** Gosford hospital is actually in the electorate of Peats. That electorate will receive an extra 120 beds. Are these the heartlands of Liberal territory where the Government is supposed to be pork-barrelling? I have mentioned those

examples to clearly indicate that the honourable member for Bulli loves to grandstand with emotionalism -

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

**Mr PHILLIPS:** In fact, he failed to address in any substantive way the motion that he raised alleging the disastrous state of accident and emergency services in New South Wales hospitals. If I recall correctly, he spoke about two hospitals - Sutherland and Bulli hospitals were the two I counted. The Opposition is so concerned about the state of emergency services in New South Wales hospitals that it has been left to the honourable member for Bulli rather than the shadow minister to raise this matter of public importance - or did he not know about it? Has he been sold a dump? Let me explain why I ask that. The Government knows, as does the Deputy Leader of the Opposition, that when this Government came to office accident and emergency services, the so-called ambulance bypasses, were in a disastrous state. What has happened in the four years that this Government has been in office?

I have chosen equivalent six-monthly periods, to take into account the seasonal changes in accident and emergency. For example, in winter more people suffer from influenza and seek treatment at accident and emergency centres. I have chosen a comparable six-month period. When this Government came to office there were more than 200 ambulance bypasses each month. In the comparable six months of this year there were less than a hundred. That is the truth. That is what is happening with accident and emergency services in this State. The truth is that this Government is upgrading health services which the Opposition allowed to run down. The Government is achieving results. Health services top the Government's priority list. We are getting results during a recession, despite the fact that the Federal Government continues to cut back health funding in this State. In 1985 the Federal Government picked up 40 per cent of the New South Wales health services budget. This year the Federal Government picked up 34 per cent. What is the difference? That loss of 6 per cent is \$259 million a year. That is what I am talking about.

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

**Mr PHILLIPS:** All I ask the Federal Government to do is to pick up today the same share it picked up in 1985. That will give New South Wales \$250 million a year. Since this Government came to office its funding for health services has increased every year. The Federal Government has reduced funding, but the State Government has increased funding to the New South Wales health service. In the past four years the

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health budget has increased from \$3.1 billion to \$3.46 billion, all during a recession. That was not funding by the Federal Government but the commitment of this Government. When next the honourable member for Bulli wants to raise a matter of public importance he should do the right thing and consult the shadow minister for health - I know he did not do so this time - and perhaps get his facts right before he presents a case in this House. Or, if he did consult, perhaps he should ask why he has been sold a dump.

I do not pretend that health services in New South Wales are ideal. Nobody can pretend that. What I do know is that four years after this Government came to office those services are superior to what they were in 1988. I also know that New South Wales is leading Australia in the restructuring and redevelopment of the health system.

We can hold our heads up high and we will continue to do so. Despite the recessionary times we are continuing to try to find ways of getting funds into the health system to continue to improve the health services of this State. That is the primary and fundamental responsibility of government. I have no troglodytic view which says that the private sector cannot provide that money. I have said that many times. I do not care where I get the money. I do not care whether it is Federal money, State money, private money. I do not care if it comes from the casino. What I am trying to find are sources of financial input for the health system so that I can continue to improve the system.

Members of the Opposition need to open their minds and realise that the next 10 years are critical for health care in New South Wales. The Federal Government and every State government in this country knows that governments cannot fund it any more. They cannot keep up with the pace of change in health services. This Government will address those problems and find ways of continuing to improve health services in New South Wales for the benefit of the community and will not be locked into any philosophical, troglodytic view such as that which the Opposition had for 12 years and which set the New South Wales health system back.

**Dr REFSHAUGE** (Marrickville - Deputy Leader of the Opposition) [3.46]: The headline in the *Sydney Morning Herald* about 12 months ago said it all. The headline said, "Survival is a matter of luck". The article referred to accident and emergency services in New South Wales public hospitals. Today that headline is truer than ever before. A little girl died recently because the South Sydney Hospital casualty department closes at 4 p.m. The parents of the child took her to the hospital after she had suffered a severe asthma attack. They rang the bell which said "Emergency - For Attention" and nobody answered. The girl, unfortunately, could not obtain alternative treatment and passed away. I do not want to dwell on such tragedies. There are hundreds of people who do not create headlines but who are experiencing an unacceptably low standard of treatment at public hospitals - not because the nurses are not hard working or because the doctors are not up to scratch but because there is not enough money being put into the hospitals, particularly into the accident and emergency services.

Every year under the present Government hospital budgets have been cut by 1.5 per cent, the so-called productivity cuts, and those cuts always affect the powerless. They regularly affect the accident and emergency services. The Minister says it is all right because the money is going somewhere else. But it is not all right if funds are taken from a frontline service which cannot cope. At the end of last year the Opposition revealed that Westmead hospital casualty department had been closed for about 25 days non-stop. An Opposition survey of hospitals at that time found that not one Sydney hospital had been able to avoid introducing restrictions on the opening hours of their casualty units at some stage. For some period of every day, or at least every week, almost every Sydney hospital closes its doors to all but life-threatening cases. Indeed, survival in Sydney is becoming a matter of luck.

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In the article to which I referred a trauma specialist discussed ambulance transportation of seriously ill patients to a big teaching hospital or a small suburban facility because, with the cutbacks, some hospitals cannot deal with such serious cases. The big hospitals are not able to do their job. Westmead hospital - as with a number of other hospitals - is turning away patients with less serious conditions and sending them to local medical centres. The larger hospitals cannot keep up with the workload and are having to hive off patients to a commercial enterprise. Every day my office receives

letters and phone calls from people in pain who are waiting for elective surgery and from those who have had to wait hours, if not days, in the casualty departments for treatment.

In the United States of America the health of people has been severely worsened by delays in casualty wards; in some cases people have died. The same thing will happen in New South Wales unless the Minister begins to understand that there is a problem and tries to do something about it. The Opposition has solutions that are worth following. There should be an immediate review of the Government's trauma triage plan. In place of what has been proposed by the experts, the Minister or someone in the Department of Health decided to expand the three trauma centres so that, in effect, the concentration of trauma will not occur. Overseas experience suggests that the predicted services will not be provided. A Labor government would introduce general practitioners into casualty units in appropriate circumstances and also in community health centres. People would have competent general practitioners working in the casualty units. Many will find that a better alternative. The Minister said that St George hospital was not a teaching hospital before the Government came to office. All my colleagues who trained at that hospital as students -

**Mr Phillips:** It was a disgrace and the Deputy Leader of the Opposition knows that.

**Dr REFSHAUGE:** The Minister said that they are a disgrace. I believe they are competent doctors. The hospital taught them. I place on record my support for people such as Professor Pitney, a senior specialist who worked at that hospital for many years and whom the Minister now says was a disgrace. I pay tribute to Ben Hannaman.

**Mr Phillips:** It was a teaching hospital in name only.

**Dr REFSHAUGE:** The Minister interjected and said it was a teaching hospital in name only. Those specialists and general practitioner colleagues of mine who studied at that hospital are competent doctors. If that is what the Minister terms a disgrace he should have another look at what the hospital system is all about.

**Mr FRASER (Coffs Harbour) [3.51]:** It gives me great pleasure to speak in this debate, if only to highlight the hypocrisy of hit-and-run Refshauge, as he is known in the electorate of Coffs Harbour. The Deputy Leader of the Opposition visits all electorates on the North Coast and says, "Your hospital is No. 1 priority on the Labor Party's list". I want to know what priority Coffs Harbour and District Hospital has. Is it No. 1 priority or No. 21 priority? The Deputy Leader of the Opposition makes promises that cannot be funded. He has stated that the hospitals will be funded by the casino proceeds. What casino? Is it the one casino that the Opposition allowed us to have, which will not be completed for another four years? Where will the Opposition get the money from?

The Deputy Leader of the Opposition should put the money where his mouth is and tell us how he will fund what the former Labor Government failed to do in its 12 years in office. That Government failed the people of Coffs Harbour. It gave them

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absolutely nothing. For 12 years under Labor's administration employees at the Coffs Harbour and District Hospital worked in absolutely archaic conditions in the accident and emergency unit. That Government gave the people of Coffs Harbour absolutely nothing. It was this Government that recognised the needs of Coffs Harbour and spent \$500,000 upgrading the accident and emergency unit at the hospital. The former Labor Government failed the people of New South Wales, the people of my electorate and the people of the North Coast.

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

**Mr FRASER:** The Labor Party did nothing and will continue to do nothing. Opposition members have not asked their Federal colleagues for additional health services funding for New South Wales. They want to point the stick, lay the blame and hit and run, as they are doing at present. The Deputy Leader of the Opposition is known as hit-and-run Refshauge, and it is appropriate that we are debating accident and emergency units because that is where hit-and-run cases are treated. The Labor Party decreased health funding to the North Coast during its 12 years in office. Opposition members pork-barrelled their own electorates. They put everything into Sydney, Newcastle and Wollongong and forgot about the rural electorates. This Government inherited a health system that this State could not afford. Almost \$1 billion had to be spent constructing new hospitals, especially accident and emergency units. We were faced with a system that was totally out of hand. For years under Labor's administration the North Coast was underfunded.

The former Labor Government did not worry about the people in the bush. It gave them nothing and it will give them nothing in the future. The Opposition has said that if it gains office in this State it will continue with its Newcastle, Sydney and Wollongong strategies. Rural New South Wales would be denied the service the people deserve, a decent health system. Under this Government the services will be delivered. During the 12 years of Labor's administration the population of Coffs Harbour rose from 16,000 to 50,000, yet the people received absolutely nothing. Indications of the Opposition's future health policy suggest that the people will continue to receive exactly the same: more of nothing. Opposition members do not understand the New South Wales health system. They do not even understand their own finances and I instance the property in Sussex Street.

Some Opposition members have claimed that accident and emergency units in Sydney are being closed and that people are being denied the service. Accident and emergency units are open on a network basis for patients who are admitted by ambulance. Ambulance drivers know the units to which they should take patients. No one is denied the service or treatment. It is scurrilous for Opposition members to suggest otherwise. It is the big lie campaign, the attitude they have had both in Government and in Opposition. They give only to their own electorates and when they are confronted they tell lies and hope they are not caught. I challenge Opposition members to ask their Federal Labor colleagues to give New South Wales a better shake of the dollar so that this Government can give back to the people of this State the services that they need; so that Coffs Harbour can get a new hospital in a faster time frame. It is hypocritical of hit-and-run Refshauge to say that he agreed with privatisation, but only a little bit of privatisation.  
*[Time expired.]*

**Mr MILLS (Wallsend) [3.56]:** I am pleased to contribute to this debate, that the House notes as a matter of public importance the disastrous state of accident and emergency services in New South Wales. I wish to counter the Minister's criticism that

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Opposition members were short on details and specific cases in speaking to this motion. I do not have to move far from my own electorate and the Hunter region to give him a whole raft of cases that would justify this motion. Since this Government came to office two of the five casualty units in the greater Newcastle region have been closed. The unit at Wallsend District Hospital was said to be too close to the Mater Misericordiae Hospital and the newly emerging John Hunter Hospital. Many people who attended that particular casualty unit found they were no longer able to walk to their community



hospital. I have spoken on many occasions in this Chamber about community identity with this hospital. The first shock the people received was in regard to the closure of the casualty unit, which was prior to the Minister closing Wallsend District Hospital altogether.

After the Minister sacked the board and closed Wallsend District Hospital a threat was made to close the casualty unit at the Royal Newcastle Hospital. If there is one area where Dr Smyth has let down the people of the Hunter it is with this hospital. In August last year he promised that the casualty unit at the Royal Newcastle Hospital would not be closed until an accident and emergency service was in place through private medical practices in Newcastle providing service around the clock. However, at Christmas last year the accident and emergency unit at Royal Newcastle Hospital was closed and the people were offered a list of private practices that might be open, if they were lucky, until about 10 o'clock at night. The alternative was to go to the John Hunter Hospital. That brings me to the real problem of accident and emergency services in the Hunter region. The John Hunter Hospital, which was originally designed as a tertiary referral hospital and now finds itself as the major accident and emergency hospital in the Hunter region, is grossly unsuitable for that purpose. The lack of money and beds in the Hunter region creates pressure on the accident and emergency unit at John Hunter Hospital, and this is starting to lead to mistakes. The following extracts from the editorial page of last Saturday's *Newcastle Herald*, written by reporter Clare Morgan, indicate best what the problems are:

Members of the unit's staff are at breaking point, with morale at its lowest ebb and no relief in sight . . . nursing unit manager . . . said staff were dreading the next few months, the time when demand for services reached its peak and John Hunter's first winter without the cushion of Wallsend Hospital's 50 to 60 medical beds.

"You come in here and look at that patient information board and it's no bed, no bed, no bed . . . Sometimes my job is more like a furniture removalist than a nursing sister, moving people around and trying to find them beds. When beds can be found it isn't always in the most ideal location: patients end up in the transplant ward, the gynaecological ward, the surgical wards. It's wrong for patients and it's wrong for staff, although we do try to make it as smooth as possible," Sister Howell said.

I have had many long discussions with the director of accident and emergency care at John Hunter Hospital. The Minister does not hear from me about individual cases, but I hear of two such cases a week. And I go, as I should, to the local administrations for explanations. I know of the frustrations they are experiencing. I emphasise the point that the director at John Hunter Hospital, Dr Bollen, insists that general practitioners be more responsible for after-hours service. I put it to the Minister that he and the Government have a responsibility to do something about this. The Opposition cannot do something about the situation; it is something that only the Government can do.

**Mr Phillips:** The Federal Government.

**Mr MILLS:** The State Government can approach general practitioner organisations to arrange for after-hours patients to be treated so that minor cases can be taken out of large, surgical hospitals. That is a State government responsibility.

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Something must be done. I went to Moruya District Hospital a couple of months ago and was very surprised at the lack of decent accident and emergency services at that hospital. I notice that the honourable member for Bega is in the Chamber. An extended accident and emergency service is badly needed at Moruya. A promise of expansion by

the present Attorney General, Minister for Consumer Affairs, and Minister for Arts was denied. [*Time expired.*]

**Mr SMITH** (Bega) [4.1]: I am sure that the Minister for Health Services Management and the Department of Health will look after individual cases. If the honourable member for Bulli has a problem with an individual case, no doubt the Minister and the department will investigate the matters. If we discuss the health system or the accident and emergency system, let us talk about them in general terms. First we must realise that the health system in New South Wales has come under severe pressure as a result of Federal Government cutbacks. There would be no doubt that an additional \$250 million a year would bring about massive change in health care in this State. It should also be understood that in every year of the past four the health budget has been increased in real terms. This year \$300 million has funded capital works to make up for some of the massive backlog that the Labor Party left after 12 years of government. About \$2 billion has been spent. Whenever we try to put forward good ideas to make up the backlog - because there is absolutely no way that the public purse, the taxpayers, can possibly afford in a reasonable amount of time that backlog of capital works - the Opposition puts forward no positive ideas. Its only suggestion is to use demountables. As soon as other ideas are put forward - such as private investment in hospitals, aimed at bringing about a reasonable health care system rather than the system that is the result of 12 years of Labor rule - we end up in all sorts of strife trying to put them through the House. I make one thing clear: accident and emergency services in hospitals do not close. The Government is trying to network hospitals for non-life-threatening ambulance cases. If there is a rush on a particular hospital, another could be utilised. If it happens to be winter time and there is an influenza outbreak, there must be close liaison between hospitals and ambulance services. If someone comes to the accident and emergency unit of a hospital and wants treatment, he will be treated. Non-life-threatening ambulance cases will be networked to utilise the system in a far better way.

In relation to the Moruya District Hospital the honourable member for Walsend strutted out the usual Labor Party tripe. For example, every six months the shadow Minister visits the area to tell all staff, board members, and the community that the hospital will close. Then he disappears. And Opposition members believe that they have an interest in health! The Opposition has only one interest: gaining political advantage from people who are sick and infirm. When the honourable member came to Moruya there were great headlines. I saw the honourable member for Bulli racing in to the Illawarra Health Board with television cameras following. A recent independent study reported that there was a maldistribution of moneys. And to whose advantage was this? It was to the advantage of the electorate of the honourable member for Bulli. My area has been shortchanged so far as Illawarra Health Board funding goes. When the honourable member for Walsend came to Moruya he organised a public meeting to deliver his tripe about the privatisation of the Moruya hospital. He stated that he had a list of hospitals to be privatised. He well knows that there is no such list. Only 15 or 20 people attended this great public meeting. All he achieved through that visit and through those headlines was to disturb the public and make them assume that the health care system in place was not suitable. [*Time expired.*]

**Mr McMANUS** (Bulli) [4.6], in reply: The following words are those on a sign in a prominent public hospital in a prominent city of New South Wales: "Please don't abuse the staff, they are working as hard as they can" - an indication of the amount of abuse that staff at Sutherland, Bulli, John Hunter and all public hospitals with an

emergency unit have to contend with. The principle underlying the debate today is that

the Minister for Health Services Management will not accept his responsibilities. Time and again after hearing complaints in this House - this House is the foremost place for the making of complaints about the Government of New South Wales - the Minister throws his hands in the air and says, "See the complaints unit. I do not want to know about it. I only want to go to some hospital to have a cup of coffee, get a fat belly, drink tea and tell everybody what a great health system New South Wales has". That is the extent of responsibility that the Minister accepts in relation to health services in New South Wales.

As my colleague the honourable member for Walsend was saying before his time for speaking had run out, when he visited Bega he was told by the people in the region that 6,000 patients a year go through casualty and that the casualty unit is inadequate. It consists of one old room and one bed. That is the situation in one of the accident and emergency units in the electorate of the honourable member for Bega. There is no intensive care backup. I know full well what the situation is during holiday times because I holiday in the region. The honourable member has seen me there. The hospital is inundated by people who have been hurt on beaches. All that the honourable member can supply is one bed, yet he fobs off money to National Party members in Coffs Harbour. They are taking money from our region. The honourable member for Bega should have been with us when we demanded more money for our region from the Illawarra Area Health Board. He was obvious by his absence. He is willing to let the Minister take money from one region to put into others rather than join us as members of Parliament to fight for more funds.

In 1988 the Minister did not say that the Government would give more money but he said, "We will supply you with more health services". Health, education and police were the three issues raised by the Government at that time, and what a mess it has made of all three. The Minister has even informed the personnel at the Illawarra Area Health Service that because of the closure of the casualty unit at Bulli hospital a person who becomes sick in that area must be sent to Wollongong. Health services, and casualty services in the Illawarra region in particular, are a pretension by the Government, which is winding down those services prior to finally closing them. Radiology is a prime example. Privatisation of radiology has failed because the Minister and the Government allowed the system to run down to a point where private enterprise did not even want to provide it. Next week Opposition members will go to Wollongong to demand that radiology services be kept within the public sector because the private sector does not want them. Government members are hypocrites.

As to the growth area of the Sutherland shire, all the Minister said was that money was being poured into St George. I do not deny that, because I saw what was happening at Sutherland hospital, where hurt and abused people were lying around waiting for a bed and being told in some cases to go home because a bed was not available. The Minister had the audacity to say in this House that the Government is doing a great job. The Minister is a disgrace and Greinerism is alive. The Minister said he would not make a clinical decision. I did not ask the Minister to make a clinical decision about my mother. She was told there were no beds so she was going to go home. She was not told by a doctor that she was sick or that she was fine. She was told to go home, that there was no room in the hospital. And there was no room in the hospital on the Friday when I went back.

**Mr SPEAKER:** Order! I call the Minister for Health Services Management to order.

**Mr McMANUS:** The Minister is a liar.

**Mr SPEAKER:** Order! I call the honourable member for Bulli to order for the third time. I call the Minister for Health Services Management to order for the second time. The honourable member for Bulli will direct his remarks to the Chair and ignore interjections from the Minister for Health Services Management.

**Mr McMANUS:** I hope I receive no more interjections from the Minister. It is time that he took his responsibilities seriously. Food services at the hospital are a disgrace. I do not care what the Minister says - and I do not know what meals on wheels service he was talking to - but he should talk to another group of people at Garrawarra hospital, where he closed the kitchen to open so-called quality food services. The Minister should go to that hospital and taste the food. I have been to that hospital and I have tasted the food. If the Minister thinks the food at that hospital is good compared to what he eats at home, I would say to his wife, "For God's sake improve your cooking". The food provided at that hospital is disgusting, and patients are giving visitors meals in doggy bags for their canines. The patients will not eat the hospital food. The Minister had the gall to say in this House that people in the Illawarra region have an adequate health service. What a joke! In fact last Wednesday I went out and bought fish and chips for my mother, even though she is a diabetic, because she could not eat the food served up to her in the Minister's hospital.

I have the greatest respect and admiration for the hospital staff who have to work under this system. They are not game to complain. This problem is not peculiar to Sutherland; it exists throughout the health system. The Minister has built up a network of fear within the health system. People want to provide a service but they are not able to do so. The Minister is a disgrace. The honourable member for Bega has left the Chamber once again. The Minister allowed the rescue helicopter, which could have serviced the Bega electorate, to be taken away. The Minister supplied the service with a rescue helicopter from Sydney. It cannot make rescues in reasonable time, as has been proved time and again. If the Minister really believes that he is doing a great job, he should bring on the election. I hope that the Independents support the Opposition in the no confidence motion. The sooner the Minister gets out the better things will be.

**Question - That the motion be agreed to - put.**

**The House divided.**

**Ayes, 43**

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

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

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**Noes, 47**

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

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

Mr Photios  
Mr Rixon  
Mr Schultz  
Mr Small  
Mr Smiles  
Mr Smith  
Mr Souris  
Mr Tink  
Mr Turner  
Mr West  
Mr Windsor  
Mr Yabsley  
Mr Zammit  
*Tellers,*  
Mr Beck  
Mr Hartcher

**Pairs**

Mr Fahey  
Mr Greiner  
Mr Humpherson  
Mr Schipp

Mr Davoren  
Mr Gaudry  
Mr Iemma  
Mrs Lo Po'

**Question so resolved in the negative.**

**Motion negatived.**

**STATE REVENUE LEGISLATION (AMENDMENT) BILL**

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

## Second Reading

**Mr SOURIS** (Upper Hunter - Minister for Sport, Recreation and Racing, and Minister Assisting the Premier), on behalf of Mr Fahey [4.23]: I move:

That this bill be now read a second time.

The bill now before the House will increase stamp duty on motor vehicle certificates of registration, tobacco licence fees, debits tax, and the commission on win, place, quinella and forecast totalizator operations. The bill will also increase the level of liquor fees and introduce a lesser licence fee in respect of low alcohol beer. These increases have become necessary to redress the shortfall in funds available to the Government as a result of the cuts in Commonwealth grants for 1992-93 to this State announced at the recent Premiers Conference. I will now deal with each of the increases in more detail. On stamp duties, under the current provisions, stamp duty is payable on the issue of a motor vehicle certificate of registration at the rate of \$2 per \$100 or part of \$100 of the value

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of the vehicle. This rate will be increased to \$2.50 for every \$100 or part thereof with effect from 1st July, 1992. It is expected that this measure will provide an additional \$48 million in the 1992-93 financial year.

On tobacco licence fees, the current ad valorem licence rate payable by licensees in respect of the value of tobacco sold during a particular month is 50 per cent. This rate will be increased to 75 per cent in respect of licences commencing on or after 28th July, 1992. I should point out that licence fees for the licence period commencing on 28th July are based on sales during the month of June. However, as the increase in fees was not announced until 12th June, relief from the higher rate of fees will be provided in respect of sales prior to that date. This relief will be provided in the form of ex gratia payments. As the rate of tax in Queensland is 30 per cent, the current buffer zone will be extended in order to ensure that tobacco licensees along the Queensland border are not disadvantaged by the tax increase. This buffer zone will be consistent with zones 1 and 2 under the existing petroleum licence fee zones. Retailers in zone 1 will be entitled to an exemption of 100 per cent of the difference between the rates applicable in New South Wales and Queensland and those in zone 2 will be entitled to a concession of 50 per cent of the difference. These arrangements will commence from 1st July, 1992. The increase in the tobacco fee is expected to raise an additional \$92 million in revenue during 1992-93.

On debits tax, the current debits tax rates applicable to amounts debited to accounts on which a cheque may be drawn are 15c for amounts not less than \$1 but less than \$100, 35c for amounts not less than \$100 but less than \$500, 75c for amounts not less than \$500 but less than \$5,000, \$1.50 for amounts not less than \$5,000 but less than \$10,000 and \$2 for amounts of \$10,000 or more. These rates will be increased to 30c, 70c, \$1.50, \$3 and \$4 respectively with effect from 1st January, 1993. This measure is expected to raise an additional \$55 million in revenue during 1992-93. On totalizator commission, under existing legislation, all investments made on win, place, quinella and forecast totalizators are subject to a deduction of 14 per cent with the remainder paid as dividends to successful investors. The bill increases the rate of commission on these totalizators from 14 per cent to 15 per cent, bringing the rate into line with all other States except South Australia and Western Australia, which are taxed at 14.5 per cent and 16.5 per cent respectively. The 1 per cent increase is to be paid to the Consolidated Fund and will take effect from 1st July, 1992. It is expected that this measure will raise an additional \$23 million in revenue during 1992-93.

On liquor licence fees, the bill will increase the current licence fee of 10 per cent of liquor purchases to 13 per cent of liquor purchases. Also, the bill will introduce a new, lower rate of 7 per cent in respect of purchases of low alcohol beer containing 3.5 per cent by volume alcohol or less. The fee change will take effect for the instalment due on 15th May, 1993, for the licensing period commencing on 16th January, 1993. The instalment to be paid on 15th January, 1993, will be made at the old rate of 10 per cent. Because licensees of clubs have not been required to keep records of low alcohol beer a transitional measure will be adopted for the May 1993 payment. This will apply a statutory formula deeming 25 per cent of half the beer purchases made in the assessed period to be low alcohol beer. It is expected that the increase from 10 per cent to 13 per cent will raise an additional \$26.5 million in revenue during 1992-93. The cost to revenue of the new rate of 7 per cent for low alcohol beer has been estimated as being \$4.5 million for 1992-93. I must reiterate that the Government has been forced to make

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these increases as a result of the substantial shortfall in funding from the Keating Federal Government for the 1992-93 financial year. These measures will assist in avoiding substantial expenditure cuts and enable basic government services to be maintained at current levels. I table detailed explanations of the bill for the assistance of honourable members. I commend this bill to the House.

**Mr CARR** (Maroubra - Leader of the Opposition) [4.28]: If anyone wanted confirmation that Greinerism is alive and well, it is here in the arrogance of the Government that dumps this legislation on this House with an hour's notice. There is the well-tried formula of hefty tax increases, the hallmark of the Government under the previous, disgraced Premier. This bill has broken promises riven through it, as I will establish. Greinerism is indeed alive and well, with one additional ingredient. New South Wales now has a Premier pleading to the world his ignorance of economic management considerations. Premier Fahey is telling the world, as he told the *Sydney Morning Herald* on 29th June:

It is not the case that the reason we are doing everything is to save the triple-A rating.

What I want on my wall is not a triple-A rating.

Make sense of that if you can! "I don't want a triple-A rating on my wall", says the new Premier, "It is not the case that the reason we are doing everything is to save the triple-A rating". If we wanted to be cruel to him today, we could have asked him what he meant by that. The people observing his performance would surely like to know. My colleague the honourable member for Charlestown will shortly put on the record the evidence of how the measures in this bill which affect racing are likely to lead to less rather than more revenue. He will be inviting members of the National Party to speak out about the devastating impact these measures will have on country racing. They will feel the force of anger in rural communities about what the Government is doing to that significant industry. I will not repeat the evidence of waste and mismanagement under this Government - \$30 million being spent yearly on consultants and the overblown senior executive service. We have it on the authority of the Metherell diaries no less - that marvellous insight into how this Government works - that the senior executive service in this State is roughly double the size it was intended to be in 1988. I will not go through all that because that is what is understood by the public.

I want to focus on the failure of the new Premier to give any indication in his statements about economics and finance that he is prepared to do what his predecessor would not do, that is, to attack the waste and mismanagement, to take a knife to the waste and mismanagement that has accumulated during the four years of Greinerism, which we



are told lives proudly on under this new stop-gap Premier. Look at the record of broken promises of this Government on taxes. Remember the quotes of 1988. The policy document reads:

The successful achievement of our recurrent expenditure goals in 1988-89 will provide considerable scope for real tax reform . . . the elimination of taxes in some areas and real cuts in others, and for reduction of the State deficit.

. . .

Under the Coalition there will be no tax changes other than indexation of thresholds.

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That was the Government's policy in 1988. By no test has it delivered. Taxes have been increased in every area. Is any honourable member able to nominate a single tax that has been abolished in line with the policy commitment of 1988? Where have taxes been cut? In the 1988-89 Budget the Government committed itself to indexing the payroll and land tax scales. The policy document also contained these words:

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.

We wait for it still. There has been a lamentable performance on waste and mismanagement and a lamentable performance on tax reform. Totally unfulfilled is the promise in the Curran commission report of real tax savings of \$300 million flowing to taxpayers in this State from economic reform. I do not want to go into detail on the tax record of the Government, but highlighted in that record is an increase in petrol tax in 1989 of 3c a litre, raising more than \$200 million a year; a rise in tobacco tax from 30 per cent to 35 per cent, raising \$33 million a year; a further rise to 50 per cent in 1991, raising \$90 million a year and now a further rise in this bill to 75 per cent, which will raise \$100 million a year.

**Mr Causley:** Tell us what your Federal mates do about fuel taxes.

**Mr CARR:** We will come to that. A new turnover tax on draw poker machines in 1990 raised nearly double the former licence fee, or around \$30 million a year. There has been a range of increases in motor vehicle weight tax, and all the rest, and the increases in this measure. Collectively, these measures will raise \$1.3 billion in a full year. That is the record of this Government on increasing taxes. All taxes have been hiked since it came to office in 1988. That must be measured against the \$300 million in tax cuts promised by the Government at the time of the Curran commission report. They have not been sighted; the tax cuts have not been seen. The Premier says, "Greinerism lives on". He says there will be a change only in the packaging of the policies of Greiner. The Premier says, "Greinerism is alive and well".

The poor old Minister for Natural Resources was heard a minute ago interjecting, "It is all the fault of the Federal Government". Let us look at what the former Premier said after going to Canberra with what proved to be a carefully planned package of tax increases in his pocket. As we all know, the cuts from the Federal Government were about \$100 million in real terms, a small proportion I might say of the cuts in grants to New South Wales that would be felt if a Hewson Government was elected, bearing in mind the policies Hewson has announced and to which he is

committed. The Premier emerged from the Premiers Conference and announced revenue rises which his press release of 12th June said would raise \$250 million in the coming year. The fact is the Government had already booked advertisements in the Saturday papers before it had any hint from the Federal Government of the outcome to the States. The increases were required to cover another measure of this Government's failure, another indicator of this Government's broken promises, that is, the staggering record on the deficit. Remember the grand words in its policy in 1988:

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

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The Government inherited a budget deficit calculated by an equivalent accounting method of around \$300 million a year in 1987-88. That was Labor's last budget and reflected the sound management of Labor. New South Wales triple-A rating was never once under review in 12 years. We now know the outcome: a deficit of \$1.5 billion. That is the measure of the failure of Greinerism; and the true bankruptcy of the new Premier is that he declares, as he did last week on taking over his job, that Greinerism is alive and well. The Opposition opposes this legislation. In all its measures and implications, the legislation symbolises the bankruptcy of the Greinerism we are assured lives on in the policies of this Government.

**Mr FACE** (Charlestown) [4.40]: I commence my remarks by saying that the measures before the House affecting racing and liquor will be the death knell of this Government. The legislation will affect two industries in this State that employ a large number of people. The racing industry in Australia is recognised as the third largest generator of income and the fourth largest employer overall. There has been no consultation with the racing industry. I feel sorry for the officers in the department responsible for racing and the Chief Secretary's Department because they only knew about this when they were told. They were not consulted. Therein lies the problem. The industry was not consulted and the departments responsible were not consulted. As a consequence, we have this madness. Country racing will be in dire straits within a short period, and the Government will put a number of liquor stores and hoteliers, more so than clubs, to the wall. Government members must feel very proud of themselves. The former Premier recently announced a proposed increase of 1 per cent in the statutory deduction from New South Wales totalisator pools, win, place, and quinella, to bring New South Wales into line with the current deduction in Victoria.

Mr Greiner stated that the Premier of Victoria, Mrs Kirner, was under pressure to reduce Victoria's deduction to 14 per cent and that the Premiers had reached an agreement for New South Wales to increase its tax by 1 per cent to 15 per cent rather than Victoria coming down to 14 per cent. What a crazy situation. Even a member of my own party sold Greiner a pup and New South Wales has to suffer. Tables contained in a document set out the current position in each State. I note that New South Wales Government commission figures are 8.08 per cent, which includes all totalisator turnover from the three racing codes, as well as unclaimed dividends and fractions. In Victoria the Government's commission is 6.84 per cent. Retention by the industry, less Totalisator Agency Board running expenses, in New South Wales amounts to 5.92 per cent; in Victoria it is 8.16 per cent. Deductions from the pool in this State are 14 per cent, and in Victoria 15 per cent. If the New South Wales Government increases the deduction to 15 per cent, it will be taxing the industry 2.24 per cent more than racing is taxed by the Victorian Government.

Mr Greiner spoke of parity between the two States, yet he intends to widen the gap between the racing industries in New South Wales and Victoria. He is supposed to be a manager. Currently, \$250 million is invested annually in the New South Wales TAB by punters domiciled in other States. This investment has been attracted to New South Wales by virtue of the fact that this State has the lowest rate of deduction in Australia. Should this \$250 million investment be lost to New South Wales Totalizator Agency Board turnover, the Government will gain approximately \$6.1 million and the industry will lose \$15.6 million. The projected revenue from increased deductions, based on the 1990-91 turnover figures, indicates that the TAB will have a turnover of

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\$3,182,939 million; on-course turnover will be \$534,122 million; win, place, quinella turnover will be \$2,443,522 million; on course for win, place, quinella betting will be \$364,024 million. The extra 1 per cent to the Government will generate Totalizator Agency Board turnover of \$244,435 million, and \$3,640 million turnover on course.

There will be an effect on turnover because of the statutory 15 per cent deduction. All the research material at my disposal - and I even checked with the United States of America recently on progressions, and every State can provide figures - indicates that, when the Government tampers with taxes, there is a reduction in revenue. In the time that I have been a shadow minister I have learnt that from the situation that exists in other States. The material I have is conclusive that off-course Totalizator Agency Board turnover in New South Wales may decline by 5 per cent. On the other hand, the estimated decline in on-course turnover is put as high as 30 per cent. That 30 per cent decline in turnover comes at a time when 80 per cent of race clubs in New South Wales are in difficulties and many operate in country areas represented by honourable members opposite. The Government is going to put those clubs over the line. I can provide instances of two race clubs which handed back their fixture date, even before this proposed tax has taken effect. This is the critical issue that affects the viability of race clubs in New South Wales, particularly country clubs, which rely on the income derived from the turnover investment of professional punters, many of whom travel from interstate. Last week at the Border Park course, 62 per cent of the turnover on dog and trotting races was from professional punters. I travelled to Murwillumbah recently and saw exactly the same situation - although not quite as high a turnover. At the Newcastle club course 41.88 per cent is the average turnover from professional punters. The Government is only dealing with 1 per cent. If those professional punters are put out of it, the revenue to be derived from them will be lost.

Tables I have indicate the effect of a decline in turnover on both Government and industry revenue. It can be seen that an 11 per cent reduction in on-course turnover is revenue neutral for the Government and disastrous for the industry, while the point at which the decline in TAB turnover becomes revenue neutral for government is approximately 13 per cent. The Opposition believes that this decision is ill-advised. It has the very real likelihood of raising far less revenue than the figures projected by the Government. If the Government had consulted the department administering racing, it would receive exactly the same reaction. At the same time, this decision will devastate the financial viability of the three codes of racing. In the interests of brevity, I seek leave to include several tables in *Hansard*.

**Leave granted.** [See *Addendums I and II*.]

**Mr FACE:** The pertinent point is that the increase in taxation is more likely to bring no increase in revenue. That is the experience in other States and New Zealand. The fact is that two country clubs have handed back their fixture dates - I do not propose to name them - and I understand an additional six clubs are considering their present

positions. I concede that some of those clubs - not all of them - are in trouble as a consequence of money recently being spent on training facilities. There is insufficient patronage of the training facilities, which really could not support the facilities in the first place. The professional punters will go off-course and the Totalizator Agency Board will not be in the advantageous position it is now, compared with agencies in other States. The Opposition opposes the proposed increase. In the period between now and when it

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takes over government of this State, the Opposition will be looking at a range of issues. I have evidence from the New South Wales Bookmakers Co-operative Society, and from at least two other organisations, indicating there is a strong case for not increasing the tax by 1 per cent but possibly reducing it by 1 per cent.

*[Interruption]*

The Government has the resources. The Opposition is not going to be like the coalition was prior to taking office. Prior to coming to government in 1988 the present Government - and the Minister for Natural Resources was one of the worst offenders in this regard - promised all sorts of things. This Government broke 200 promises. The Government made promises it was never likely to be able to fulfil. The Government has got itself caught this time, and very badly caught. The Government will bring racing in this State to its knees, and that will be on its head. This matter has not been adequately researched. I repeat, Minister - and you are probably one of the competent Ministers on that side - if you had asked the advice of your department, you would not have gone down this track. The model TAB has annual totalisator betting of almost \$1,000 million. As can be seen from the model, assuming a 15 per cent commission deduction split at 8 per cent to the Government Consolidated Fund and 7 per cent to the Totalizator Agency Board - distribution of funds invested in the Totalizator Agency Board - there would be some startling results.

I have in my possession a public document written by an officer of the Totalizator Agency Board. It details the effects the goods and services tax has had in New Zealand. It also details what will occur in this State if we go down that same track. Leaving racing aside, I shall deal now with what the Government has done to the liquor industry and how much consultation took place. The Chief Secretary, and Minister for Administrative Services, and Minister Assisting the Premier on the Status of Women, for whom I have deep respect, attended a function the day before this announcement was made and said that she was going to write a memorandum to Cabinet about what should be done about taxes. I feel sorry for her. If she had asked her departmental officers about this matter, they would have told her the same thing - once again, it is another dream of Treasury. In 1982 the former Labor Government retrospectively increased taxes from 8 per cent to 10 per cent. That should not have happened, and I was one who led the charge in my own party. That increase was wrong in principle, but honourable members should read some of the chestnuts put forward by the former Treasurer, Mr Greiner, in 1982. In speaking to the Liquor (License Fees) Bill he said:

This obnoxious piece of legislation must be seen in the context of gross financial mismanagement by the Government, its failure to predict accurately revenue and costs.

That is what Nick Greiner said. He also said:

This method of taxation discriminates against small business and the people in the country . . . I foreshadow that in Committee the Opposition will move an amendment to schedule 2 to the main bill. That amendment is designed to remove the retrospective element of the legislation, so that it will apply only to purchases made after 1st January, 1982. That would give

the industry a chance to recover. Moreover, it would spread the taxation burden and reduce substantially the impact of this legislation on small businesses and the drinkers of New South Wales.

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At that time Greiner had a lot of concern for the drinkers of New South Wales, but 10 years later it is a different story. The next half dozen pages of drivel relate to how concerned he was about the industry and how morally wrong the legislation was. He said that a Liberal Party-National Party government would never introduce retrospective taxation in regard to liquor. Some 10 years later we have the spectacle of an increase in taxes of 3 per cent - not 2 per cent. The licensing fee in this case has supposedly been softened by reducing from 10 per cent to 7 per cent the rates operating on low alcohol products. If the former Premier had been so impressed with Mrs Kirner's performance, he would have used her yardstick. She has increased the rates in Victoria to 13 per cent but has reduced the rates operating on low alcohol products to zero, as has the Northern Territory and, from memory, Western Australia, or it is about to do so. If this Government were fair dinkum it would have done the same thing. To the Government's credit, the rates pertaining to low alcohol products are below 3 per cent. I have always disagreed, as the present Minister has, with the 3.8 per cent national yardstick on low alcohol products. I believe it ought to be below 3 per cent.

Labor's policy in the last election was that it would not increase the present liquor licensing fee structure. At that time the Government was proposing to increase the fee. On an occasion at the races Mr Greiner said that he would not increase the fee. That was because an election was pending. People have a habit of talking at the races - one should never say things without thinking them through. The Opposition has always believed that the licensing fee structure should have an inbuilt inflation factor; and that is the way it ought to be. Since the last election Opposition members have amassed significant evidence from the liquor industry and a great deal of evidence from brewers and wholesalers. They have consulted with the industry, including the Australian Hotels Association, the Registered Clubs Association and the Retail Liquor Store Owners' Association. On the reduction or the abolition of low alcohol beer tax the Leader of the Opposition and I have said that any change the Opposition would make would be revenue liquidity in line with our commitment, and that at the same time there would be no loss of revenue to the State. In the present economic climate that is a responsible policy. Opposition members will hold to their election promise. We will consult with the industry and remove the licensing fee on low alcohol beer but raise the tax from 10 per cent to 13 per cent for beer with an alcoholic content above 3 per cent. [*Extension of time agreed to.*]

I understand the consumption of low alcohol beer in this State amounts to 11 per cent. In the Northern Territory it is 28 per cent or 29 per cent and in other States where there has been an incentive the figure ranges between 15 per cent and 17 per cent. In this day and age many low alcohol products are reasonably tasty. If we are fair dinkum about the road toll and our health - and I am not making excuses; no one likes a beer better than I do - we should be encouraging people to drink low alcohol products. The Government ought to be looking at a range of retrospective taxes on such things as licence fees on invoices. I have spoken to Treasury officials about licensing fees being paid by wholesale outlets. I know the Federal Government has experienced problems in that regard, and any government would be stupid to go down a track that is likely to lose revenue. However, at present the matter is in the too hard basket.

One of the biggest imposts on local liquor shops at present is the vast amount of

work required to fill in licensing forms. Heaven help them if the goods and services tax is introduced. The other day when visiting a country electorate a fellow said to me,  
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"I spend all day Saturday and half of Sunday filling in these forms. If we have the GST that will be the finish of my weekend". That will be the situation if that tax ever comes to pass. The honourable member for Drummoyne received a letter from a family company, Toohey Bros, which owns four liquor outlets. The banks will not lend that company \$100,000 to pay the retrospective licence fee. It is impossible for the company to generate that income. It is lost. Many small businesses have found themselves facing the same problem. What the former Labor Government did in 1982 was wrong. It should not happen again. In this recession, which everyone agrees is the worst the country has experienced for 60 years, the Government is going to foist this legislation upon the people.

*[Interruption]*

Mr Speaker, I appeal to you about the incessant interjection by the Minister for Natural Resources. He knows he could not run the department, and now he tries to give me a hard time.

**Mr SPEAKER:** Order! Is the honourable member for Charlestown taking a point of order or making an observation?

**Mr FACE:** The Government will stand condemned for its action, which has been taken without consultation. Its lack of consultation will be the final blow to government. It has started to lose touch with those that it serves. Every day we hear about what it is doing to the hospitality industry, the tourism industry, racing taxes, and licensing fees and how it has put people in jeopardy. Even if this action had been taken with a reasonable amount of consultation, we would have accepted it. But the Government never learns from its failure to consult; it will perish on the same rock as an earlier government if it does not learn that lesson. We learnt our lesson prior to 1988. I feel sorry for the departments. The Opposition will oppose the bill.

#### *Addendum I*

#### NSW TOTALISATOR DEDUCTIONS (\$000's)

	On-Course			Off-Course	
	Current Club	Govt	Proposed	Current TAB	Govt
Win Place Quinella	6%	8%	+1%_9%	7.5%	6.5%
Doubles	6%	10%		7.5%	8.5%
Trifectas	7%	10%		8.5%	8.5%
Superfecta	10%	10%		8.5%	11.5%

	Galloping	%	Harness	%	Greyhound s	%	Total	%
Win/Place	\$215,347		\$32,547		\$32,988		\$280,882	
Quinella	\$59,691		\$10,932		\$12,520		\$83,143	
	<u>\$275,038</u>	75.6	<u>\$43,479</u>	11.9	<u>\$45,508</u>	12.5	<u>\$364,025</u>	100
Doubles	\$15,334		\$1,731		\$2,035		\$19,100	
Trifectas	\$100,743		\$19,310		\$27,071		\$147,124	
Superfectas	\$2,627		\$409		\$837		\$3,873	
	<u>\$118,704</u>	69.8	<u>\$21,450</u>	12.6	<u>\$29,943</u>	17.6	<u>\$170,097</u>	100
TOTAL	\$393,742	73.7	\$64,929	12.2	\$75,451	14.1	\$534,122	100

#### OFF-COURSE TOTALISATOR TURNOVER 1990/91

	Galloping	%	Harness	%	Grey-hou nds	%	Total	%
Win	\$1,246,692		\$137,971		\$112,046		\$1,496,709	
Place	\$567,103		\$54,771		\$34,873		\$656,747	
Quin-ell a	\$235,752		\$28,555		\$25,910		\$290,217	
	<u>\$2,049,547</u>	83.9	<u>\$221,297</u>	9.1	<u>\$172,829</u>	7.0	<u>\$2,443,673</u>	100
Double	\$101,089		\$13,420		\$14,624		\$129,133	
Tri-fecta	\$445,727		\$70,403		\$81,854		\$597,984	
Super-fe ctas	\$6,546		\$2,268		\$3,335		\$12,149	
	<u>\$553,362</u>	74.9	<u>\$86,091</u>	11.6	<u>\$99,813</u>	13.5	<u>\$739,266</u>	100
TOTAL	\$2,602,909	81.8	\$307,388	9.7	\$272,642	8.5	\$3,182,939	100

	Government Revenue		Government +/- Revenue		Industry Loss	
	On-course	Off-course	On-course	Off-course	On-course	Off-course
Current 8% (on-course) and 6.5% (off-course) deduction/no turnover reduction win/place/quinella	46,132	222,041	-	-	-	-
9% (on-course) and 7.5% (off-course) deduction/no turnover reduction wpq	49,772	246,477	+3,640	+24,436	-	-
9% (on-course) and 7.5% (off-course) deduction/5% turnover reduction wpq	48,134	237,313	+2,002	+15,272	1,092	7,819
9% (on-course) and 7.5% (off-course) deduction/10% turnover reduction wpq	46,446	228,150	+364	+6,109	2,184	15,640
9% (on-course) and 7.5% (off-course) deduction/11% turnover reduction wpq	46,168	226,317	*+36	+4,276	2,402	17,203
9% (on-course) and 7.5% (off-course) deduction/12% turnover reduction wpq	45,840	224,484	-292	+2,443	2,621	18,767
9% (on-course) and 7.5% (off-course) deduction/13% turnover reduction wpq	45,513	222,651	-619	+610	2,839	20,331
9% (on-course) and 7.5% (off-course) deduction/14% turnover reduction wpq	45,185	220,819	-947	*-1,222	3,058	21,895
9% (on-course) and 7.5% (off-course) deduction/15%	44,858	218,986	-1,274	-3,055	3,276	23,459

turnover reduction wpq

- \* On-course - 11% turnover reduction is the cut-off point for additional State Government Revenue
- Off-course - 14% turnover reduction is the cut-off point for additional State Government Revenue

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## *Addendum II*

### TAB BETTING MODEL

The model State TAB has annual totalizator betting of \$1,000 million. Assume a 15% commission deduction split as 8% to the Government Consolidated Fund and 7% to the TAB. The distribution of funds invested on the TAB.

\$1,000 million	100% of betting
\$850 million	85% returned to players
\$80 million	8% State Tax
\$70 million	7% TAB income

As in New Zealand GST at 15% is applied to the retained portion with the following outcome:-

\$1,000 million	100% of betting
\$827.5 million	82.75% returned to players
\$80 million	8% State Tax
\$70 million	7% TAB income
\$22.5 million	2.25% GST Federal Tax

The return to punters has been reduced by \$22.5 million being the amount paid to the Federal Government. Total Government's tax revenue has become \$102.5 million as opposed to \$80 million. Paid to the State under the present system.

But totalizator betting is not like taking lottery tickets. The total amount of betting on lotteries is determined by the size of the players purses (disposable income).

However totalizator betting is similar to playing poker machines where the total amount of betting is determined by the size of the players purse and their success rate. Winnings from a horse race or from a poker machine spin are invariably reinvested in another race or another pull of the machine handle. Re-investment continues until the purse or the players need for entertainment is exhausted. It has been amply demonstrated that a decrease in the amount returned to totalizator players results in an overall reduction in the amount of betting.

Suppose the Model State TAB sees a fall in annual betting to \$820 million. The sum becomes:-

\$820 million	100% of betting
\$678.55 million	82.75% returned to players
\$65.6 million	8% State Tax
\$57.4 million	7% TAB income
\$18.45 million	2.25% GST Federal Tax



Total Government tax revenue is now \$84.05 million a mere \$4.05 million over the existing system. But at the same time TAB income has fallen from \$70 million to \$57.4 million.

Around 42.5% of TAB income is distributed to the racing industry. This distribution is critical to both. Without racing there is no TAB. Without TAB distribution prize money for racing will be almost non-existent.

In this model TAB distributions to racing have fallen from \$29.75 million to \$24.395 million or a decline of \$5.355 million. In other words the Government is plus \$4.05 million while racing is minus \$5.355 million.

Due to the fall in income racing prize money is reduced, horse owners become discouraged, less horses are bred and fewer races are programmed. TAB betting again declines as players seek their entertainment elsewhere.

The experience in New Zealand, originator of the TAB system, fits the model. TAB betting is in major decline and their highly important racing industry is in trouble. Probably only their proximity to Australia is saving the industry.

**Mr HATTON (South Coast) [5.0]:** Together with other Independents, I had  
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detailed discussions with Treasury officials, including Mr Percy Allan, on the Statute Revenue Legislation (Amendment) Bill. We were worried about the legislation for two reasons: first, because of its impact; and, second, because of its timing. Last year the Leader of the Opposition and the Independents separately met with Moodys. At that stage New South Wales' triple-A credit rating was put on hold. I was given to understand at that time - and I believe it was the truth - that it was extremely rare for any government around the world to regain its triple-A rating after it had been put on hold. New South Wales achieved that honour and rare attainment because of a commitment made by the Independents and the Opposition to do what they could, through supporting economic policy, to ensure stable economic management in a very difficult time.

In addition to that, to support stable government, the Independents in their charter of reform agreed to support budget measures even though they would have to bear criticism from their electorates. The aspect of this bill that concerned them was whether it should be dealt with or viewed in that light. It is a revenue bill. New South Wales has a deficit of \$1.5 billion. That deficit could continue at that rate for some years. One way to address this deficit is through debt retirement, involving the sale of assets. I vigorously opposed some such sales. However, we as Independents supported the sale of GIO Australia. That will help debt retirement and it will help retain the triple-A rating of our State. I was very interested in two matters put forward by the Leader of the Opposition in discussions leading up to the no confidence motion. He was at great pains to convince us that his alternative strategy for managing New South Wales would be just as responsible as that of the present Government. That means that it would inflict pain and that there would be reduced spending. I believe he is sincere in saying that, and I pay the present Opposition the compliment of saying that in my 19 years in Parliament - and I said this to Moodys - I have never met an Opposition that was prepared to inflict pain, to say that it would restrict spending and not to promise, like an octopus with eight arms, giveaways to every special interest sector of the electorate at large.

Honourable members cannot have it both ways. If the Opposition is to oppose the legislation, it should say what other ways the \$200 million-plus shortfall can be redressed. That shortfall of over \$200 million occurred as a result of the Premiers

Conference and for two reasons. In 1973 I came to this Parliament as a very young and inexperienced member. I was very impressed when the then Premier and Treasurer, Sir Robert Askin, said what a very bad deal New South Wales received from Canberra in its share of taxation returns. I remember making my local broadcast, thinking that I would change the world. I supported our Premier, saying how outraged I was as a New South Welshman that we had such a rotten deal. Since then, Premiers and Treasurers of all political colours have said exactly the same thing. They have all gone off to Canberra and received the same rotten deal. The former Premier got the same rotten deal recently from the present Prime Minister. In addition, the Premier did not get the growth factor that he thought he would get. The failure to redress the problem of New South Wales' share cost the State \$100 million. Not receiving the growth factor also cost this State more than \$100 million. So Premier Greiner did the smart political thing. He was prepared to be knocked back, and he immediately announced the taxes that he had to impose and blamed them on Canberra. If honourable members think that is a feature of one side of politics and not the other, Premier Kirner did exactly the same thing. She was armed to the teeth.

I am convinced by Treasury that it is important to reduce the deficit of the State as soon as possible - down to \$1.2 billion in the first instance and, within a three-year period if possible, down to less than \$1 billion or perhaps the \$800 million range. We are either sincere or not sincere about trying to retire that debt. I am prepared to take the criticism that will be levelled at me by the Opposition and people within my

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electorate - in some ways quite properly, because pain will be inflicted on people in a tough economic time - but I will stand up and accept that because I believe that this is right and has to be done. In a time of high inflation, the debt is less serious in one respect. Even though interest rates may be high, the debt loses its real value quicker. The opposite is true in a time of low inflation and low interest rates. We have a double whammy at the moment because there is a perched interest rate - this is because of the problems that banks got themselves into through lending money with as many arms as they had - and at the same time a low inflation rate. Consequently, that poses a special problem.

I have put some time into studying the effect of retrospective taxation on the liquor industry because I am concerned for the people in my electorate and in other areas of the State who have written to me. I understand that the initial proposal was that liquor taxes would be paid in two instalments - in mid-January 1993 and May 1993. Now they will be paid in May 1993 but on liquor that the industry will sell at the higher income price level as from January of that year. I have found that retrospectivity is a Commonwealth problem. If there could be the necessary change at the Commonwealth level - which may mean some constitutional change - so that taxes could be collected in concert with the increase in liquor price at the State level, that is what would be done. But apparently it either cannot be done or will not be done by the Federal Government. I will support the legislation for the reasons that I have outlined.

**Mr SOURIS** (Upper Hunter - Minister for Sport, Recreation and Racing, and Minister Assisting the Premier) [5.9], in reply: On behalf of the Premier, Treasurer, Minister for Industrial Relations, Minister for Further Education, Training and Employment, and Minister for Ethnic Affairs, I will sum up the debate. But first of all I express my thanks to both Independents and the Opposition for allowing this bill to be debated on 1st July. The point of that is that it is part of the budgetary strategy and it is an important revenue bill. It is important that the bill should be considered today because it will have an effect over a full year and will enable extra State revenue to be raised between now and approximately November, when a normal budget and the bills

associated with it possibly could take effect. To do otherwise could have the effect of losing \$40 million to \$50 million in State revenue. The need for adjustment of taxes to raise extra revenue has been caused by the lack of Commonwealth assistance to New South Wales during the recent Premiers Conference. Despite the promises made by the Prime Minister that revenue growth of perhaps 2 per cent to 3 per cent would be available to the States, in other words an additional \$100 million to about \$150 million, only 1 per cent became available at the Premiers Conference. In addition, it was expected, on listening to the comments, assumptions and promises that had been made by the Prime Minister, that the old grants formula and the equity that is attached to the application of that formula would be soon phased out and that proper redress would be given to the States.

Neither of those things occurred. New South Wales found itself not only with a smaller share of the cake but a share of a smaller cake than had been promised. That was a complete betrayal by the Prime Minister of promises that had been made to the States. That imbalance required immediate redress by several States, in particular Victoria and New South Wales, where the impact was to be felt most. This measure can be traced directly to the injustices suffered by New South Wales and other States at the hands of the Federal Government during the Premiers Conference. It is necessary to introduce the bill now so that a full year's budgetary measure can take effect. The bill represents the full extent of the taxation impacts that would be associated with the Budget. There will be no new taxes in the Budget, and I am repeating what has been said publicly by the Premier.

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All measures in the bill have been targeted to avoid impacts on business and employment. That policy has been adopted, but it is very difficult to draft measures that can be implemented in a way that minimises the effect on business and employment. These measures represent the best possible scenario that New South Wales could have produced, keeping in mind that important impact. The honourable member for South Coast was the only member to allude in this debate to this State's triple-A rating and the importance of retaining that rating, in that a lesser rating would have an impact on debt servicing charges and would cost the State a considerable amount of money. The honourable member for South Coast said that one of the reasons that the State has been able to retain its rating was the political role of the Opposition and the Independents and their ability to explain to the ratings agency that the policies of the Government in respect of debt management and curtailment of expenditure would be replicated by an alternative government.

This measure is but one of the measures that are relevant and necessary as part of the overall strategy that New South Wales has implemented successfully, leading to the retention of the triple-A rating. I note that both members who have contributed on behalf of the Opposition did not promise to reverse anything contained in the bill. There have been many opportunities for official promises to be made that any or all of these measures would be removed if the Opposition came to office. The recent promises I have heard from the Opposition about more teachers, reduction of tolls and the taking over of tollways are all to be funded out of the 3 x 3 fuel levy program, which yields less than \$200 million per year. Those promises, however, would have an impact of about \$10 billion per year on expenditure. It is outrageous to think that the Opposition has any other policy to implement a high expenditure regime, as reflected in its promises, which have now been costed by the Government. In fact, the Opposition has not removed any of the taxes mentioned. The bill represents a list of measures that this State has no alternative but to implement, and can be traced back to the ultimate betrayal perpetrated

by the Commonwealth Government this year through the Premiers Conference. I support the bill.

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

**The House divided.**

**Ayes, 47**

Mr Armstrong  
Mr Baird  
Mr Blackmore  
Mr Causley  
Mrs Chikarovski  
Mr Cochran  
Mrs Cohen  
Mr Collins  
Mr Cruickshank  
Mr Downy  
Mr Fraser  
Mr Glachan  
Mr Griffiths  
Mr Hatton  
Mr Hazzard  
Mr Humpherson

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

Mr Photios  
Mr Rixon  
Mr Schultz  
Mr Small  
Mr Smiles  
Mr Smith  
Mr Souris  
Mr Tink  
Mr Turner  
Mr West  
Mr Windsor

Mr Yabsley  
Mr Zammit  
*Tellers,*  
Mr Beck  
Mr Hartcher

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Noes, 43

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

Mr Davoren  
Mr Gaudry  
Mr Iemma  
Mrs Lo Po'

**Question so resolved in the affirmative.**

**Motion agreed to.**

**Bill read a second time and passed through remaining stages.**

**COAL INDUSTRY (AMENDMENT) BILL**

**Second Reading**

**Debate resumed from 7th May.**

**Mr NEILLY** (Cessnock) [5.26]: I oppose the emasculation of the Joint Coal Board as proposed in the Coal Industry (Amendment) Bill. In doing so I register the concern of the community in which I reside and the concern of all other coalmining communities within New South Wales. The advent of the Joint Coal Board back in 1947 was at the behest of the coalmining unions and at the will of the McGirr and Chifley governments. The board had a role in a time of difficulty.

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

**Mr NEILLY:** We were looking to overcome a shortage of coal within the State. It was not a question of export coal; it was about the needs of the State. The board was designed to conserve our coal resource and to introduce certain welfare requirements for coalminers and the communities in which they resided. The board was also designed to investigate technological development in the coalmining industry, which was probably unique in those days. The board also aimed to improve extraction methods within the  
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industry. The unions have regarded the board as the independent broker within the coalmining industry. Some of the powers taken from the board by this legislation have either not been used or been used only rarely. The board gives comfort to the unions, which is sorely needed these days. The Minister for Natural Resources is in the Chamber. Despite what he stated at question time, I am concerned about the coalmining industry in my area. On 29th May I wrote a letter in relation to the closure of Lemington. I have not received a reply; it may be on its way. I do not blame the Minister. The 200 men being retrenched from Lemington this week will be pleased about the good news the Minister gave at question time.

The coal board could have been asked to look at the situation of Lemington. This bill has not yet been passed. The workers displaced from Lemington are looking to be retrained and employed in other industries. If the future for underground mines is bright, I do not know why the workers from Lemington would be looking to other forms of employment. The coal board could have been asked to look at what is going on at Preston colliery. I know a few persons who work at Preston, including deputies. They had just prepared a new area and thought that their future was secure. Both of the deputies I know are now looking for work in Queensland because of the cutback at Preston colliery. I am concerned at loss of resources through changes in the industry. Some changes are vital and others can be contained. The coal board has powers of intervention and closure. In earlier debate on this bill the honourable member for Kiama referred to the desire by Kembla Coal and Coke to close Coalcliff colliery.

People living in the community and working in the industry were satisfied to a degree; there were jobs to go to. I have examined the powers of the board with regard to the opening of new mines and disputation. Back in the 1980s there was a dispute at the Drayton open-cut mine about the proposal to open Ulan and the fears of the industry with regard to underground mines continuing amidst fierce competition from open-cut operations. Ultimately the coal board was able to negotiate an arrangement with regard to production quotas. The dispute was resolved and Drayton and Ulan were back in operation. Duplication of services provided by the Department of Mineral Resources and the board have been referred to. I believe that the duplication could have been minimised without the board being stripped of its powers. Many problems existed for both the Joint Coal Board and the department. In the days when West Wallsend was in my electorate the construction of the National Highway was delayed for two or three years because of toing and froing in regard to the loss of coal resources as a consequence of the highway being constructed over leases owned by West Wallsend No. 2 colliery. Argument about the matter proceeded through the latter part of 1987 and into 1988 at great expense to the State. And what happened? The National Highway was rerouted and the West Wallsend colliery was closed. Sometimes I think that the Department of Main Roads, as it then was, was responsible for the administration of coalmining in New South Wales.

I am disturbed about the history of this legislation. The Commonwealth Government did not have the will to ensure that the board remain intact. I am sure that the Federal Government, through its Industries Assistance Commission, wanted to rid itself of the Joint Coal Board and the Coal Industry Tribunal. I am sure that by the year 2000 history will show that some of the suggestions offered by the Industries Assistance Commission were not wise. I only hope that the people of Australia do not suffer as a consequence. I am concerned that the powers of the board have been stripped as a result of the joint efforts of a conservative State Government and a Labor Federal Government. In that regard there has been no consultation - no adequate consultation at least - between the Federal Government and the New South Wales Labor Opposition. Obviously the Federal Government thinks that we will jump when it cracks the whip. I assure

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honourable members that that is not the case. Last year I received correspondence from Cessnock City Council registering its concerns about the stripping of the board's powers. It also forwarded a submission to the inquiry that dealt with the future of the coal board. In relation to that correspondence, I received a letter dated 8th November from the Premier at that time, which stated:

... I would advise that consultations are proceeding between the Commonwealth and the State on the future role of the Board and the scope of its functions.

In this context, the State has signalled that it intends to withdraw funding from 1992/93 and that the restructured Board will be required to operate off its own funds in future.

I received further correspondence dated 20th January from the Premier, attached to which was a copy of a press release issued by the Federal Government on 2nd December, 1991. The press release was a joint statement of Minister for Primary Industries and Energy Simon Crean, Treasurer John Kerin, Minister for Industry, Technology and Commerce Senator Button, and Minister for Industrial Relations Peter Cook. That press release stated, inter alia:

The Ministers also announced today a major package of institutional reform in the coal industry to promote growth and jobs.

Reference was made also to the re-forming of the Joint Coal Board. The press release stated further:

"For example, today's reforms to the NSW Joint Coal Board are the most far reaching in the 44-year history of the Board", Mr Kerin said.

Mr Crean said that he took particular satisfaction from the new, clearer focus of the Board on the health and welfare of mine workers and their families. "The Board will retain its responsibility in the all important area of dust monitoring in coal mines," . . .

A fortnight ago a member of the public approached me and, in front of me, tore up his sampling authority. I retrieved it, patched it up and gave it back to him. I have been advised that the board will not undertake sampling; that will be done by the technology unit of the proprietors association. The press release continued:

The Board's powers in areas such as the opening and closing of coal mines, which were appropriate in the post-war period, are to be removed.

Mr Crean said that the changes to the role of the Joint Coal Board flowed from an independent inquiry . . . The government expects that the Board will be fully self-funding by 1992-93.

Attached to the press release were government policy initiatives that referred to the Joint Coal Board having played a valuable role in the New South Wales coal industry since its establishment in 1947. The attachment stated:

The JCB will continue to administer the coalminers' compensation scheme and provide occupational health and rehabilitation services including dust monitoring in underground coal mines, and noise monitoring. Some other powers in areas such as mine opening and closing, which were appropriate to the post-war period when the original legislation was enacted, are to be removed. All these measures will be undertaken in close consultation with the NSW Government, which has joint legislative power over the JCB.

I fail to understand why the board will continue to be known as the Joint Coal Board. It might as well be called Coal Mines Insurance and Occupational Health and Safety, because its relevance to the industry outside those particular areas is virtually nil. I have been advised of the likelihood that statistics maintained in the past by the Joint Coal

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Board will not be maintained by it in the future. The technological activities of the board have ceased and the positions of those employed in that division of the board's operations



have been terminated. On 15th April, Singleton Shire Council wrote to me expressing its concern about the restructuring of the board. In its letter the council stated that though no official advice had been received, major reforms were proposed for the board and that action had already begun with the cessation of geology and mining activities and staff reductions. I could have informed the council that restructuring was not really necessary because under the legislation as it exists the Premier and the Prime Minister have exhibited a will to terminate specific activities of the board, and that a decision in that regard had been made and had been communicated to those administering the board. The council's letter continued:

In view of the Board's long and substantial involvement in the Hunter Valley coal industry, and in Singleton Shire in particular, Council is very concerned about the changes and their likely impact on the Shire. Council understands that most of the coal development functions will be taken over by the State Department of Mineral Resources.

The Board has played a major role in the development of the coal industry since the post-war years and has also made significant economic and social contributions to coal based communities such as Singleton.

The council wanted a briefing, which I do not think it ever received, about what was to happen to the Joint Coal Board because one of the board's major offices is in the council's area. In its letter the council referred to some of the activities of the board that are being introduced at the behest of board members. I must make specific reference to the termination of the services of Jack Wilcox. He was a mighty man for the industry. His services as chairman of the board were terminated in April this year. I must also mention the board's activities in relation to the coal chain and the problems it obviated by setting up a mechanism to resolve disputes along that chain. [*Extension of time agreed to.*]

About a fortnight ago I had the opportunity of attending a meeting about the Joint Coal Board. Unfortunately, since the Commonwealth's announcement in early December not a lot has been said publicly, but suddenly the concerns of retired mineworkers have been aroused. As a consequence, they sought a meeting, which was held at Kurri Kurri. That meeting was attended by John Maitland and Tony Wilkes from the United Mineworkers Federation of Australia, representatives from the Hunter Valley division of that federation and, ironically, Jimmy Comerford, as well as Billy Chapman, a former employees' representative on the coal board and northern chairman of the Miners Federation, and representatives of retired mineworkers throughout the Hunter region. The meeting was attended also by representatives from the South Coast and many local politicians. The result of that meeting was a unanimous decision to fight for the retention of the Joint Coal Board in its present form. Although this legislation will be passed today, I do not believe that will be the end of the matter. Among the mines that have closed this year is Bloomfield Colliery. In relation to the closure of that colliery, Jimmy Comerford, the former general secretary of the federation, wrote a letter to the *Newcastle Herald*. Some of the comments in that letter will be of interest to members of this House. In that letter he said:

On industrial relations Bloomfield Colliery has been an oasis in an industry which, by its very nature, can be troubled.

The mine is the largest remaining producer on the East Maitland (Tomago series) coalfield. Its remaining recoverable reserves are estimated at 7.5 million tonnes. At a conservative selling price of \$30 a tonne those reserves if abandoned, as so much of our best quality reserves have been, will bring about a loss in Australian mineral assets of \$225 million.

In relation to the Joint Coal Board, he said;

Part of its mandate was to ensure the conservation of coal reserves and their better utilisation. Also written into the legislation was the qualification that JCB policies be determined by the Prime Minister and State Premier. That aborted the prospects of the board really exercising its regulatory powers.

That makes the presence of this legislation in the House a little ridiculous because the powers of the Prime Minister and the Premier in relation to the opening and closing of mines have been aborted. The letter continued:

If those powers had been used as board chairmen like the late Sam Cochrane had wished, there would be a healthier industry than the one we now have.

Though often I do not agree with some of his comments, I acknowledge that Jimmy Comerford is a man who is concerned about the industry and has a wealth of knowledge relevant to it. He believes that if we are to be conservationists and husband our resources, something will have to happen. I should like to conclude my contribution with these remarks. I know duplication occurred in relation to the State asset within New South Wales. I am concerned about developments taking place in Queensland, the other major exporter of coal. No joint effort between New South Wales, Queensland and the Commonwealth Government has been made to ensure that the industry in toto within Australia conserves its resources, that the States do not fight one another, that there is fairness and equity in the production of coal, and that when coal is exported, it will not be given away. I oppose the bill.

**Mr JEFFERY (Oxley) [5.45]:** I support the Coal Industry (Amendment) Bill. I wish to speak specifically about safety in coalmines. Many honourable members opposite have a deep understanding of the coal industry and it is strange that they are opposed to the views of their Commonwealth mates. The Commonwealth and State governments have agreed to provide a means of securing and maintaining adequate supplies of coal throughout New South Wales. About 12 months ago I was honoured to officiate on behalf of the Minister for Natural Resources at the opening of the international conference on reliability, production and control in coalmines. Representatives from around the world attended that conference. It was an eye opener to me because productivity, reliability and control cannot progress without significant improvements in mine safety. That is the Government's foremost consideration. In any discussion of improved mining productivity, one of the fundamental issues that must be addressed is improved mining safety.

I am happy to say that the mining companies, the Government and the unions are working together as a team to bring about a change in attitude to safety in our coalmines. Coalmining in New South Wales is a major industry. It is worth about \$2.7 billion. It employs 17,000 people. Many more thousands are employed indirectly. The industry is vital to New South Wales, the workers and, indeed, to Australia. Proposed section 24(c) provides that the board will be able to refer for consideration matters relating to the safety of mineworkers to the Chief Inspector of Coal Mines, the State Minister, or the Commonwealth Minister. Old section 12 provided that the board could refer questions of safety to an inspector of collieries but not to the Minister. Although having a defined role to promote coal worker health and welfare, the Joint Coal Board has never been overtly concerned with safety in the New South Wales coal

industry. That safety role has always been the province of the State Government through the administration of the Coal Mines Regulation Act. Since 1983 the Occupational Health and Safety Act has also been in operation. The Coal Mines Regulation Act empowers

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the Chief Inspector of Coal Mines and district inspectors with wide-ranging powers to act decisively in the interests of safety. That includes the power to stop the operation of a mine when an inspector is of the opinion that a condition of danger exists or is imminent. As other speakers have said, we are all concerned about that. In addition, the Coal Mines Regulation Act supports the function of workmen's representatives. The check inspectors are elected by the coal workers and may be granted power by the Minister to direct stoppages of work in potentially dangerous situations.

The provision under the old section 12 of the Coal Industry Act granting power therefore represented an unproductive, or even counterproductive, duplication of powers. The honourable member for Cessnock acknowledged that point. A number of functions in the health and welfare area have been identified as being well performed by the Joint Coal Board. Care has also been taken to ensure their continuity as operations of the Joint Coal Board. As already described, these include administration of the coal industry workers' compensation scheme, the provision of occupational health and rehabilitation services, the collection and dissemination of injury and disease statistics and - importantly, I believe - a continued focus on dust control and coal worker training standards. That is necessary until such time as industry parties satisfy both the State and Federal Ministers that there are suitable and effective alternative arrangements which may warrant a transfer of these functions. In his report on the review of the board undertaken on behalf of the Commonwealth and New South Wales governments, Mr Bryan Kelman, A.O., C.B.E., linked these arrangements with the Coal Mines Regulation Act, which is currently under review. The honourable member for Keira said that coal companies are looking at the Coal Mines Regulation Act in this State after deregulation. He said he is absolutely petrified of what will happen in the coal industry if deregulation occurs. The proposed bill is not about deregulation; it is about the removal of unnecessary duplication.

With regard to the Coal Mines Regulation Act, early this year the Department of Mineral Resources circulated a discussion paper concerning possible provisions of that Act. I am advised that responses have been received from a number of interested parties. They have been carefully considered by the Department of Mineral Resources. A committee was set up, comprising representatives of the colliery proprietors and the unions. I understand that that committee is preparing a proposal on amendments to the Coal Mines Regulation Act. When the department has received a report from the committee, it will prepare draft amendments to the legislation for comment by all parties. I wish to emphasise that the Coal Industry (Amendment) Bill will in no way withdraw the important safety net afforded to workers in the coal industry by the continued effective operation of both the Occupational Health and Safety Act and the Coal Mines Regulation Act. If the industry is to remain cost competitive, it is vital that New South Wales mines continue to be accepted as reliable producers and suppliers to the world market. As I said at the outset, I believe one of the most important factors is safety. Near enough is not good enough. It is paramount that safety in the coal industry be maintained. I have much pleasure in supporting the Coal Industry (Amendment) Bill.

**Mr MILLS** (Wallsend) [5.54]: The Coal Industry (Amendment) Bill is a bill for gutting the Joint Coal Board. What a tragedy this is going to be for the coal industry, because it will lead to the closure of mines, further losses of jobs and a tragic waste of coal resources in New South Wales. The bill will give effect to an agreement between

New South Wales and the Commonwealth. The honourable member for East Hills and the honourable member for Keira, both of whom spoke in this debate almost two months ago, outlined the basis of the Labor Party's position in this Parliament and its opposition to the bill. The Opposition was not a party to that particular agreement. The New South Wales Government wanted open slather on exploitation of the coal resource. It was the

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Government's policy. It proposed to abolish the Joint Coal Board. Action was finally taken in that regard, when in Budget Paper No. 2 of 1991-92 at page 36 under the heading of minerals and energy, the then Premier said, "The Joint Coal Board has reached the end of its effective life. New South Wales will withdraw from 1992-93". What happened?

The representative of the coalowners was not replaced on the Joint Coal Board in 1989. That was a partial gutting of the board. Last year, with the approaching retirement of the chairman, Jack Wilcox, New South Wales pressed its policy of abolition. Fortunately, at that time John Kerin was the Federal Minister. As a consequence of negotiations under the joint responsibility of the New South Wales and Federal governments, the Kelman report was prepared. This Parliament does not have to agree with the contents of such reports if it chooses not to do so. It is the duty of honourable members to make up their own minds. I urge all honourable members not to vote for the proposed bill. Negotiations should be recommenced with the Commonwealth for a form of renewed Joint Coal Board which is acceptable to this Parliament. The key reason can be found on page 2 of the bill. The Opposition does not disagree with what the bill proposes to retain; our principal objection concerns what is omitted from the original bill. I want to make that absolutely clear. Item (5) of schedule 2 omits part 4 of the Act, removing the board's power to control mines. Item (6) omits part 5 of the Act. As a result, the board will no longer be empowered to operate coalmines or acquire coal or equipment used in relation to its procedure, treatment, handling or distribution. Later in my speech I will provide some examples of why it is a mistake. It is wrong legislation at the wrong time. In essence, this amending bill will mean the loss of the control that has been, theoretically at least, possible in a public sense. The result would be market only control of the coal resource. That is where the New South Wales Opposition parts company with the recommendations of the Kelman report.

The fundamental question is whether this State's greatest mineral resource - that is, coal - will be properly managed in the interests of maximising the long-term value and wealth of the resource for the benefit of the people of New South Wales or whether the resource will be haphazardly and necessarily wastefully managed in a system prone to short-term balance-sheet pressures. New South Wales will be missing the long-term view of the coal industry. There will be no more chances to set up a body such as the universally praised Hunter Valley Coal Chain Council. This House should place on record its appreciation of the work of the former chairman, Jack Wilcox. It should place on record its praise for Peter Barrack and the Newcastle Trades Hall Council; for the coal loading companies; and for all the unions - the Mine Workers Federation, the Railways Union, the Australian Federated Union of Locomotive Enginemmen, the Electrical Trades Union, the Metal Workers Union, the Public Service Association, the Waterside Workers Federation - all of which were involved in this superlative initiative for the Hunter Valley Coal Chain Council, which is working so well to ensure speedy, efficient and trouble free transfer of the product from underground to the point of departure for overseas. If the Joint Coal Board had not been in existence, there would have been no guarantee of success. We would not have initiatives such as the Mount Thorley loop, which was partly tied up with the Hunter Valley Coal Chain Council and which provided adequate rail transport.

It is worth looking at the nuts and bolts effect of the omissions from the Act that the bill proposes. Under the provisions of the law the Joint Coal Board operates by way  
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of orders. Order No. 5 refers to weekly coal consumption returns. Order No. 10 relates to workers' compensation insurance. Order No. 27 deals with consent to open mines or produce coal. That order will be removed from the powers of the Joint Coal Board under the provisions of this bill. Order No. 34 relates to training of mineworkers and, according to the packaged instructions from the Federal and State governments, it is a temporary responsibility only of the board. Order No. 35 relates to conditions of employment of Joint Coal Board officers. Order No. 36 deals with fortnightly coalmining returns. Order No. 37, which will be removed by this bill, deals with coal export contract details. As I understand, Order No. 39, dealing with reverse flush strainers, also will be removed by the bill; and Order No. 40, which is absolutely vital for coalmining safety, relates to abatement of dust on longwalls. Honourable members have been told that that order will be only a temporary responsibility of the Joint Coal Board.

Order No. 27 was drafted to enable the Joint Coal Board to have a say on whether coalmines opened. This afternoon in this Chamber the Minister spoke expansively about new coalmines setting up in New South Wales, but this begs the question of correct management of the resource. Today is the day that the Lemington coalmine closes. In recent years in the Hunter there have been many coalmine closures and there are many more on the drawing board. The same applies to the Illawarra region. The Joint Coal Board was established to try to bring some order to the industry where possible; and I refer to Order No. 37 which will be gutted. Order No. 37 in part reads:

... the seller shall deliver or cause to be delivered to the Board in respect of each coal export contract ... (i) a copy of the relevant contract document; (ii) a fully and correctly completed return in and in accordance with the form ... and (iii) a statement ... of the tonnage of coal exported in the current contract year.

The provisions of this bill will remove that power from the board. Earlier I said that the failure to prevent wastage of our resource is a major reason that the Opposition opposes the bill. We consider that the resource belongs to all the people of New South Wales, not merely to the mining companies. The *Newcastle Herald* editorial headed "A wasteful loss of coal" of 16th May reads:

There is something frighteningly cavalier about the way Hunter underground coal mines are being closed because they are not, for the moment, profitable. Coal companies and governments appear to have forgotten the lessons of mining history. That is a more charitable explanation than the alternative that they do not really care that valuable national resources could be made irrecoverable by their actions ... Hundreds, and probably thousands, of millions of tonnes of coal have been effectively sterilised by wasteful mining practices in nearly two centuries of coal recovery in the Hunter. With the sophisticated mining techniques available today, there is little excuse for sterilising coal. That costs have exceeded prices for a year or two is certainly no excuse for such a wasteful action.

The last part of the editorial goes on to say that mine owners should not be forced to continue mining coal at a loss but that, instead of closing mines and locking away reserves for good, they could adopt the sensible proposal of the United Mine Workers Federation to put mines on a care-and-maintenance basis. The editorial called for a small industry levy, preferably administered by a restrengthened Joint Coal Board, that could pay for the scheme and, in the long term, it should return much more than its cost. I inform honourable members that for more than half a century the *Newcastle Herald*

carried as its masthead the *Newcastle Herald and Miners Advocate*. We will lose the opportunity to independently promote, encourage and undertake research; to promote more efficient coal utilisation, new market niches and applications; and to maintain  
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stability of the industry while the energy conservation advance proceeds in the future. In the joint Federal-State statement of December last year it was stated:

The revised research and development arrangements follow upon review of primary industry and energy R and D arrangements in 1990. Implementation of an industry managed program of research is significant in that it will provide sharper focus to coal research efforts, possibly in conjunction with the new Energy Research and Development Corporation in areas of common interest. A further initiative is the renewal of Australian membership of International Energy Agency Coal Research, a government supported agency for co-operative research into coal.

Basically, that means that the Government and the Joint Coal Board have to get out of research; it is up to the industry now. That new research policy arises from the Kelman report, which I do not approve of. However, it is worth noting some of the recommendations of the Kelman report, which are: retain the Joint Coal Board to administer the coal industry workers' compensation scheme - a provision which is in the bill - administer coalminers' occupational health and rehabilitation, which is in the bill; collect, collate and disseminate accidents and industry statistics, which is also in the bill; and undertake coal promotion and market development activities in consultation and conjunction with industry and other government agencies. It is vital that the Minister in his reply state why the New South Wales and Federal governments chose to ignore that particular recommendation. It is the only significant recommendation in the Kelman report that has been ignored by this bill.

The bill has left out the recommendation to undertake coal promotion and market development. That is a tragedy and is part of the problem that arises from gutting the Joint Coal Board. Another recommendation is to administer the welfare fund. I believe that provision is in the bill, though I could not find it. The final recommendation is to provide advice and information to Ministers and others on the coal industry, particularly in respect of miners' health and welfare. That provision appears in the bill. The report recommended also that pending the introduction of suitable alternative arrangements the board should temporarily continue to administer training, Order No. 34, and dust monitoring, Order No. 40. I ask the Minister to tell us in his reply what are the intentions of the governments on these two matters. How long will they be temporary and will they come back to the fold of the Joint Coal Board?

According to the Kelman recommendations the board should be advised of the limitations on its future activities and functions by direction from the Prime Minister and Premier, as allowed in the legislation. The report said that, in particular, the board should be advised that the State's Department of Minerals and Energy is to have carriage of coal resource utilisation and management issues within the State. Unless there is legislation to this effect, there is no power to direct anything. The report recommended that the board should cease attempting to control the rate of development in the industry, particularly by trying to match supply and demand and that Orders 27, 29 and 37 should be lifted forthwith and not replaced. The honourable member for Keira and the honourable member for Cessnock told honourable members why this is inefficient and hurts employment security in the industry. The report recommended also that the board should withdraw from consulting activities in geology and mining engineering.  
[Extension of time agreed to.]

The Kelman report also recommended changes in membership, and that provision appears in the bill. It wrote a mission for the Joint Coal Board, but once more there was no power to enforce any decisions. The Greiner Government promised to remove \$2.3 million of funding and make the Joint Coal Board self-funding. As of today I understand there is no more funding for the Joint Coal Board; it has to be self-funding. The health of mineworkers will potentially be at the mercy of short-term private

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company financial considerations. That is a giant step backwards in the industry. The workers in the coal industry do not deserve that. The Opposition would like to see Queensland brought in to enable the establishment of a national coal authority. Not only the unions want to see the Joint Coal Board retain its powers over maintaining the resource, but also a significant number of coal companies, though obviously not a majority amongst the New South Wales Coal Owners Association want an independent body that will maintain stability in the industry, ensure conservation of the coal resource and also ensure that workers have the best possible safety and health measures.

The Crean statement of last December on the opening and closing of mines was read to the Parliament a few moments ago by the honourable member for Cessnock. It is worth noting a couple of the main achievements of the Joint Coal Board in recent years in the areas of accident reporting and approved facilities for dealing with injuries at Lithgow, Singleton, Warners Bay and Corrimal on the South Coast. I mentioned the Hunter Valley Coal Chain Council, which overcame the problems of 37 unions between the coalface and the boat. Since 1988 it has kept Liddell colliery open. The Joint Coal Board spent half a million dollars. It saved 400 jobs and \$4 billion worth of reserves. The money has already been recovered. That is the kind of investment that would be stopped by this bill. The Joint Coal Board worked on the lymphoma problem at Huntley colliery. Former Minister Pickard closed that mine and tried to flood it. The problems of that colliery are under investigation by the Joint Coal Board. The bill pretends that the industry should be self-regulating, but it shows a lack of ability to self-regulate. The best example of that was when in December the levy was removed by the Federal Government and a drop of \$1.50 per tonne in 1992 coal prices was caused, this time by Broken Hill Proprietary Company Limited representatives negotiating with the Japanese. Of course, all the coal companies of New South Wales had to follow, making mining in New South Wales even less economical. That is where the marketing recommendations of the Kelman report should have been brought into play.

I referred briefly to the cuts in funding for the Joint Coal Board starting today. I am advised that already it has about half the employees it had this time last year. Workshops, laboratories and geologists have all gone. That is tragic. It is also worth referring briefly to statistics from the *NSW Coal Year Book 1991*, a Joint Coal Board publication. These statistics now have to be prepared at the expense of workers' compensation. That is the only funding that can support the orders that require the Joint Coal Board to maintain coal industry statistics. Lemington mine closed today. It has saleable coal reserves of only 2.7 million tonnes. It had an output of saleable coal of 659,000 tonnes in 1990-91, leaving an estimated 4.1 years of life for that underground coalmine. The real reason for closing that mine was that right next door was a large open-cut mine. Exxon Coal and Minerals Australia Limited wrote to me a couple of weeks ago saying that while it regretted closing the mine it believed that Lemington's financial, technical and management resources were best directed at working with employees towards the improved competitiveness and profitability of the open-cut mine. They transferred their resources to the open-cut mine.

Bloomfield mine closed on 15th May. It had 7.7 million tonnes of recoverable reserves of saleable coal. Mined at a rate of 157,000 tonnes a year, 49 years of mining

was walked away from in May - \$300 million worth of coal. We want the Joint Coal Board to have its powers returned so that it can attempt to control that kind of activity. Last December Lambton colliery closed. It had 12.1 years of reserves of saleable coal. Coal to the value of \$200 million was left in the ground. Of the northern fields, Burwood, John Darling, Stockton Borehole, Wallsend Borehole, Stockrington and Aberdare closed in recent years. Of the southern fields, Huntley, Coalcliff, Kemira and

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Nebo closed. Likely to close soon is Gunnedah. Only five years of coal reserves are being walked away from, coal to the value of \$80 million. [*Time expired.*]

**Mr CLOUGH** (Bathurst) [6.14]: I join with my colleagues from the northern coalfields and on behalf of the miners and mining industry in the western coalfields in opposing the Coal Industry (Amendment) Bill. The explanatory note attached to the bill indicates that the Joint Coal Board was constituted in 1946 as a result of an agreement between the Commonwealth and State governments in order to "provide means for securing and maintaining adequate supplies of coal throughout New South Wales and for the regulation and improvement of the coal industry in New South Wales". That is the crux of the matter. The honourable member for Oxley mentioned the large amount of money brought into Australia by our export coal industry. That is correct, but the mistaken impression of people in government and in the coal industry is that the reserves are infinite; they are not infinite, and that is where the problem arises.

The bill intends to emasculate completely the Joint Coal Board as we know it and to replace it with something that will be called the Joint Coal Board but will have responsibility for safety and other related matters, an important responsibility but not as important as its control over coalmining in New South Wales. There is a need for control. It has been argued that the Department of Mineral Resources can exercise the same control. With respect to that department and its director, who is in the House tonight, departments are subject to ministerial and government influence. Over the years the Joint Coal Board has acted in the best interests of the coal industry. That is where I find my greatest opposition to this proposal.

My colleague the honourable member for Wallsend made due reference to the fact that using modern mining techniques the amount of coal that is sterilised is significant. It is more than significant. It is a tragedy that, using modern longwall mining techniques, coal companies are out to get as much coal out of the ground as they can for the least possible cost. The amount of coal that they walk away from is absolutely enormous. In my own fields the Angus Place Electricity Commission mine is regarded as one of the better Electricity Commission mines, but it has always said that it could be better if it walked away from the hard to get coal on the extremities which they now spend time pulling out. The problem with coalmining is that once coal is taken anything left cannot be recovered. Those involved in the mining industry have seen the development from the continuous miner and the extraction of pillars in mining to longwall mining. At a later stage the dangerous practice of extracting pillar coal occurs and there is subsidence of a mine as the pillars are pulled out. No such problem is associated with longwall mining because, as the long wall moves through, the mine falls in behind it. Once it falls in, that is the end of it. There is no way that the coal left there will be recovered economically, if at all.

My principal objection to the bill is the removal from the Joint Coal Board of the power to have a direct say in the establishment and continuance of coalmines in New South Wales. I concur with the view put forward by my colleague the honourable member for Wallsend that there is a need for a national body to oversight coalmining in this country, particularly in the States of New South Wales and Queensland which have



ample black coal supplies. There has always been a need to have some form of national marketing authority. It should have been introduced years ago to stop the ridiculous charade that has been going on over the years, where coal owners have gone overseas, particularly to Japan, with cap in hand and have been played like a set of billiard balls, one against the other. There is a limitless number of instances where operators of mines within a few kilometres of each other have gone to Japan and had their prices whittled

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down by a little bit of smart business practice.

Other companies also went to Japan to seek a reasonable price for their hard-won coal but had to capitulate once they discovered they had been played one against the other. They had to sell their coal for much less than it is worth on the international market. I give credit to the Government for the allocation of contracts to the private mines operating in the Bathurst electorate to supply coal to the two large power stations in that area. Though that has no direct bearing on the bill, those contracts guarantee domestic consumption of a finite resource in New South Wales. For that reason the Joint Coal Board should be retained in its present form. The miners in the Bathurst electorate have communicated to me their opposition to the emasculation of the Joint Coal Board. The bill proposes that the board will be similar to its present composition. I pay tribute to Jack Wilcox, who deserves credit for doing a wonderful job for many years in running the Joint Coal Board. The Labor Government in Canberra is following the concept of selling off any enterprise that does not produce a financial return. Not much difference is to be seen between some of the activities of the New South Wales Government and the actions of what can only be loosely described as a Federal Labor Government. At times I have been ashamed of what has been done. The State Government intends to sell out to gain minor financial benefit and proposes to alter the functions of the Joint Coal Board.

Schedule 2 of the bill provides that the board's functions will be limited to welfare, training, occupational health and workers' compensation. That is a great come down for a board that has managed on its own to ensure that the mining industry continued to function in New South Wales at a level that has provided so much wealth and benefit to this State. The Government will not give the board power to determine whether a mine opens or closes or to do what is necessary to ensure that coalmining in this State continues to be a viable and revenue earning industry. Proposed new section 25 empowers the board to require owners or managers of coalmines to do or refrain from doing anything that may affect the health of workers. That is a great idea but the bill does not specify how coalmine owners should manage the reserves that are handed to them. The coal reserves do not belong to the coalmine owners but to the people of New South Wales. There is no more rapacious group in the commercial life of this State than the coalmine owners. They have been kept at bay over the years only by the regulation and control exercised by the Joint Coal Board.

To talk about self-regulation by coalmining companies is to live in a dream world. Coalmining companies will not regulate themselves and will get away with anything they can. There will be no end to the shortcomings that will arise once the functions of the Joint Coal Board are reduced and removed. I am disgusted by the proposal and do not need the urging of miners in my electorate to oppose it. The measure is an extremely backward step and it will give the Government absolute control over the development of coalmining in the Bathurst district. Mines will not be closed by decision of the Joint Coal Board but by a decision of the department or the Minister or when an owner says to the Minister, "I am not making a quid out of my mine and want to close it now". The present Government will make no objection at all to the closing of coalmines. The honourable member for Wallsend spoke of the immense reserves left in

coalmines that had been closed in that electorate. Thankfully, the Bathurst electorate does not have that problem. Some of the older mines in the western district of the Bathurst electorate have been re-opened and operated by cartels. The Invincible Mine and Grose Valley, now called Canyon Mine, have been re-opened so that coal can be sold to the Electricity Commission.

**Mr Causley:** They have to be competitive.

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**Mr CLOUGH:** The Minister for Natural Resources, who often interjects with similar comments, knows well that coalmining by its very nature is a competitive industry. Coal is extracted by many available methods. Not all coalmine operators in the Bathurst district are using longwall coalmining apparatus because many areas from which coal is being extracted are not suited to that type of operation. I am deeply concerned that the Joint Coal Board's ability to determine the future of the coal industry may be affected. If the board's responsibility in overseeing the opening and closing of coalmines is limited, fewer jobs will be generated in that area. Those powers will drift to the coalmine owners and to both State and Federal governments. I do not understand why the Federal Government is assisting in knocking down a board which was established by a Federal Labor Government and which has worked well up to this time. I vigorously oppose the measure. I hope that those who are able to influence the result of a vote on the bill acknowledge that the coalmining industry and those working in it do not want to see the end of the Joint Coal Board.

**Mr PRICE (Waratah) [7.28]:** I join with my Opposition colleagues in opposing the bill. I am concerned in particular about the proposed removal of the regulatory controls that the board has enjoyed for many years. The mining fraternity is troubled mainly by indiscriminate, unregulated power of coalmine owners to open and close collieries and to increase, decrease or vary production principally in response to the whims of the market. All members will recall periods of high productivity and high profit, periods of high productivity and no profit, and periods when coal was stockpiled and the damage that caused to the collieries and to colliery employees. The collieries are having significant problems at the moment.

There is a rush to extract the easily won coal from open-cut mines. However, underground reserves which are a little more expensive to produce coal from should not be ignored. They can provide employment and profitable production for many years. As previous speakers have said, reserves are not infinite. Australia's levels of reserves are fairly low compared with those of other countries but there is a high level of extraction for export. Our reserves are being depleted, not necessarily to the greatest advantage of the community. Previous Labor governments were criticised for bringing coal reserves under the control of the Crown. This positive strategy was designed to maintain the industry in the best possible condition and to give the State the best possible return, regardless of who is in government. Unbridled overproduction, which may well occur without the constraint of the Joint Coal Board, could lead to an underuse of facilities all the way down the line. The Joint Coal Board maintained the coal chain program in the Hunter region and 32 different trade union groups were involved. Obviously, all those unions were not involved in winning the coal at the coal face directly. The Minister for Transport, and Minister for the Environment recently announced orders for rolling-stock and railway engines, a significant number of which will be used in the coal chain to ensure that the product is transported from the Hunter coal fields to the Port Waratah coal services loader and to the Kooragang loader.

Decisions on the industry cannot be left to corporations. There must be a regulating authority. It has been grossly unfair and extremely unwise to threaten the operations of the Joint Coal Board. Changes will affect price strategy. At the moment competition from emerging countries is intense. Once South Africa resolves its inter-racial problems it will become an even more serious threat to Australian coal exports, given its low cost structure. This could well force coal prices down further. South American producers also have low costs. Asian countries, particularly Japan, are cost driven in their coal requirements. They have a great capacity in negotiations to play one producer off against another. In the debate we have heard about the problems associated

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with producing vast amounts of coal for a return of less than the cost of production. Job losses in the industry are directly related to the closure of mines and the constriction or expansion of mine operations. These issues always come down to a correlation with the price of production. Without the input from the Joint Coal Board and the regulation it imposes on the system there will be even more disjointed and disordered mining operations. Regulation is important to control oversupply and undersupply.

I refer also to the personal grief of coalminers and their families. I come from a mining family. Whilst I have not been active in the extraction of the black gold, I have participated in a small way in its transportation. I have a feeling for the people in my electorate, particularly a very active group that has been fighting hard to save the Joint Coal Board, to influence the Federal Government and to persuade this Government not to proceed with the enabling legislation. I refer to the retired mine workers. I attended a seminar that they held recently with a member of the Joint Coal Board and a number of State and Federal union officials. I was shocked at the statistics provided and the comments made about the operations of certain mines and mining companies and about the impact of the removal of the board in the form we have known till now. The 1987-88 annual report of the Joint Coal Board shows that in 1987-88 the mission of the board was to ensure the development of a safe, technically efficient, stable, competitive and economically viable coal industry; the optimum development and utilisation of coal resources; the development of markets for coal; and the promotion of the welfare of those engaged in the industry. Those fine objectives were contained in the first item of the 1988 report. That mission statement is missing from the most recent report, the 1990-91 report. There are some comments that equate to it. Obviously the board has felt that it has been fighting a rearguard action and other matters have taken precedence. I am concerned about this. Any statutory body that has to fight for its life in the way that this organisation has done cannot fairly be expected to perform properly the functions for which it was set up.

There have been instances of Ministers virtually refusing to speak to the chairman of the board or even consult with the board. This certainly did nothing for the public servants involved or the board members. It did nothing but drive a wedge between the coal board, the mine owners and the miners on the ground. The legislation confirms that powers are to be removed from the board. It is all very well to say that the Joint Coal Board can be a welfare organisation and look after superannuation and certain aspects of occupational health and safety, to keep statistics, borrow money, spend money on reports and research and become some sort of academic institution assisting the industry. But that is by the by. I wonder whether some of those functions could not be equally fitted to the coal owners and their organisation through the Coal Association. I refer again to the 1988 report of the Joint Coal Board to draw a comparison of employment levels.

From December 1986 to June 1988, 3,439 jobs were lost. That was one of the

most severe employment downturns in the history of the industry. The current report shows that employment over the year fell by a further 5 per cent. Employment at open-cut mines rose by 4,900 but the underground mine employment fell by almost 1,000. However, an overall decrease of some 5 per cent over that period suggests that production is rising and exports are increasing. The average price is low in comparison with that previous period and the number of people producing is consequentially lower. We are left with the continuing risk of further mine closures. The board has been able to maintain a balance to date. Without that regulatory capacity the board's function will diminish and the mine owners and mine workers will be at one another's throats again with, I fear, a greater degree of veracity than before. That is of concern not only to me  
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but also to the entire mining community. I note that under proposed section 26, the board has powers and functions:

- (a) to monitor, promote and specify adequate training standards relating to health and safety for workers engaged in the coal industry;
- (b) to monitor dust in coal mines;
- (c) to collect, collate and disseminate statistics related to the coal industry, other than statistics related to the health and welfare of workers.

Monitoring is fine. But does that mean inspection is to be maintained or will the inspection be by the coal owners on a self-regulation basis? If it is, that is of significant concern to me because the industry does not have a good record of safety or self-regulation. I have a piece of history. My grandfather received a medal 92 years ago for entering the old Stockton colliery to bring out the bodies of three mining inspectors who had died as a result of gas movement in that mine. I found the medal recently and only by accident. It was of some interest to one of the historical societies with which I am associated. This medal indicates to me that, although there have been many improvements in the past 92 years, risk is still in the mining community. Anything that places men once more at risk is of great concern. We should do all we can to ensure that is not the case. I acknowledge there are some good aspects of the bill. Certainly the occupational health and safety aspect is important.

I acknowledge the role that the board has undertaken to date to make sure the rehabilitation programs are maintained and also its involvement in the insurance scheme, although I must say the problems associated with partially incapacitated mineworkers are equally as bad as in any other industry at this time. I hope the Government will hurry and modify WorkCover and similar schemes such as the miners' insurance scheme to make sure that incapacitated workers, particularly in that industry, are better catered for than they are. Partial incapacitation seems almost a crime in this State. It is a tragedy to see people in that condition fighting for what is basically theirs but, because of legislation, unable to achieve it without extraordinary difficulty and an incredible passage of time. I hope the bill does not pass. It is defective. It is the responsibility of this Parliament to recognise the problem and persuade the Federal Government to think again before taking this path.

**Mr HUNTER** (Lake Macquarie) [6.43]: I oppose the Coal Industry (Amendment) Bill. First, the purpose of the legislation is to amend the Coal Industry Act 1946 to give effect to an agreement between the Commonwealth and New South Wales governments for the restructuring of the Joint Coal Board and, unfortunately, to remove certain of its regulatory powers. Though the legislation will maintain the Joint Coal Board, its major controlling and regulation-making powers in the coal industry will

be removed. On that basis the Opposition opposes the bill. It is a great disappointment to the Opposition that although the legislation will retain the Joint Coal Board it will remove its regulation-making powers. This bill is mirror legislation to that which the Labor Government passed through the Federal Parliament. The New South Wales Opposition believes the Federal Government is wrong in removing the regulation-making powers. The Greiner coalition Government came to office in 1988 after giving a commitment to the New South Wales Coal Association that, if elected, it would abolish the Joint Coal Board. The Coal Association is committed to the abolition of the Joint Coal Board, which is opposed by the Opposition.

The Joint Coal Board has great resources available to it, in many instances

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resources not available to the Department of Mineral Resources. It is a great pity that this Government has not used the Joint Coal Board to its full potential. The Government argues that this bill is being introduced as a result of the Kelman report. The Commonwealth and State governments probably agreed on the choice of Mr Kelman to conduct the inquiry. This legislation flows directly from his recommendations. The Opposition disagrees with those recommendations dealing with the regulation-making powers of the Joint Coal Board. Last year the Kelman report was presented to the Government but mysteriously for some time was not made public. The Coal Association, representing the industry, has objected to the Joint Coal Board because of its onerous powers. The honourable member for East Hills has told Parliament that the drive to remove these powers and to abolish the Joint Coal Board emanated from Japanese customers of the New South Wales coal industry not favouring government regulation and control. Without doubt this was a motivating force behind the industry wishing to abolish the Joint Coal Board.

Schedule 2, part 3, deals with the functions relating to the production and distribution of coal which are now to be omitted. Under part 3 the board's functions are to be limited to welfare, training, occupational health and workers' compensation. The board also will be empowered to undertake research and keep statistics relating to the health, safety and other of its functions. Schedule 2, proposed section 31, establishes ministerial control over the board on matters of policy and also as to the exercise of its duties and functions. Presently the board is subject to directions by the Premier and Prime Minister on matters of policy. This will now be a role for the respective Ministers. Schedule 2, part 5, omits part 4 of the Act, removing the board's power to control mines. This is the part by which the real teeth of the Joint Coal Board have been removed. The power of the board will be removed to either authorise the opening or approve the closure of mines. If resources would be sterilised by the closure of a mine, the board could direct that certain actions be taken. Removing these powers from the board will leave the way open for those who would, for their own financial and selfish reasons, want to exploit that resource and certainly be wasteful of it.

With these powers removed the board will not be the honest broker, an overseeing authority, keeping a responsible watch on the industry. The Opposition believes these significant powers should be retained by the board. The removal of those powers will be a great loss to the marshalling and preservation of this State's coal resources. Item (6) of schedule 2 will omit part 5 of the Act and as a result the board will no longer be empowered to operate coalmines or acquire coal or equipment used in the treatment and distribution of coal. The Coal Industry (Amendment) Bill which amends the Coal Industry Act 1946 severely restricts the operation of the Joint Coal Board. The board exists to protect the interests of coalminers and their families and the interests and income of this State and country. The Joint Coal Board's powers, especially under sections 27 and 37 of the Act, are important. Those powers should be

maintained.

I shall outline some of the achievements of the Joint Coal Board. One was the setting up of an accident reporting system which gave the industry the ability to know where accidents were happening, what was causing them and how they might be prevented. Another achievement was the decentralisation of the Joint Coal Board's facilities and the improvement of facilities for people who were injured and on compensation, facilities such as those provided at Warners Bay, Singleton and North Wollongong. On the industrial side, the Joint Coal Board set up the Hunter Valley Coal Chain Council, a model for industrial relations in Australia, and which, at this time, is under attack. The council has functioned since about 1984 and has reduced to the barest minimum industrial disputation within the union organisations from the coal basin to the

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holds of the ships. Liddell colliery looked like closing in 1988-89 but the board kept it opened and saved many jobs. Because of the coal board \$4 billion worth of coal reserves are available to be worked for this nation. The next matter is strata risk prediction and control. About 70-odd coalminers have been killed over the past 10 years in New South Wales, approximately 42 of them because the roof or sides collapsed on them. There were nine fatalities in this industry until April of this year, three of which were in one accident at Weston Main where the roof collapsed.

The board's responsibility was to ascertain what it could do about making the industry safer. It eventually set up a research and development program with the University of New South Wales involving a world expert in pillar design. The program, which concerned saving the lives of coalminers, spanned three years and cost approximately \$1.7 million. That program proceeded although it was opposed by the Coal Association and by the State Government. Windblast is another hazard. Over the years mineworkers have been mutilated by the effects of windblast. Some honourable members may not know what windblast is. It is where the roof or sides of a mine fall in and a current of air is created which destroys and damages machinery and, unfortunately but most importantly, hurts and kills coalminers. One of the most horrific accidents was when a deputy at Wallarah had his face badly damaged when he was thrown on to the picks of a piece of mine machinery. After that accident the union approached the board to ascertain what could be done about the hazard of windblast. The board funded a study so the problem could be examined. It approached the department and the then Minister, Mr Pickard, but, I am told, was ignored. The board went ahead and did it alone, because its powers allowed it to do so irrespective of what the Ministers were, or in that case were not, doing.

At Gunnedah the rail loading facilities needed improving. The Joint Coal Board paid to put in a loop line and bin at Gunnedah to help the industry. I turn now to order 40. In 1947 approximately 30 per cent of miners suffered from dust-related diseases. Because of the activities of the board, the industry and the people in it, that percentage has now been reduced to something less than 1 per cent. Approximately two years ago people were being allowed to work, and in fact did work, in high dust reading areas of coalmines. The board found that people were actually working in longwall mines where dust levels were up to nine parts per million.

I can understand that they might do that if they had never seen the effects of dust. Because of the pressures on employment, I can understand that people do almost anything to keep their jobs. However, someone had to do something about it. The Government was doing nothing, so the board acted. It instituted order 40 which provides that each longwall face must be fitted in a certain way to make sure that miners work in less than the permissible level of dust. That is one area of the board's operations that the

Government believes should be handed over to the Department of Mineral Resources. Representatives of the department and the board sat around a table and discussed the problem. The attitude of the Department of Mineral Resources was that to solve the problem the permissible levels should be increased. But the Joint Coal Board, looking after the mineworkers in the industry, went the other way. That is one reason why the Joint Coal Board should be retained with its full powers. The matter to which I have referred is an example of the good work the board has done in the industry. Order 34 relates to mineworker training and was put in place by the board in about 1982. *[Extension of time agreed to.]*

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Order 34 requires companies to ensure that they have an adequate training scheme in place. The Joint Coal Board is now being told that it has to get out of that as well. Under this bill the board has no regulatory role in the industry except for order 40. However, it has been agreed that at some time in the future that may also be taken away from the board. Unfortunately, the industry will then have no honest broker. Under the bill the Joint Coal Board is not allowed to mediate. Representatives of the board will be unable to enter a room where there are more than one or two people and talk to them about the coal industry because that will be classified as mediation. Under the bill the Joint Coal Board will not be allowed to promote coal in New South Wales. It will not be allowed to assist the industry in the usage, and research of usage, of coal. In the past 12 to 18 months the board's effective work force has been reduced by close to one half, and a laboratory at Cessnock has been closed down.

Until the Minister is satisfied with the alternatives the current but temporary function of the Joint Coal Board is dust monitoring. That is what the board is left with at present. Until the industry schemes are operating it is involved with order 34 training. However, over the years its involvement in training has been opposed by the Coal Association and the Government. The Joint Coal Board industry statistics are the best in the world, yet they are only available part-time. On the figures I have been provided with, they cost about 0.2 of 1c per tonne of saleable coal in New South Wales. That is about \$300,000 a year to provide the industry with the best statistics in the world. The board has been told it can monitor dust, it can be involved with training and it can prepare statistics but it will not receive any money for performing those functions. As from today, the Joint Coal Board will receive no government funds except for some money to run the Coal Industry Tribunal.

In this decade the board has relied for funding on about \$2.1 million per annum from the Federal Government and approximately the same from the State Government. That was to cover the operation of all the board's functions. Where will the board get that money now? It has been told to finance its operations from workers compensation funds. However, it has been told also it is not allowed to use those funds for a range of purposes. Training is one; statistics is another. The Government claims that after this bill is passed there will still be a Joint Coal Board. There certainly will be but, as someone mentioned at a meeting of retired mineworkers about this bill that I attended last week, "You will have a sign on the wall at Warners Bay, a sign on the gate at Corrimal, a sign on the side of a building in Lithgow and one in front of the Joint Coal Board at Singleton which will say Joint Coal Board, but there will be nothing behind those signs".

The mining unions in this country do not support this bill. They have not been consulted by this Government, which is disgraceful. There has not been a full consultative process with the unions within the coal industry. The Colliery Managers Association of New South Wales has grave reservations about the Act. The Board's role

in marketing and oversighting of the industry, acting as an honest broker, was carried with great distinction. I have put forward the major reasons for the Opposition's belief that the proposed legislation should not be passed. For these reasons the Opposition will vote against the second reading of the bill.

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

#### **BILL RETURNED**

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

State Revenue Legislation (Amendment) Bill

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

**Debate resumed from 30 June.**

**Ms MOORE** (Bligh) [7.1]: This debate has been somewhat of a moveable feast. I have been waiting to speak since 10.30 last night, but here I am a willing participant. The Government faces a no confidence motion because a former Premier and former Minister were involved in a jobs for a seat deal, the exchange of a parliamentary seat for a public service job, paid for out of the public purse. As the honourable member for South Coast so effectively said last night, it involved \$1 million worth of public money. It involved a betrayal of trust. They were partial in the exercise of their official functions. They have been found guilty of corrupt conduct by the body set up by the coalition Government - under an Act of Parliament drafted under its own direction - and by a commissioner appointed by it. As has been put by the honourable member for South Coast and the honourable member for Manly, the issue for the Independents is whether or not it involves corruption of the Government as a whole. If it did involve corruption of the Government as a whole, it would be a basis for the withdrawal of the Independents' support for the commissioned Government, that support being to allow the commissioned Government to have supply and not support a no confidence motion. If no confidence in the Government as a whole were passed, it could lead to a baton change, under the four-year fixed term, or an election. The latter is what the Opposition is seeking.

When the report was brought down the issue was whether or not the Government as a whole had been involved. I do not believe the Cabinet was involved in the Metherell affair. Commissioner Temby said as much on pages 4 and 75. If the former Premier and the former Minister for the Environment had continued to lead a government and that government had continued to denigrate the institution of the Independent Commission Against Corruption and support a Premier and Minister found to have acted corruptly, the corruption would not have been quarantined and it would have implicated the whole Government. Notwithstanding the Supreme Court appeal, the non-aligned Independents had to make a difficult decision. We flagged to the Government - as the honourable member for South Coast last night pointed out, we have been given little praise by the Government for doing this - what the situation was. In so doing we saved the Government. We did it for stability because the coalition still has the majority of seats in the lower House. We therefore believe, as that corrupt action was quarantined to the former Premier and the former Minister for the Environment, that it did not involve the Government as a whole and the coalition should continue to govern. I have been appalled by the attacks on Mr Temby and the Independent Commission



Against Corruption, the establishment of which I believe was one of the Greiner Government's greatest achievements. The irony has been lost on no one. Furthermore, I have been disgusted by the manoeuvring, personal attacks and creative attempts to redefine corruption and the proposition that politicians should be exempt from anti-corruption bodies set up by politicians. I should like to refer to comments made by the Deputy Premier after Commissioner Temby handed down his report. They were repeated last night in this House. The Deputy Premier said:

Temby is a liar and he is a liar on the basis and, I repeat again, a liar, on the basis of the fact that with me and Greiner, is that he said they are honest, they have done nothing wrong and then to turn around and say they are corrupt - what a joke.

It is extraordinary that the Deputy Premier could make such an amazing statement. For a number of years we have known the view of the Deputy Premier about the Independent Commission Against Corruption. He is still smarting because he was found to have behaved in a way that was conducive to corruption. National Party members have said  
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for some time that they would like to see the Independent Commission Against Corruption disbanded. However, I believe it is one of the greatest achievements of the coalition Government. It is something that is needed - a watchdog. The basis of that corruption finding, the abuse of power for personal gain, makes a nonsense of the Deputy Premier's remarks. I was sickened by the comments of the former Premier's Queen's Counsel at the Supreme Court. He was reported in an article in today's *Daily Telegraph Mirror* as saying:

The commission had been created to "deal with matters involving moral turpitude . . . matters going to impropriety within the normal sense of the word". Mr Gyles said the commission's function was to root out corruption - not to change the nature of the Constitution or how Government was conducted. The commission was not there to deal with "ordinary matters of administration".

There was the exchange of a parliamentary seat for a public service job paid for out of the public purse - \$1 million of public money - and Mr Gyles describes it as a matter of administration. There will be a great deal of unrest in the community and in this place if that is the way the administration is to be run. An article in today's *Sydney Morning Herald* stated:

Mr Gyles also criticised the "extraordinary" powers of the ICAC which made it an "inquisitorial (body) in the real sense of the word". It went against all notions of what is normal and proper when members of Parliament, ministers, the judiciary and government fell within the range of such a body.

The organisation was set up to deal with "serious community problems of corruption in public office" and was not there to supervise "good administration".

We are dealing with a parliamentary seat in exchange for a public service job paid for out of the public purse. He submitted that the former Premier and the former Minister for the Environment were not public officials. Who is more of a public official than the leader of the Government in this State? I am absolutely appalled that Mr Gyles should submit such an argument. What must be going through Nick Greiner's mind as he sits and listens to his legal representative putting such an extraordinary case? I should like to refer to the words of Mr Greiner in 1988 and compare them with what his present Queen's Counsel is now saying. Mr Greiner said:

Let me make it absolutely clear that this initiative is a component of the Government's program to restore the integrity of public administration and public institutions in this State. Nothing is more destructive of democracy than a situation where the people lack confidence in those administrators and institutions that stand in a position of public trust. If a liberal and democratic society is to flourish we need to ensure that the credibility of public institutions is restored and safeguarded, and that community confidence in the integrity of public administration is preserved and justified.

They were the former Premier's words when he introduced the Independent Commission Against Corruption, yet this week he would have sat in court listening to Mr Gyles denigrate the very institution that he set up. I believe that is a most extraordinary situation and I am sure that many people will draw the same conclusion. I would like to refer to one of the many letters I have received this week. It is from Victoria, from Professor Max Charlesworth, AO:

As a university teacher of ethics over the last forty years I have been appalled by the attitude of many people in politics and the media in the recent debate. In effect they have taken the view that political life would be impossible if it were subject to rigorous ethical standards of the ICAC kind. This is, of course, precisely Machiavelli's argument in the Prince!

Again, according to them one has, apparently, to commit a criminal offence before one can be judged corrupt and forced to resign. It appears that they have conveniently forgotten the case

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of Senator Richardson who was forced to resign because he helped a dubious relative and 'misled' the Senate, a much less serious offence than Greiner's.

At all events, thank you for standing up for ethics in politics and more power to your elbow.

Certainly I think that those comments are very relevant in this situation. I would like to look at the role of the media in the Metherell affair. When the Metherell affair broke, the public literally erupted in outrage and the media were not far behind. I do not believe the media created that outrage; I believe they responded to it. There was outrage there because we have this extraordinary character, Metherell, whom half the population - certainly in my electorate - thought had destroyed the education system and whom the other half thought was an absolute traitor to his party. I draw to the attention of honourable members a typical comment at the time. Sue Quinn said in the *Sunday Telegraph*:

But what the episode will do, with the help of ICAC Commissioner Ian Temby, is draw a clear line in the sand, for all to see, about public standards of morality and accountability.

When the Independent Commission Against Corruption report was brought down, an article in the *Sydney Morning Herald* stated:

Mr Greiner should resign, if he believes in the integrity of the Independent Commission Against Corruption.

It was interesting to note that, only four days later, the *Sydney Morning Herald* had changed its position to:

The Independents should wait for a week.

More disappointing than the media's loss of focus on the facts of the Independent Commission Against Corruption report and the substance of the Metherell affair - the exchange of a parliamentary seat for a public service job - is the malicious scorn that sections of the media inflicted on the ICAC and on those who were forced to act because of the Government's inaction. I made my decision not to support this no-confidence motion but to support stability, notwithstanding the climate of denigration and misrepresentation being peddled by the conservative press, specifically the editors of the *Telegraph Mirror*, who would have us believe that it is alright as long as it is in the conservative cause. They cannot seem to comprehend that the decisions in this affair were enforced not by three lonely Independents, but by the democratically elected majority in this House. When the three non-aligned Independents vote with one side or the other, there is then a majority. We certainly do not create it. That majority has been forced to act because the Premier did not take advice - indeed, the advice of the media - and resign when he should have done.

I also made my decision in the face of the ravings and personal attacks of the bully boy of the extreme right, Alan Jones - that mate of the honourable member for Vaucluse. A great deal has been said about the good track record of the Greiner Government as managers of New South Wales. The Government elected in 1988 recognised the need for improved financial management and public sector reform, as well as the public demand for high standards of political conduct and anti-corruption measures. However, the resultant loss of public sector jobs and the trimming of services occurred in a climate of executive salary blow-out, overexpenditure on consultancies, and loss of public service independence with the establishment of senior executive service contracts. I supported the Government when the SES motion came before this House. I did so

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because the SES was seen as a tool of its good management and part of its management reform proposal. But I now share the growing concern of the community about the SES - and I believe this was highlighted particularly during the Metherell affair - that that service gives only the advice its political masters want to hear, which often is not the best advice that Government's should receive.

I believe the community is beginning to have grave doubts about the value for money of the SES and the service it provides. Honourable members should keep in mind that it is perhaps not a good thing to have members of the SES coming on all fours, grovelling to Ministers, telling them what they want to hear. The Government should be thinking very seriously about the direction it takes in future. Higher taxes and charges, including the retaining of the disproportionate land tax windfall, have been made even less acceptable by wasted public investment, epitomised by Eastern Creek. The asset disposal program would have been better accepted if it had been restricted to genuinely surplus properties, but it became a fire sale - and it was not a good one at that. One only has to look at the empty buildings in Bridge Street. Basic Government services such as health, education and community services are running on empty and there is concern about Government expenditure and priorities. Much public money has been spent on convincing the people of New South Wales that privatisation is a conceptually good idea. Indeed, the non-aligned Independents supported the Government's GIO bill and public float, which has been so successful. But the Government has not been quite so successful with the Port Macquarie hospital privatisation. Certainly the State needed the Independents to step in there and rein it in.

The claims of high political standards on which the coalition came to power have been chiselled away. Honourable members have seen the forced resignation of a Premier and a Minister on corruption charges, and at the present time we have no fewer

than three Government members being scrutinised by the Independent Commission Against Corruption, the taxation department and the courts. To its credit, the Greiner Government adopted and pursued parliamentary and democratic reforms, a direct result of the hung Parliament. Honourable members have seen extraordinary reform in the running of the Parliament. They include the parliamentary sitting times, the number of questions that are asked, the opportunity for private members to make a real and valuable contribution to debate, the setting up of legislation committees, the greater consultation on legislation, the bipartisan approach to important community issues such as gun law reform and health privatisation. There has been landmark legislation introduced. New South Wales has the best freedom of information legislation in Australia. The whistle blower legislation has recently come before this House. [*Extension of time agreed to.*]

As the former Minister for the Environment said, probably the most important achievement of the Government and the Independents during the past year was to contribute to the changed culture of the Parliament, which will probably be most appreciated by honourable members in about 20 years time. Certainly there has been a tremendous change. Democracy has been dragged onto the floor of this Parliament and no longer are decisions made by an Executive behind closed doors. I pay tribute to the former Minister for the Environment. I believe that he made an incredible and a great contribution to that whole process and I have great personal sadness about his resignation. I accept the claim of Don Nicholls in the foreword to his book, *Managing The States Finances*, where he says:

New South Wales has been at the forefront of public sector financial reform and, in some areas of finance and accounting, at the leading edge.

Economically New South Wales has ridden the recession better than other States. Our Page 5198

unemployment is lower; our triple-A credit rating has been retained. That has been spoken about quite a deal in the last two days. The triple-A rating is important and I believe that the Independents and the Opposition made a contribution to its retention. We met with Moody's when they came here and that achievement is the result. Business confidence in this State is strong. There have been no Tricontinentals, no WA Incs. State government finances and the economy of New South Wales are achievements of which the Government should be proud. It is unfortunate that those achievements have come at the expense of other matters and that the community was left behind, but I give credit for those achievements. There are certain areas of special concern to me, and I refer first to education. Recently I met with a number of teachers from my electorate who have a great fear and worry, and I share their concerns, about what is happening with education in this State as a result of the changes brought about by Dr Metherell when he was Minister for Education - changes that the present Minister has continued. The impact of staff cuts and the global budgeting proposals are the key areas that have led to a devolution of responsibility. The end result of that is that children living in disadvantaged areas become more disadvantaged. We will not have the egalitarian society and the opportunity that Australia has been able to offer. I have concern about that issue.

On the issue of health I believe that the Independents have saved the Government from itself. Instead of the Government careering headlong down the privatisation track, the Independents forced it to slow down. Indeed, the establishment of the Public Accounts Committee inquiry to scrutinise the Port Macquarie hospital contract was an important exercise. The Government-dominated committee made 25 recommendations and was able to show that the contract left a lot to be desired. I believe that type of scrutiny has set a great precedent. I believe also that it was a product

of the hung Parliament. It has established a healthy precedent that I hope will prevent any future blowouts such as occurred with Eastern Creek Raceway or the harbour tunnel, or commitments that the community neither wants nor can afford. The Port Macquarie hospital proposal is yet to be decided, and I would like to refer to a letter I wrote to the Minister for Health and Community Services, in which I said:

I understand and share the concerns of the Government about the increasing costs of health services which led to my proposal for Stage 2 PAC Committee. There is an urgent need for proper long term planning. I do not oppose the involvement of the private sector, but its involvement should be carefully planned and monitored. The Port Macquarie contract should be examined in the context of policy planning on public and private sector involvement for services throughout the state . . .

I support the Committee recommendations that the Department of Health, in conjunction with the Treasury, formulate a model of a project where the private sector builds and owns a hospital and leases it back to the public sector to operate, and that more flexible guidelines to provide for a leaseback option outside global borrowing limits specifically for the development of health services infrastructure, be developed.

I am unsure whether the Government will accept such a proposal. The honourable member for Port Macquarie, with whom I have spoken, faxed me a letter from one of her constituents criticising the actions taken by the Independents in asking for the establishment of that committee and for the Government not to proceed with the privatisation model. I sympathise with the honourable member for the commitment made to her electorate, which she would like to see carried out. I have here a folder of letters from constituents in the Port Macquarie electorate, thanking me for my action and pointing out -

**Mr Peacocke:** How many are there? About 20?

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**Ms MOORE:** Hundreds, I would say. I am very happy to show them to the honourable member for Port Macquarie. The point I would like to make is that it has been said to me that had the model gone ahead, it could have cost the honourable member her seat. I am not in the business of saving the honourable member's seat, but this is an important issue. Perhaps the biggest lesson for the Government arising from the 1991 election result and from the Metherell affair is that there has not been enough consultation. This folder of letters indicates what the Port Macquarie community thinks about the issue. Slowing down the process and looking at ways of providing the hospital, and guaranteeing a hospital in the future and ensuring that there is no discrimination or monopoly, is very important. Many people hoped that when the former Premier made his Vision Statement we would begin to see a change of direction in government policy on the environment. The announcement of the natural resources package depressed the environment movement and I asked for its comments. This is what the peak environment groups said about the proposal:

It targets for environment court cases lost by the Government and reverses the results, so that the legal situation is in accord with government policy;

It reduces accountability of departments and Ministers and transparency of decision making over key environmental decisions;

It increases the influence of vested interests over land-use decisions;

It allows secret decisions to be made about compensation agreements and protection of endangered species habitats;

It increases the influence of political considerations over what are appropriately scientific decisions.

The movement say that this could lead to an atmosphere conducive to maladministration of the public interest. I believe that goes against everything that the non-aligned Independents have worked for with the Government to achieve accountability. Today we put the Premier on notice that we are very very concerned about the approach the Government is taking to this legislation. I expressed great disappointment. We had hoped for a change of direction with the Vision Statement. In praise of the former Minister for the Environment I say that I believe he made a valuable contribution to the environment. Many do not believe he went far enough, but many in the coalition believe he went too far. I think he made a very valuable contribution and that his legacy will live on. Housing is not an outstanding area of achievement for the Government. In fact, I think it has been the weakest ministry. The Minister for Housing supports suburban fringe expansion. We are still waiting for a proper long-term urban consolidation policy developed in consultation with the Federal Government and local government. His public housing policy leaves a great deal to be desired. As honourable members would know, for two years I have been involved in a fight - really, a pathetic fight - to have a community room reopened at the Northcott flats in Surry Hills for a troubled community where five people were murdered two years ago. From the big issues of urban consolidation and public housing right through to the reopening of a community room, I believe Joe Schipp has failed.

Many accusations have been made about the misuse of power by the Independents in the past few days. I would like to remind coalition members and sections of the media that the outcome of the 1991 election gave the coalition parties a minority government. The by-election in The Entrance further lessened their hold on government. I remind coalition members and the media that it is only when the Independents join with either the Opposition or the Government that our votes ensure a decision. It is important

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that that is kept in mind. I should point out that if the coalition had won a majority last year, the Metherell affair would have been swept under the carpet. It was not swept under the carpet, thanks to the hung Parliament and thanks to the Independent Commission Against Corruption.

The Independents have made the most of this historic opportunity. They have given stability to the State, and in the process have contributed to reforming the Parliament, making the Government more accountable, and ensuring a bipartisan approach to important community issues. The Independents have upheld and will continue to fight to uphold the standards set by the Independent Commission Against Corruption. Our decision of last week and of today was made on the basis of principle, and that is what a growing percentage of the community is demanding. In conclusion I refer to an article by Mike Steketee of 30th June in which he speaks about Paul Keating and Bob Hawke saying that what Greiner did was all right. He concluded his article by stating:

But at some stage they will have to face another reality. There is an unprecedented disaffection with party politics as it has been played and that is being translated into strong support for Independents - including the kind of Independents who determined Nick Greiner's fate last

week. What Temby is proposing may be the death of politics as we know it but it may contribute to the resurrection of a political system which enjoys public trust.

I submit that the community of New South Wales is now demanding public trust.

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

## **COAL INDUSTRY (AMENDMENT) BILL**

### **Second Reading**

**Debate resumed from an earlier hour.**

**Mr CAUSLEY** (Clarence - Minister for Natural Resources) [7.31], in reply: As indicated previously, the purpose of the Coal Industry (Amendment) Bill is to put into effect an agreement between the Commonwealth and New South Wales governments to reform the Joint Coal Board. On 18th June the Senate passed the Federal Government's complementary bill, which is identical to this bill. On 7th May when debate resumed on this bill, the Opposition announced that it would be opposing it. Its reasons for doing so appear to be based on an inadequate understanding of the matter, and I should like to address several of the points raised. The honourable member for East Hills spoke on the establishment in the 1940s of the Joint Coal Board. I do not propose to go over that background as it is well known. However, it is significant to point out that Mr Bryan Kelman, A.O., C.B.E., in his review of the Joint Coal Board, said:

The Board's extensive powers override powers which would in normal circumstances be solely within the constitutional rights of the State. The true justification for many of these powers to be embodied in joint Commonwealth and State legislation ended with the supply emergency.

That was in 1952 - 40 years ago. On the subject of Mr Kelman's review, on 7th May the honourable member for Keira said the Federal secretary of the United Mineworkers Federation of Australia had indicated the review "was a farce right from the start". This is totally incorrect and an insult to Mr Kelman's integrity and independence. All industry parties were invited to make submissions. Some, including the United Mineworkers Federation, were invited to follow up a written submission with a verbal presentation, as well as supplying written clarification on a number of matters in their original

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submission. Extensive discussions and inspections of the board's operations were held on at least six occasions to allow the board every opportunity to present its case. In addition, the board made a lengthy written submission and responded in writing to numerous queries from Mr Kelman. Virtually all Mr Kelman's recommendations were accepted by both governments - in itself a somewhat unusual occurrence for such type of inquiries. As the recommendations were endorsed by governments of different political persuasions, this supports the overwhelmingly sound basis for the recommendations. The federation was invited to comment on the draft bill and did so. However, it raised only two matters, one concerning the composition of the board and the other concerning welfare. It did not comment at all upon the points raised by the Opposition. Moreover, the federation's central council resolved earlier this year as follows:

Central council expresses its determination to ensure the retention and expansion of the following Joint Coal Board's functions -

Coal Industry Workers' Compensation;

Occupational Health, Safety and Rehabilitation including noise, dust and other safety monitoring;

Medical assessments;

Administration of welfare fund;

Collection and dissemination of statistics on continuing functions;

Domestic and International Training/Education;

Provision of advice and information to Ministers and others on coalminers' health, safety and welfare;

Collection of industry statistics.

These are the functions provided for in the current bill, which emphasises workers' compensation and health issues. The honourable member for East Hills spoke at some length on the removal of the board's powers to attempt to control the rate of development of the coal industry, particularly by trying to match supply and demand. The principal instrument for this was the now terminated Order No. 27, which required companies to gain the board's consent for development of mines, commencing or resuming coal production or ceasing coal production. Of these, the last point - ceasing production - seems to be of most concern to the Opposition. The honourable member for East Hills spoke about "those who would simply want to close a mine down" being required under the powers of the board only to do it "in a responsible way". He spoke about deregulation, as did his colleague the honourable member for Keira.

The point I wish to make, and I cannot emphasise this too strongly, is that the coal industry is not being deregulated. What this part of the bill removes is the wasteful and unnecessary duplication between the board and the Department of Mineral Resources, which, through me, is accountable to Parliament - unlike the Joint Coal Board in its present form. The Coal Mining Act 1973 provides that a coal leaseholder shall not suspend mining operations except with the Minister's written and conditional consent. The Mining Act 1992, which will shortly replace the Coal Mining Act 1973, retains the same provisions. A registered holder of a lease who sought approval to suspend mining operations would have to approach my administration with proposals and relevant information. The factors that I would take into account include reasoned arguments seeking to justify the proposed course of action; the nature and extent of remaining

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reserves; employment; options, including care and maintenance, sale as a going concern, and rationalisation with adjacent operations; and briefings of local members, unions and work force.

From June 1985 to June 1989, 14 mines closed, with the board opposing only the proposed closure of Huntley colliery, placing it on a temporary care and maintenance basis. Nor has it opposed several proposed mine closures since, which would suggest that the majority proposals for closing mines - often those using uncompetitive technology - are justifiable. The care and maintenance concept can be very expensive to implement and often achieves nothing. Many of the mines which have been closed are bord-and-pillar operations. These cannot compete with longwall mining methods or open cut mines, which in turn have to match or better the best of our overseas competitors to stay in business. It must be remembered that the New South Wales coal industry is now export based, unlike the industry in the 1940s when the Joint Coal Board was



established. In the past, the Joint Coal Board's use of its Order No. 27 has somewhat overshadowed the role exercised by the Department of Mineral Resources. During his speech the honourable member for Keira said: "Under the old Act - more precisely Order 27 - justification had to be shown for the closing down of a mine. Who now will ask a mine owner such a question?" Clearly, the answer to that is the New South Wales Government, through me as Minister for Natural Resources. The honourable member for Keira also spoke about another boom cycle of overproduction in the absence of powers of the Joint Coal Board to attempt to regulate the industry. The fundamental fact is that the export coal market is international, and therefore actions taken to limit production in New South Wales will have zero effect on world oversupply.

New South Wales mines will lose markets if they are uncompetitive. If action were taken to prevent a new mine opening because it might take markets away from existing more costly operations, importers would obtain their coal from Indonesia, South Africa or elsewhere. The result would be a net loss of markets to New South Wales. Because the Joint Coal Board and sections of the industry opposed the opening of economic mines in New South Wales through the 1980s the operation of mines in Queensland has escalated. They were able to compete at a much cheaper rate than mines in New South Wales and increased the production of coal in Queensland. The honourable member for Keira cited a range of Australian coal production projections for the end of the decade. However, the fact that forecasts of demand vary considerably is not in itself a reason to attempt to regulate output, otherwise everything would be regulated and New South Wales would become a centrally planned economy - an economic system not noted for its success.

During the debate a number of honourable members raised concerns about the legislation. I noted that they said they were disgusted with the Federal Government because it had accepted Mr Kelman's report. They believed that the New South Wales Government, because of its ideology, would go along with such a suggestion. Over the years a number of mines have closed. Twenty-three mines in New South Wales closed. I will not go through the whole list, but Brimstone No. 2 mine closed in 1982 and Huntley underground mine closed in June 1989. All but one of those mines were underground mines. Of the 17 export mines which closed all but three were primarily associated with uneconomic operations. While most of these mines were efficient and low cost in comparison with subsidised domestic mines in Europe and Japan, they were unable to compete on international markets. The board - this is the other side of the story which is not recognised - has recently given order No. 27 approval for the development of Rick's Creek mine, Camberwell, Vickery, United and Durham North. Saleable coal production from these mines, all in the northern coalfields, is planned to reach four million tonnes by 1995.

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One matter that has to be noted - I believe it is most important so I will repeat some of the things I said this afternoon - is that we must be competitive in New South Wales. I noted that a number of speakers said that they wanted an Australian mining council to co-ordinate operations between New South Wales and Queensland. What would Mr Goss have to say about that? I do not believe he would be at all interested. It is obvious that at present he has an efficient mining operation in Queensland. He will not co-operate with New South Wales to bring that down in any way. So we have to make ourselves efficient - a factor I mentioned this afternoon. I said in question time this afternoon that the operations of the Joint Coal Board and some of the matters that have affected the mining industry over a number of years have inhibited the opening of new mines. It took up to 15 years to open a new mine in New South Wales.

Queensland does not have those types of regulations. It is not constrained by a joint coal board. It has an open market situation. Admittedly, in open-cut situations it is competing effectively. But, as I said, we are not dealing only with Queensland; at present we are dealing with the international market. That is something we have to come to grips with.

I do not believe some honourable members opposite have come to grips with this problem yet but, after discussing this matter with unionists, I believe they are coming to grips with it. They spoke freely with me about a single union for the mining industry. The honourable member for Wallsend and the honourable member for Waratah mentioned that at one time 23 to 27 unions were involved in the Hunter Valley. That situation cannot be allowed to continue any longer; we have to have co-ordination and efficiency. The unionists to whom I spoke were talking about a single mining union, which I - and I believe the Federal Minister - applaud. The Federal Minister believes that is a necessity. I am disappointed that honourable members opposite have said they will oppose this bill. I do not believe this legislation is an attack on the mining industry; I believe it is a genuine attempt to get efficiency in the New South Wales coal industry. On a number of occasions today I heard references to the alienation of coal. Obviously I would be concerned about the alienation of coal. The Department of Mineral Resources clearly indicates to companies that it expects them to extract the maximum amount of coal from their operations. It is physically impossible to extract all the coal. I do not believe that to be an alienation of coal. It depends on the amount of coal that is left behind. If a substantial amount of coal is left behind, when future open-cut operations subside and the market increases there will be an opportunity to reclaim that coal. The point I want to make, which I did not hear mentioned earlier, and I was waiting for the honourable member for Bathurst to mention it -

**Mr Beckroge:** You cannot make that point now if it was not mentioned earlier.

**Mr CAUSLEY:** The blue cattle dog has returned. I was waiting for the honourable member for Bathurst to mention it. That alienation of coal which has taken place in national parks is entirely due to the previous administration. Bathurst is a prime example. Two very efficient underground operations came within 200 metres of the boundary of a national park and had to be stopped. That legacy was left to us by the present Leader of the Opposition as a result of his national parks legislation. That legislation has resulted in the alienation of enormous amounts of coal in New South Wales, yet I never heard honourable members opposite saying anything about it. The honourable member for Lake Macquarie, who spoke piously about the industry, referred also to urban encroachment in mining areas. He gives support to those people who have houses in these areas. Another problem we have to come to grips with is this alienation of large areas of coal. As I said earlier, Ipswich is a typical example where vast amounts of coal cannot be mined because the city has spread across the mining areas. We really have to come to terms with some of these matters. As I said earlier, governments, unions and mine owners have to sit down, work through these problems and come up with some efficiencies to ensure that this industry survives. There is no doubt that at present it is under pressure.

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One thing never ceases to amaze me. The honourable member for Bathurst talked about rapacious mining companies and how they are out to mine all the coal and tear the land apart without any regard for anyone. I remind the honourable member for Bathurst that those rapacious mining companies also employ miners. One cannot exist without the other; they have to work together. I am thankful that that is a dying attitude.

At present there are more enlightened people in the industry. People are realising that everyone has to work together to ensure that this industry survives. I appeal to Opposition members to have second thoughts. The former leader of the Australian Council of Trade Unions - the present Federal Minister - is right. The structures set up in this bill for the Joint Coal Board are correct. I am sure any movement away from these structures would mean inefficiencies in the industry in New South Wales. It could cost jobs. I believe this is the right way to go. I commend the bill.

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

**The House divided.**

**Ayes, 47**

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

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

Mr Photios  
Mr Rixon  
Mr Schultz  
Mr Small  
Mr Smiles  
Mr Smith

Mr Souris  
Mr Tink  
Mr Turner  
Mr West  
Mr Windsor  
Mr Yabsley  
Mr Zammit  
*Tellers,*  
Mr Beck  
Mr Hartcher

**Noes, 42**

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 Hunter

Mr Irwin  
Mr Knight  
Mr Knowles  
Mr Langton  
Mr McBride  
Mr McManus  
Mr Markham  
Mr Martin  
Mr Mills  
Mr Moss  
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

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**Pairs**

Mr Fahey  
Mr Greiner  
Mr Humpherson  
Mr Schipp

Mr Davoren  
Mr Gaudry  
Mr Iemma  
Ms Lo Po'

**Question so resolved in the affirmative.**

**Motion agreed to.**

**Bill read a second time and passed through remaining stages.**

**THE GOVERNMENT: MOTION OF NO CONFIDENCE**

**Debate resumed from an earlier hour.**

**Mr KNIGHT** (Campbelltown) [7.59]: I have been a backbencher in a Government in difficulties. No one who was a Labor member of Parliament between 1984 and 1988 could ever forget how it felt to come into this Chamber on our worst days. We alternated between depression and trying to gee up each other and tell ourselves that everything was all right. There was an increasing air of unreality. We see that same thing throughout this debate from members of the Government. Even on our worst days we were never in the depths of crisis that this Government is in every day. The Liberal National Government is a government in continual crisis.

**Mr Cochran:** Scum.

**Mr KNIGHT:** If the honourable member wants to call people scum, he should make a personal explanation.

**Mr SPEAKER:** Order! I call the honourable member for Monaro to order. I warn him that he has, first, no right to interject and, second, no right to interject in the terms in which I imagine he was interjecting. The honourable member for Campbelltown has the call and must be heard in silence.

**Mr KNIGHT:** The Government's spiritual leader, the honourable member for Ku-ring-gai, has been relieved of his post in disgrace. He did not go willingly; he did not go with dignity. He was dragged kicking and screaming from the premiership. But before he went he handpicked his temporal successor, a man pledged to carry on the

Greiner legacy. The former Minister for the Environment has gone from the ministry and later tonight will go from this House too. Though I cannot defend his actions, I have respect for him as an individual. He was a worthy adversary, and many members of the Opposition will miss him. We cannot say the same for some other members who are in difficulties on the other side, but we can say that about an honourable member and a decent individual.

The member for Vacluse has forfeited his Ministry to engage in a farrago of abuse against other members of the Parliament. Yesterday honourable members had the unedifying spectacle of Mr Speaker seeking to have the member for Vacluse withdraw certain comments, the Premier supposedly going to pull him into line, and the member

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for Vacluse dodging Mr Speaker and the Chamber for most of the day. When asked by the honourable member for Ashfield to find him, the Premier declined to send out a search party for the obvious reason that he was frightened it might find him. The new Government starts its term with the same prevarication and trickery as the Greiner Government ended. The only difference is that the Fahey Government does it with even less class. But the crises in the Government extend beyond the Ministers and defrocked Ministers. An ever-increasing number of Government backbenchers are embroiled in legal and moral controversies.

**Mr Griffiths:** None of them has ever gone to gaol.

**Mr KNIGHT:** The Minister for Justice said that none of them go to gaol. None of them has gone yet, but some of them will. We will certainly take bets on that. The member for Maitland was the subject of a most serious inquiry before the Independent Commission Against Corruption. In deference to that body I shall say no more about that matter. The member for The Hills is being investigated by so many different legal, administrative and prosecutorial authorities that time precludes me from naming all of them but, suffice it to say, the chickens are coming home to roost because when other members of the Opposition and I have raised matters to do with the member for The Hills the response from the Government has been abuse and vindictive name-calling. Now we find that reputable organ the *Sydney Morning Herald* indicating that, as a result of one of those allegations, criminal charges are about to be laid under the Listening Devices Act and, as a result of other allegations, the Australian Securities Commission is about to proceed, as the honourable member for Mount Druitt indicated to the House today. Then there is the member for North Shore, who has already lost one bout with the tax commissioner and another with the legal authorities. I felt a little sorry for the member for North Shore. He is the only one of the three - Blackmore, Packard and Smiles - who has a harbour seat, yet he is the one who did not get a boat. To this sorry procession we now add the member for Wakehurst, the widow's friend.

This afternoon honourable members heard a personal explanation from the member for Wakehurst. Members of the Opposition were very indulgent. They let him go far beyond a normal personal explanation to allow him to debate that issue. In fairness, I believe that was the right decision. The member for Wakehurst at least had the courage to put his position, unlike the member for The Hills, who persistently and consistently refuses to argue his case before the Parliament. But not once in his personal explanation did the member for Wakehurst confront any of the specific allegations against him; not once did he deal with the allegations of the \$5,000 worth of hush money; not once did he deal with the allegation that he had torn up a copy of the will and prevented Mrs Kitty Lawson from having her own copy; not once did he answer the allegations that invaluable, priceless jade had been removed from her premises -

**Mr SPEAKER:** Order! I believe I have to draw to the attention of the member for Campbelltown that he is now making a substantive attack on another member of Parliament. That can be done only by way of substantive motion. Therefore, the member's comments are out of order. I ask him to direct himself to the leave of the motion before the House.

**Mr KNIGHT:** I seek your ruling in a more explicit fashion, Mr Speaker. The Opposition is in the process of moving a motion of no confidence in the Government, the most serious motion that could ever be moved from this side of the House. I should appreciate your clear and specific ruling as to whether in a motion of no confidence members of the Opposition can attack the behaviour of members of the Government.

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That would seem to me to be quite germane to a very broad and substantive resolution that this Government - every member of it - no longer possesses the confidence of the House.

**Mr Hazzard:** On a point of order. Nothing the member for Campbelltown says or will ever say again will surprise me. I feel very sorry for him for that. He knows the rules. He knows that, if he is going to make a substantive attack on me, it should be by way of substantive motion. I ask that he withdraw the statements he has just made or that he be directed to withdraw those statements.

**Mr SPEAKER:** Order! The member for Campbelltown has sought advice. The question before the House is whether the Government in its entirety as a government possesses the confidence of the House. The matters the member for Campbelltown was addressing concerned actions allegedly taken by the member for Wakehurst, not in his capacity as a member of Parliament, not occurring during the period that he has been a member of Parliament, as I understand it, but occurring prior to that period, if indeed they occurred. Therefore, those matters are outside the compass of any action that has been taken by members who sit to my right in the House in the character of a government. The debate lays open to attack any member on the other side of the House who, in the performance of his duties as a member of Parliament, contributes to the functions of government. That covers a wide range. Because of the historical time in which the matter being raised by the member for Campbelltown took place, and because his attack is directed personally at the member for Wakehurst regarding functions not attaching to the role of the member as a member of the Government, I rule the comments are outside the scope of this debate, and that the primary rule that a member cannot attack another member personally except by way of substantive motion applies. Bearing in mind the precedents set earlier this week in regard to allegations made during the same debate by a member of the Government against another member, in which that member sought by way of personal explanation to deny the matter and called for a withdrawal and apology, which I granted, I now direct the member for Campbelltown to withdraw and apologise and to desist from his course of action for the rest of the debate.

**Mr KNIGHT:** I am sorry, Mr Speaker, but I have to ask you to clarify that ruling. Are you asking me to withdraw and apologise for questions that were asked in the last two days of question time in this House?

**Mr SPEAKER:** Order! I am asking you to withdraw and apologise for statements you have made in the course of this debate.

**Mr KNIGHT:** Repeating the questions?

**Mr SPEAKER:** Order! It does not matter what was said at a previous time in

this House. I am asking the honourable member to withdraw the statements that he made in the last five minutes in this House. I direct him to withdraw and apologise.

**Mr KNIGHT:** Which particular remarks, Mr Speaker? I will withdraw anything you want me to withdraw, Mr Speaker, if you tell me what you want me to withdraw.

**Mr SPEAKER:** Order! The honourable member for Campbelltown well knows that I am referring to all the remarks that he has made concerning the honourable member for Wakehurst in this debate which the honourable member for Wakehurst has considered, within the context of this debate, are offensive. The honourable member for Campbelltown well knows what I am talking about. I give him a direction for the third time. If I do not get it, he will be removed from the House forthwith.

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**Mr KNIGHT:** Mr Speaker, I will do as you ask, as always.

**Mr SPEAKER:** Order! I expect the words "withdraw and apologise".

**Mr KNIGHT:** Yes, I withdraw and apologise. I make clear that I will do whatever you ask at any time, Mr Speaker.

**Mr SPEAKER:** Order! I am not asking the honourable member for Campbelltown to conduct a debate on the matter. I asked him to withdraw and apologise. He has been almost insulting to the Chair, though he has withdrawn and apologised. I expect to hear nothing more from him on this matter, otherwise he will leave the Chamber.

**Mr Blackmore:** On a point of order. I seek that you make a similar ruling about references by the honourable member for Campbelltown concerning me and my position, as that matter happened before I became a member of this House.

**Mr Scully:** On the point of order. Is it correct that in debate on a motion of no confidence in the Government members are not entitled to put that a certain member has engaged in conduct unworthy of a member of Parliament? I would be very surprised that I cannot say in this debate that a member engaged in conduct unworthy of a member of Parliament and that the House ought to consider that matter in voting on the motion.

**Mr SPEAKER:** Order! The motion before the House is a motion of confidence or otherwise in the Government. I have stated what I believe to be the parameters of that matter. On all matters which fall outside those parameters I would take the same attitude. Indeed, if a member of the Government chose to attack a member of the Opposition, I would make a ruling on exactly the same grounds in respect of a personal attack. When the honourable member for Smithfield was speaking I considered the request made by the honourable member for Maitland. That falls into a different category because reference was made essentially to the fact that the honourable member for Maitland was the subject of an inquiry before the Independent Commission Against Corruption. The honourable member for Campbelltown said, with deference to that body and to proceedings before that body, that he would go no further. That degree of passing reference is acceptable. The remarks that sought to develop the attack on the honourable member for Wakehurst fall into a different category. I do not propose to make further directions.



**Mr KNIGHT:** The matters I have raised and other policy issues show why this Government will not survive. The Government might survive this no confidence motion but its days are numbered. It will never survive the wrath of the electorate. Nothing frightens Government members more than the prospect of going to the people. I and every Opposition member would be happy to have the people decide who is fit to form a government of this State. An editorial by Phil Cross, the President of the Teachers Federation, in the latest edition of *Education*, sums up matters most adequately:

The events of last week in New South Wales, culminating in the forced resignation of Greiner and Moore over the corruption findings of ICAC, showed how doggedly politicians will fight to retain power. In the last four years Greiner has implemented policies which have alienated the majority of the community. This is clearly demonstrated in public education where they have systematically destroyed students' learning conditions, teachers' working conditions and caused deep concern amongst parents and the education community.

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**Mr Kerr:** On a point of order. The honourable member is reading extensively from an editorial or a commentary. It has been the subject of a number of rulings by Speakers that members speaking in debate are entitled to make passing reference to papers and articles but not to form opinions.

**Mr Knight:** On the point of order. I can understand that two paragraphs and three sentences may well constitute a lengthy quote for the honourable member for Cronulla but for any other member it is a passing reference.

**Mr SPEAKER:** Order! I do not uphold the point of order. Consistently throughout this debate members have read extracts from various documents. Certainly, a ruling has been made against members reading lengthy extracts but I do not consider that what the member has read is lengthy. I warn the honourable member for Campbelltown that if he continues to read on he may infringe the ruling. I am sure he understands the rules.

**Mr KNIGHT:** I conclude that quotation with one last sentence:

In view of the current level of discontent with this Government I believe there should not simply be a passing of the baton but that the people of New South Wales should decide the fate of the Government at an election.

That view is held by many people in New South Wales. Honourable members know why the Government fears an election and why the Government would lose an election. The reasons I have mentioned, and some that I have attempted to mention, are overlaid by two additional reasons which have precipitated this crisis sooner rather than later. The first of these reasons involves the sleazy deal which gave a job for a seat. The second reason relates to the attempted cover-up and the behaviour of the Government as a whole, not only those who participated in the corrupt conduct as found by Mr Temby. I turn first to the question of a job for a seat. [*Extension of time agreed to.*]

The motion of no confidence must succeed because any reading of the evidence at hand shows that the Government endorsed a deal to exchange the resignation of a member of this House for a job in the public service. That deal was engineered by the previous Premier and the previous Leader of the House. That deal saw the then Premier and Leader of the House violate public trust and bargain with a public sector position for personal and party advantage. That deal is at the heart of the current controversy in

which we are all embroiled. The endorsement of that deal by the Government provides the grounds for dismissal of this morally bankrupt Government. This motion must prevail because the deal demonstrated utter contempt for the Government's own standards, its own law and public trust. The motion must succeed because the entire Government has stood behind a rotten deal which sought to undermine its accountability in this House.

The Parliament must vote no confidence in the Government because through this deal the Government has demonstrated a degenerate amorality in which it is willing to pursue its interests to the exclusion of all others. The Government has argued that the standards applied by the Independent Commission Against Corruption are for the future and that the finding of corruption is for the past. That is a falsehood. The standards to which the ICAC has referred were established by the Government itself. The ICAC was the Government's creation, it was the Government's Act, it was the Government's choice of Chief Commissioner, and it was the Government's definition of corruption. It is no good complaining that the Independent Commission Against Corruption is not doing its job. It is no good for the Government to say: "Gee, we set it up to get the Labor Party

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and it is not doing what it is meant to. It is actually finding out the naughty things that the Government is doing". The Independent Commission Against Corruption is this Government's creation, its standards and its own petard on which it has been hoist. One of the delicious ironies in all this relates to a speech given on 14th October, 1988, by a former Labor Attorney General, Frank Walker, at a testimonial for John Marsden when retiring as President of the Council for Civil Liberties, in a wide-ranging address about the Independent Commission Against Corruption which was then in the process of being set up. In a marvellously prophetic statement Mr Walker said:

It has been said that the Independent Commission Against Corruption is a Frankenstein. Well, Frankenstein ended up destroying his makers and my political and legal intuition suggests that Independent Commission Against Corruption will be no exception.

Those were marvellously prophetic words, matched incidentally on the night only by the wonderful, deliberate Freudian slip by John Dowd, who was then Attorney General. He described his colleague the Minister for Police in the upper House as "old Thud and Blunder". The Government's attempts to argue that what was done was not unusual is a ridiculous falsehood. In essence, it is an argument that two wrongs make a right. However, this line of argument brings us full circle. It is one which failed at the Independent Commission Against Corruption and one which the corrupt, the corpulent and the cretinous of the Government benchers are trotting out again and again in a persistent attempt to mislead this House. Even at the Independent Commission Against Corruption, the Government was not able to provide substantial information to support its own arguments. None of the examples provided involved an appointment to a public service position. The Government can point to appointments but these are ones that had always been considered to be within the gift of a government. Appointments made by the Executive Council to the judiciary or to diplomatic positions for which there are no statutory requirements are different to the situation which prevailed in the Metherell appointment.

**Mr Griffiths:** Was the Hon. M. R. Egan a diplomatic appointment?

**Mr KNIGHT:** He was not only a diplomatic appointment but also an excellent appointment. He was a diplomatic choice and a very useful appointment. This is in stark contrast to the betrayal which has been revealed by the Independent Commission Against Corruption. That is a gift which the Government decided was entirely within its

political interests, to the detriment of the electorate and democratic process, a gift which the Premier, the Minister, the Executive Council, the ministry and the entire coalition have endorsed without dissent. That is the nub of the Government's capability. Every member of the Government has had the opportunity to reject this corrupt and unprincipled deal; to reject those guilty of corrupt behaviour. But they have not. They have consistently and collectively stood squarely behind the Leader of the Government and the Leader of the House in their sleazy bargain. The Leader of the National Party, the leader of the junior partner of the coalition led his party in attacking the Independent Commission Against Corruption, in endorsing the intransigence of Greiner and Moore in refusing to resign. It was the entire Cabinet which rose to its feet when the Leader of the National Party, Wal Murray, at a Tuesday Cabinet meeting demanded that the supporters of the Premier and Tim Moore stand up, and they all did. They may not be too keen to be counted at the moment, but they all stood up to support the deal.

That brings me to the second matter which makes this no confidence motion still relevant even after the departures of Nick Greiner and Tim Moore - the Government's attempts to cover it up. On the one hand the Deputy Premier maintains that the Independent Commission Against Corruption got it wrong; that Greiner and Moore are as pure as the driven snow and that Greinerism in style as well as in substance should be  
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preserved intact. Indeed, we had the spectacle of the Deputy Premier calling Mr Temby a liar. On the other hand we have the new Premier, Premier Fahey trying to distance himself from the debacle, but only ever trying to distance himself an inch at a time and only taking each inch when he is forced to. He began with a public defence of Greiner and Moore. He said publicly that he thought they should remain and that they were not guilty of wrongdoing. There was then the series of leaked meetings he allegedly had with the Independents in which he urged the Independents to support Greiner and Moore. When he ultimately assumed the premiership after a hard night's canvassing while officially and publicly maintaining the line that Greiner should stay, he described his assent to the premiership as the saddest day of his life. He explained this in terms of why he thought Premier Greiner should not have gone.

Also, Premier Fahey would not rule out on his first day as Premier the return of Nick Greiner to the Ministry. When he was forced to do that, he then reached the position of granting Nick Greiner and Tim Moore public money, legal aid, to seek an external court intervention to declare the finding void. Yesterday the Premier was under sustained pressure. He moved another inch away from his total, unsolicited and unstinting support for that deal and position when he said, "The Cabinet really did not have all that much to do with the deal", notwithstanding that on four separate occasions he was there when the deal was endorsed. Next it will be, "I only drove the getaway car". As a lawyer the Premier should know there is a thing called the doctrine of common purpose and that is what we have seen from this Government. It has been deeply and totally associated, just as the new Premier's Government is tainted by its protection of members of this House who are under threat of external action, just as in every question time the Government stands four-square solid behind those whose behaviour is dubious.

The new Premier should remember what happened to Richard Nixon. Richard Nixon did not resign because of the Watergate break-in. It was not the break-in that brought about Nixon's undoing but the cover-up. Once a cover-up begins, it never stops, it extends. Once the first lie has been told, one is forced into telling other lies to continue to maintain the position. That is demonstrated by the actions of this Government. It is not simply that Greiner and Moore got it wrong and have to be sacrificed. The whole Government has been behind the cover-up and where it continues

to seek to extend the cover-up. This no confidence motion must succeed because the Premier and the Leader of the House showed complete contempt for current standards of integrity and honesty. As Mr Temby found they have acted corruptly. New South Wales cannot bear the load of the amorality and the continuing spread of the lack of political morality within this Government and its inability to come to terms with its own transgressions and responsibility. The House should vote no confidence in this Government because it has endorsed corrupt behaviour and has sought by this deal to reduce its accountability to this House and, by its most recent actions, to subvert the right of Parliament to make a determination. The Opposition seeks to have Parliament make a determination but, above all, it wants to go to the highest court in the land - not the Parliament, not the Supreme Court, not the High Court but the court of the people. That is where the Opposition believes that justice would most certainly be done.

**Mr PEACOCKE** (Dubbo - Minister for Local Government, and Minister for Cooperatives) [8.29]: I doubt that in all my years in the place I have ever heard a more hypocritical and sleazy contribution than that of the honourable member for Campbelltown. At times I had admired this man's intelligence. I do not want to go into depth on the matter but I suggest to him that people in glass houses should not throw stones. I would also suggest that he was part of one of the most sleazy and corrupt

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governments ever to rule in this Parliament. In this address to the House I did not wish to do anything but pay my respects to two honourable and decent men whose political careers have come to an untimely end as a result of what happened last week. I commence by reminding all honourable members that we are all human, subject to all the weaknesses and frailties of mankind, subject to pressures and stress which people outside this place would not understand, and subject to the difficulties imposed upon us by the times in which we live. For these reasons, it is no wonder that from time to time we are all guilty of very human mistakes and errors of judgment. Some such errors can have their effect in the ballot box and public approbation and criticism. Indeed, in some countries the effect is a bullet in the back of the head. But never in this place in my experience has the result been the expulsion of a Premier and a senior Minister.

It is basic to our system of justice that everyone convicted of an offence, no matter what it is, has a right of appeal. The exercise of that right does not mean that we reject either the court system or the magistrate or judge who made the first judgment. As a lawyer, I have acted in countless appeals, many successful, many not. I do not reject either our legal system or the judiciary involved. Judges, of course, are just as human as we are and quite often make mistakes. I believe that is the case in this matter. I neither reject the Independent Commission Against Corruption nor Mr Temby. Nor do I suggest improper motives in the ICAC findings. Nor do I challenge the integrity of the Independent members of this House who issued their ultimatum to the former Premier and Minister, or indeed their right to do it. Nevertheless, I am deeply saddened that they exercised the power in the way they did. Mr Temby is not a god. He is not infallible. He is one man. He heard evidence of all types. He heard evidence from Dr Metherell, whose word I would not accept in any circumstances. Mr Temby made a decision that was eminently appealable. I am very saddened that the Independent members of this House exercised the powers which they undoubtedly have in the way that they did. It is all very well to say that they are only three members of this House, as they are, but the Labor Opposition members are political opportunists of the worst type. Obviously they would want to get rid of a Premier by fair means or foul, and they chose foul.

**Mr Scully:** You would not do the same?

**Mr PEACOCKE:** Of course I would. But the Independents have set

themselves up as gods to make judgments on an honest, decent men such as Nick Greiner and the honourable member for Gordon. I believe that what the Independents did resulted in a travesty of justice of monumental proportions. Ultimately, history will be their judge. Therefore I shall leave that matter for history to decide. I want to say something of the victims. I comment first on Nick Greiner. His actions in the Metherell affair were undoubtedly a monumental error in political judgment, which he has freely admitted. But he has never been a politician in the mould of Neville Wran or Bob Askin. That was his enduring strength and the reason he will be judged one of the truly great Premiers of this State when the dust of this tawdry episode finally settles. Indeed, almost every time he tried to be a politician he got it wrong. But let us ask ourselves about his motives and what he did. Did he believe he had an obligation to restore the democratic rights of the people of the electorate of Davidson which the former member for that electorate had so lightly and despicably cast aside? Of course he did.

Did he believe that what he had proposed had been done hundreds of times before by every government, not only in Australia but in the whole of the Western World? Of course he did. Did he believe that Dr Metherell had adequate qualifications for the job? Of course he did. Did he believe what he proposed was wrong, either morally or at law? Of course he did not. Neither did Mr Temby. The same questions

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and answers apply to the honourable member for Gordon. The real effect of last week's action was in this Parliament itself. We are sworn to uphold the rights of all the people, which includes ourselves as a Parliament. By the actions of this House we have imposed impossible standards upon ourselves - our very human selves. Government in the future will be different. Why would any decent, honest and respectable person of ability become a member of this place in future to be made an Aunt Sally by anyone who might feel like it, to have his private life exposed, to be abused for the slightest transgression and hung for a misdemeanour?

Government, even in good times, is not easy. It is even more difficult in these recessionary times. That Nick Greiner and this Government have been able to keep this State solvent is no accident. It is because we have been prepared to make and carry out the hard decisions which all intelligent people know were necessary. For instance, it is not easy to reduce staff when we know how difficult it will be for many of them to get other jobs. We know they have wives and kids, mortgages and debts. It is a matter of great sorrow to me when we have to reduce the size of the public service and such people lose their jobs. But we know also that many more jobs would be lost if the State's finances collapsed and we know that thousands of little people out there have to pay very heavy taxes to support a public service which was bloated to the point of being out of control when we came to office. We know that by any standard a recovery from the current recession can come only from people in the private sector - the real wealth producers of our country upon whom the real financial burdens of this State fall.

We know that our State is burdened as all the States are burdened with a system of taxation which is regressive in the extreme. But we have no other way to raise revenue for the essential services that our citizens rightly require other than to sell off unused assets and to make the users of services pay a reasonable amount for them. However, there is another way; to involve the private sector in the construction of public works which otherwise could not be constructed for many years. The Opposition and some of the Independents reject this policy, clearly to the detriment of our citizens. This coalition Government is one of great achievement. When we took over from our predecessors who are now on the Opposition benches the years of mismanagement and waste, constant borrowing, the buying of votes and the giving of handouts to their friends had created a State debt in the vicinity of \$46 billion, actual and contingent. The State

then was clearly headed towards bankruptcy. Massive funds had been directed from basics such as roads to luxuries such as Darling Harbour and the football stadium. Our citizens are still paying a huge price for them. The Federal Government cut our funding in real terms by more than \$1 billion. This year our revenue has dropped by about \$800 million, courtesy of the depression caused by the friend of Opposition members, Paul Keating, the depression he said we had to have.

Despite all that, from day one of our administration we set about vacating debt to place the State in a viable position. With great difficulty we retained our triple-A rating, resulting in a saving to the people of this State of almost \$100 million. In doing this, Nick Greiner - all of us - made difficult decisions. We knew they would be unpopular decisions because no one likes to have his goodies taken from him, no one likes to be taxed or to have to pay for things that were once handed to them for nothing. Nick Greiner was painted as an uncaring Premier, one who cared more about balance-sheets than people. That picture is entirely wrong. Nick Greiner did care about people. I remember talking to him one day in better times, as we were getting the State finances under control, about how we should pass on the gains derived from the pain. His obvious concern was for significant benefits to be passed on to the little people of our State, the small-business men, the farmers, the working people and the battlers. His

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supreme misfortune was the Keating depression which destroyed all capacity to continue to reduce taxes.

One of the things that has been extraordinarily difficult for me and other members of this Government to understand is the fact that so many people in this State believe that without revenue, without money, we can still provide magnificent hospitals, schools, railway lines, roads - almost everything people want. The people of this State must understand that we are in the middle of a deep recession. There is no money. I listened with great interest to the contribution to this debate of the honourable member for Bligh. She talked about the environment. We live in a time when everyone is conscious of the environment. Early on it was the green movement that promoted a better understanding of the environment. But we also live in a time when environmental matters have to be balanced against the provision of jobs. I believe the honourable member for Bligh has a very poor grasp indeed of economics. She talked about the privatisation of the Port Macquarie hospital. It would have been a great initiative of the Government. It would have provided a service at public hospital rates. The people of Port Macquarie would have had their hospital years ahead of time.

Nick Greiner was probably the best Premier this State has known. Tim Moore, although he annoyed me at times with some of his environmental policies - some were excellent, of course - was an honourable and very clever member of this House who did a great deal for the environment. Both will be sorely missed. The Government as a whole, however, does not deserve a vote of no confidence. It has done the job it was placed here to do: to put this State back on the rails economically, and to create jobs, particularly for our young people. This Government was charged with the task of restoring honesty into government. It has achieved that. It followed the most corrupt New South Wales government ever, some members of which were gaoled. There were constant allegations of corruption. But what Nick Greiner did was not corrupt.

**Mr Scully:** You are talking about the Askin Government.

**Mr PEACOCKE:** I am talking about the Wran and Unsworth governments. Nick Greiner was not corrupt. No one could say that Nick Greiner was not honest or was not a man of deep integrity. No one could say Tim Moore was not honest or not a

man of great integrity. The findings of Mr Temby are being tested by three judges of the Supreme Court. I do not know what the result will be, but that is the proper way to proceed. It would have been proper to allow Nick Greiner to remain Premier until the appeal had been heard, but the Independents did not see it that way. They set themselves up as gods. They admitted that Nick Greiner and Tim Moore were honest men, yet they demanded their resignation. During the Wran Government, the Askin Government, and various Commonwealth governments, it was quite routine for political appointments to be made. Why is it that when Nick Greiner and Tim Moore organised this appointment they were singled out for such a massive attack? It is hypocrisy to say that they set higher standards and they must live to those standards. Mr Temby said they lived by standards which applied over the past few years and were current at the time the so-called act of corruption was supposed to have occurred. Why then were they castigated and forced out of office for doing what had been done thousands of times previously? Why was Nick Greiner not allowed to continue to lead a government that is committed to getting this State under economic control?

There is now a new Government. We need to look ahead. The Government of the new Premier, the Honourable John Fahey, will be an excellent Government. It will follow the sharp economic policies of the Greiner Government. It is a government of honourable men that deserves the support of this House. The coalition Government can  
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look back with enormous pride at its achievements in so many areas over the four years it has been in office. The Government can be proud. The people of this State can be proud that the Greiner Government was a reformist government that effected worthwhile and necessary reforms not only in the economic structure of our State but in the forms and practices of our State. As I said earlier in this address, history will judge the Independent Commission Against Corruption, Mr Temby, Nick Greiner, Tim Moore, the three Independent members of this House and the Labor Party. It will be interesting to read that judgment in due course.

**Mr FRASER (Coffs Harbour) [8.48]:** I speak in this debate because a motion of no confidence in the government of a country or State is the most serious motion that can be placed before any House of Parliament in the world. From 1988 the Government of the former Premier of this State, Nick Greiner, acted with honesty and integrity. The former Premier had witnessed past rorts in the State and had decided that they were unacceptable to him and his new Government. With that in mind he established the ICAC to delve into the acts of all public officials in New South Wales. After pressure from this House and from the Independents, he decided to refer the appointment of Dr Terry Metherell to a position in the Environment Protection Authority to the Independent Commission Against Corruption for its verdict. It has been suggested that the finding brought down by Mr Temby is both correct and incorrect. I believe that Mr Temby's finding was incorrect. The Parliament will learn the result of Mr Greiner's appeal to the Court of Appeal in the near future. I believe he will be vindicated from Mr Temby's finding. In his report Mr Temby stated that he would not recommend the dismissal of either Mr Moore or Mr Greiner. At page 91 of the report, Mr Temby stated:

The political reality is that this Report will be debated in the Parliament, and advice will be given . . .

On page 93 he said:

In conclusion, the Commissioner holds no stake in the outcome of the Parliamentary deliberations on this Report . . . It is now the responsibility of members of Parliament to decide how seriously they view the conduct in question.

Parliament was denied that opportunity by the three so-called Independent members. In his evidence to the ICAC, Dr Metherell suggested that the three Independent members operated in tandem, together, as a party and as a team. The three Independents decided that it was in their interests or the interests of New South Wales that the computer of the honourable member for South Coast be judge, jury and executioner. His computer decided that Nick Greiner and Tim Moore must go. This Parliament was denied the opportunity that was given to it by Mr Temby. The three Independent members went to the former Premier and demanded that he and Mr Moore resign or they would vote in favour of a motion of no confidence in the Government. They decided they were above the Parliament of New South Wales. Bearing in mind the terms of Mr Temby's report, I find that totally unacceptable to the Parliament of New South Wales. Whether one agrees or disagrees with the content of the report, the fact is that Mr Temby left the matter to Parliament to debate.

As I put to the honourable member for Manly last night, is the time approaching when New South Wales will not have a Parliament? Will New South Wales have one rostered member of the Opposition, one rostered member of the Government and three Independents deciding what happens in the Parliament of New South Wales? That is the farcical situation that exists at present. Three Independents have decided that they will

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pass judgment on the definition of corrupt conduct in the Independent Commission Against Corruption Act. They decided that they would act on their definition of corruption - not Mr Temby's definition, not this Parliament's definition but their definition and the definition of the computer of the honourable member for South Coast. I believe my constituents fully support my actions in regard to this matter. The honourable member for Bligh and the research assistant of the honourable member for Manly have written or spoken to the staff of my local newspaper objecting to my interjections in this House last week. Why did they object? My interjections were not of a personal nature. I asked the Independents to answer some simple questions. The first question was whether the fixed four-year term bill demanded by the Independents in their agreement with the Government was correctly described by the honourable member for Smithfield in this House in December as the Clover Moore Superannuation Bill. I also suggested to them that because they each now have an additional research assistant that other members do not have, their conduct could be regarded as partial under the terms of section 8(1)(a) of the Independent Commission Against Corruption Act. Is their conduct, my conduct or the conduct of any member of this House to be considered partial, and therefore corrupt under that section, if we go in to bat for something we want for our electorates?

The Independents wanted to change the New South Wales Constitution by the special provisions bill. When the honourable member for South Coast spoke on that legislation in this House on 31st October, 1991, he stated, "This bill must define and confine the powers of the Governor". That is contrary to the Constitution Act of 1902. He wanted to confine and define the powers of the Governor of this State without a referendum, without reference to the people of New South Wales. With the support of the other two Independent members, he wanted the date of the next election to be fixed. The Constitution Act allows for a maximum term of four years; it does not allow for a fixed term of four years. I suggest that under the terms of section 8(1)(a), that action could be regarded as corrupt. Under section 8(2)(v), it could be regarded as an offence against the sovereign because the Governor of this State is the Queen's representative. By limiting, defining or confining the powers of the Governor, the Independents have acted contrary to section 8(2)(v) of the Independent Commission Against Corruption Act. Therefore their conduct could be regarded as partial.



The fact that they each have an additional member of staff is also partial so far as I am concerned. The fact that they refused to allow this House to debate the report could be regarded as partial. I question their conduct in regard to this matter. It has been suggested by Labor Party representatives in my electorate that I am in Parliament to attack women. Nothing could be further from the truth. I do not care whether it is a man, woman or child - anyone who attacks the Constitution of New South Wales needs to be brought back into line and told that the New South Wales Constitution and the Australian Constitution are sacrosanct and cannot be altered without reference to the people. Yet the Independents decided that is what they wanted. I believe that their actions, the provision of an additional staff member, their endeavour to alter the Constitution of New South Wales, and their refusal to allow proper debate about Mr Moore and Mr Greiner on the floor of this House is partial conduct. They are protecting their own interests and that is not acceptable to the people of New South Wales.

The fact that the Independents approached the Government soon after it came to office and said, "We will give you our support under certain conditions" suggests partial conduct. It is not impartial. I believe, therefore, that it could be corrupt conduct under the provisions of the Independent Commission Against Corruption Act. If Mr Greiner  
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and Mr Moore were guilty of anything, it was definitely not corruption, and definitely not dishonesty. They were guilty of political naivety. I believe that Terry Metherell was the greatest traitor this State has ever seen. He should not have been offered anything. I would not give him a job anywhere and I do not believe any honourable member on the opposite of the House would do so. Dr Metherell was a traitor to his party, to his electorate and to the State of New South Wales but the conduct of the Independents in the course of this whole debate has been less than honest. It has been less than fair. It has definitely not been impartial. I suggest that perhaps their conduct throughout this whole affair should be referred to the Independent Commission Against Corruption for a definition of their behaviour - not only in relation to the Metherell affair but from the day they first came to this Parliament.

It worries me, though that if that were to be proved, every member of this House would be guilty of partial conduct because they are here to represent the best interests of their electorates, and, in my opinion, anything they do in the interests of their electorates can be regarded as partial conduct - as being favourable to their electorates and not necessarily in the interests of New South Wales as a whole. I believe that the Independent Commission Against Corruption Act needs redefining. The decision by Mr Temby should not have been handed down. This Parliament should have been given an opportunity to debate his findings. An honest Premier, the best Premier this State has ever had, has been wronged by the ICAC decision, and by the Independents who demanded his resignation. The blood of Nick Greiner and Tim Moore will be on the hands of the Independents and that will be reflected in the next general election in New South Wales.

**Mr SCULLY** (Smithfield) [9.2]: I support the motion of lack of confidence in the Government. This is a motion that does not come lightly before the House. As pointed out by one Government minister, rarely does a motion of no-confidence come before the New South Wales Parliament, though it is a regular occurrence in the Federal Parliament. The motion should be supported not only because of the Government's complicity in corruption but also its ineptitude and mismanagement of the economy and issues of State. The role of the Government in the Metherell affair is not a particularly pretty one. At the very least, the former Premier is a person who lacks astuteness. He is probably the least astute politician ever elected to this Parliament. He acknowledged that. I have read through some of the ICAC report and transcripts of the evidence - and I

invite honourable members to read the transcripts, if they have not already done so - and Mr Greiner acknowledges that Terry Metherell was disloyal, deceitful and treacherous. He was asked, "Is this the sort of person you would want in the public service? - Yes. Is this the sort of person that has merit? - Yes. Is this the sort of person that could repeat these qualities? - Yes." That is inconsistent. How can anyone say a person is treacherous and disloyal and then say that person is good for the people of New South Wales?

**Mr Mills:** You can only do that if you have got a bad memory.

**Mr SCULLY:** Exactly. Much has been said about jobs for the boys. I would like to comment on that. Many Government members have made attacks upon previous New South Wales Labor Governments and the Federal Labor Government in respect of political appointments and jobs for the boys. I want to make it clear that there is a distinction between the Metherell appointment and jobs for the boys generally. The former Premier raised the question of political appointments; the Opposition did not. He is the one who said, "I will sin no more. I will make no more political appointments". But then he appointed Kathryn Greiner, Allan Andrews, Phil White and Neil Pickard.

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He made the promise; we did not. The Opposition recognises the fact that, in government, sometimes it is good to appoint people with whom you have a political connection. If I have the honour to serve this State as a Minister of the Crown, I would like to think that I would have the opportunity of putting someone in the bureaucracy to be my eyes and ears. The Independents have expressed great concern about executive power in this State - I have not yet had the honour of being a Minister but I would be interested if the Minister for Local Government and Minister for Cooperatives would disagree with my contention that this Parliament should be more concerned with bureaucratic power than executive power.

The great shame of this debacle is that, because the former Premier went down the track with his grubby appointment - and I will elaborate later on why there is a big difference - he has created a situation in which the ICAC will probably bring down a report which may abolish for all time political appointments, which, in the past, were good. If I were a Minister, I would want to check bureaucrats to see if they were doing the right thing and implementing government policy. There is nothing wrong with that. In the past when political appointments were made, it did not affect the Government's survival. It did not affect the numbers on the floor of the Parliament. The Commissioner for the Independent Commission Against Corruption spoke about the Gair appointment, To the extent that it can be related closely - as the commissioner has alleged - it is still different. Former Prime Minister Whitlam's majority on the floor of the House of Representatives was unaffected whether or not Gair went overseas.

**Mr Peacocke:** What about Peewee Bannon, so that Barrie Unsworth came into the lower House?

**Mr SCULLY:** I am not aware of any particular case where an appointment was made that affected the lower House situation, except for the example referred to by the honourable member for Auburn when in 1859 the government fell on a vote of no confidence because a person received a judgeship in return for a vote in the Assembly. The appointments referred to by the Minister for Conservation and Land Management were made without the vote on the floor of the Assembly being affected. In the present case, it was not designed to make someone the eyes and ears of the Minister in the bureaucracy, someone the former Premier had a rapport with, someone he trusted, someone he relied upon. In the case of the Opposition it may have been someone in the

union movement for 20 years or, in my case, someone I had been in Young Labor with, back in the 1970s whom I trusted and whom I knew would say, "Those senior bureaucrats are ignoring the decisions of Cabinet and are trying to white ant you. They are trying to do all sorts of things that you should be aware of". There is a case for that but this is not that case.

How can the former Premier say, "This person is treacherous and deceitful and disloyal" and yet want that person to be his eyes and ears in the public sector? He cannot have it both ways. That is just false. It runs against the grain of political appointments which have occurred in the past. The other point is the grubby exercise of selling a job for a seat in Parliament. That is the big difference. I repeat: it is unfortunate the net has been cast, and it may be that any member who leaves the Parliament is going to have to cop a stage two report that says he or she can never have a job in the public sector. People may well say, "What is the point of being a politician if, ultimately, we are going to have that type of restrictions put on us or we cannot get a job in the public sector for a certain period of time?". It is unfortunate that this grubby exercise has caused that wider net to be cast, to encompass matters not directly connected with this grubby little exercise of selling a job for a seat.

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The evidence, and I am sure you, Mr Acting-Speaker as a lawyer have read the transcript, is very unsatisfactory. As a litigation lawyer I daresay you would be discomforted to hear a witness using phrases such as "I cannot remember; I do not recall; I have no recollection". I do not for a moment suggest that those answers were necessarily dishonest. As a former practitioner, I submit that when witnesses give answers of that nature they draw the inference that they may not be telling the whole truth. Given the evidence of the Premier and the contents of the report, members on the Government benches should complain very little, because on that evidence the commissioner was open to make far more drastic findings about the Premier's conduct than merely that he breached certain sections of the Independent Commission Against Corruption Act. To a large extent the report is an interpretation of the evidence, so honourable members should read the evidence - the primary source. Given the Premier's serious memory lapse with respect to telephone calls, conversations, what was said at meetings and informal discussions, that alone could have caused him all sorts of problems. At all times he attempted to suggest that he played a minor role, but the commissioner rejected that evidence out of hand.

The real problem for the Premier could have been the telephone call about the timber industry protection legislation and, of course, the overall transaction - the job for a seat. It was open to the commissioner to find that in either or both cases there had been bribery - but he did not. The common law offence of bribery attracts a prison sentence, so honourable members should not feel that the former Premier and the former Minister for the Environment did not get a fair hearing. The Opposition considered there were grounds for a bribery case. Though that may appear to be totally subjective, I put my lawyer's cap on and tried to imagine a witness in a case that did not have that political complexion about it. The commissioner has said that a notional jury would have found certain things with respect to bribery, but that is open to interpretation. That is his interpretation, and I am willing to abide by it; but the Government was fortunate to have that particular result. I turn now to what the Premier did. He converted a negative finding into a positive finding. I invite honourable members to read page 73 of the report. It states, "I do not think it can be concluded . . . ", and goes on to speak about breaching recognised standards of honesty and integrity.

**Mr Peacocke:** Read the lot.

**Mr SCULLY:** I have read the whole report.

**Mr Peacocke:** Read that part.

**Mr SCULLY:** It states:

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.

**Mr Peacocke:** That is positive.

**Mr SCULLY:** It is not. The commissioner was applying that specifically to an element of the bribery offence. That is quite different from saying that the Premier acted with integrity and honesty. The commissioner is saying that neither a jury nor Mr Greiner would think that he had breached those standards.

**Mr Peacocke:** That is quite positive.

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**Mr SCULLY:** No, that is a negative finding. In all events the Government must satisfy the House that the corruption has not polluted the whole. The argument has been put that the rotten apples have been extricated from the Ministry and that therefore the Government should survive. That is a matter for honourable members to determine. My feeling is that the barrel was rotten; a couple of rotten apples have been tossed out from the top but the rest are still there. The Minister for Local Government and Minister for Cooperatives and the honourable member for Manly spoke about ownership of this transaction. Honourable members should examine the behaviour of the Government after this issue blew up. The comments made by the new Premier and by particular individuals were not to express shock and horror; they were to back the former Premier to take it to the wall. They all saw it as a brilliant device. They are complicitists. The Minister for Local Government and Minister for Cooperatives shakes his head. To the extent that the Minister did not know about it, I submit that he and his fellow Cabinet members, except for the former Premier and the former Minister for the Environment, were not principals in the first degree. As I understand, the Minister had no prior knowledge and therefore could not be convicted as a principal in the first degree. However, he could be charged as an accessory after the fact.

**Mr Peacocke:** What would you have done?

**Mr SCULLY:** I will tell the Minister what I would have done. If the former Premier had come to me, and occasionally I have had a sauna down there, he has popped in, we have had a yarn about things, and said, "Carl, off the record" - if a Government member said that to me I would honour it - "I am going to appoint" - the Hon. J. F. Ryan may well laugh but he must realise that if he enters this Chamber he must uphold certain standards of decency. I object to him coming into this Chamber and laughing when -

**Mr ACTING-SPEAKER (Mr Merton):** Order! The honourable member for Smithfield is not in a position to address comments to people sitting in a section that does not represent the Chamber as such. He should confine his comments to the motion.

**Mr SCULLY:** I would have expressed shock and horror, as every honourable member would have. Treachery, ratbagery should never be rewarded. The Premier did not go to the bevy of advisers that the people of New South Wales are paying for and ask, "What should I do? Terry has asked for a job". I would have said to him: "You have got to be joking. First, the man is hated. He is a vile, slimy piece of treachery who should never be rewarded; that is it". But the Premier did not consult anyone. Therefore I accept that the Minister for Local Government and Minister for Cooperatives and others are not principals in the first degree but they are accessories after the fact. They covered up after the event and they should be convicted, together with the former Premier. The Government should go.

However, there is more to the issue. It is not merely a cloud of corruption. Opposition members are entitled to question how the Government has handled the issue. On a vote of no confidence the Government might say: "Do not hang us. This is a first offence". But this is the end of the conveyor belt. The Government has treated the people of New South Wales contemptuously for more than four years. Now is the time to act. The Minister for Local Government and Minister for Cooperatives spoke about a debt of \$46 billion but he did not tell honourable members that that debt is now \$52 billion, \$6 billion more than when the Coalition Government took office. He did not tell the House that the Government had inherited the triple-A rating or that it had inherited surpluses. He did not tell the House that the Government now has annual deficits of \$1.8 billion. When the Leader of the Opposition in the other place spoke about the deficit of

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the last financial year being \$1.8 billion, the former Premier said that Michael Egan was an idiot. When Access Economics, consultants for the Federal Liberal Party confirmed the figure, the former Premier was the one who looked the idiot. Our annual deficit is more than \$1.8 billion. We have to flog off our assets - the GIO this year and the State Bank next year. Government members should not tell us that the former Premier is a great economic manager. That myth must be dispelled and it will be. His record will be that of an economic wrecker, not of a great manager. I do not understand how Government members can seriously say that the former Premier is a good economic manager.

Let us not speak ill of the dead. There is this notion: the King is dead, Long live the King. The honourable member for Ku-ring-gai is out of the equation. I do not want to dwell on the personal hardship he has had to face, but as we put his coffin into the politics of this State, let us not rise and deify his record of the past four years. That would not be fair to the people of New South Wales. Let his record speak for itself. I turn now to the transport issue, and in particular the F4 tollway, which I am sure honourable members would agree is a contemptible exercise. The people of western Sydney are now paying double tax to travel on the F4 tollway. The Opposition has said that that is not good enough. The people of western Sydney ought not to pay tax twice. The Minister knows that they pay 3c a litre petrol tax and now they pay a toll. If the people of western Sydney did get to vote on this -

*[Interruption]*

They did get a vote. Let us consider the allocation of resources. In this State 85 per cent of the people live on the eastern seaboard. The Government thieves 3c a litre in petrol tax and diverts it to its mates in rural electorates so that they can create great roadways. People can drive for miles and miles and all they can see are the Government's mates, the sheep.

**Mr ACTING-SPEAKER (Mr Merton):** Order! The honourable member for

Smithfield has the call. I ask other members to refrain from interjecting. I also ask the honourable member for Smithfield to be careful with his comments because they are somewhat inflammatory and he is encouraging interjection.

**Mr SCULLY:** What the Government has done to the health services, transport services, and privatisation of hospitals is an abdication of responsibility. [*Extension of time agreed to.*]

However, what the Government had done in regard to education - including the abolition of 2,500 teacher positions and increased class sizes - is enough to justify it being removed. Often class sizes are greater than 30. The incidence of composite classes has dramatically increased. The Opposition is committed to providing an additional 2,500 teachers, 800 of whom will occupy positions in kindergarten classes. Government members should ask themselves whether it is good for children to be in kindergarten classes of 30 or more - I think that stinks. Our commitment is to reduce class sized to 25 or less.

I am glad that the Minister for Local Government and the Minister for Cooperatives is in the Chamber. I must comment on the Swimming Pools Bill, which I feel very strongly about. I spoke at some length when it came before the House and I will not dwell on it now. I said then - and I say now - to the Minister, the next toddler who drowns in this State because of there being no fence around a pool will be on his

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conscience. I have young children. My view on this is not political, but very personal. I speak not as a member of Parliament, but as a father. It will be on the Minister's conscience. This is a despicable piece of legislation. The matters I have put before the House are sufficient justification for the Government to be removed. It is only the Labor Party that recognises the right thing to do. It is not interested in hearing people say the wrong things or in the Parliament pursuing a course of action that is not morally right. This legislation involves a moral question. The honourable member for Maitland stands condemned. He has no decency after what he did.

**Mr Blackmore:** What did I do?

**Mr SCULLY:** The honourable member ought to be ashamed of himself. The honourable member should show that he has some decency by voting for the motion and rejecting the Government.

**Mr Blackmore:** What did I do?

**Mr SCULLY:** The honourable member knows what he did. Next to jobs, pollution is the most important issue facing people in western Sydney.

[*Interruption*]

The dills on the other side ought to come out to western Sydney and see the problems that we suffer.

**Mr Peacocke:** That you created.

**Mr SCULLY:** That is a silly comment. The Minister knows very well what the problem is, and he is failing to react. We demand that monitoring stations be set up and that pollution coming out of western Sydney be measured. The Government does not care about western Sydney. At the next election, the honourable member for Camden

and the Chief Secretary, and Minister for Administrative Services, and Minister Assisting the Premier on the Status of Women will be dealt with by the electorate accordingly. I am disappointed that the Independents have elected to bolster the Government. Much has been said about how contemptuous the behaviour of the Independents on this matter has been. They will vote with the Government to keep it in office. They voted for the Government today on a whole range of legislation. So far as the Government is concerned, it will be business as usual. I do not know what the Government is complaining about. Mr Acting-Speaker, I think you would appreciate the provisions in legislation for the confiscation of profits from crime - Federal legislation dealing with the confiscation of money made by drug barons from the profit of their crime. The new honourable member for Davidson is the profit of the Government in this very sleazy deal. If he comes into this Chamber and votes with the Government on this issue, he stands condemned. If he, as a new member yet to give his maiden speech - and I will listen to his maiden speech in silence -

**Mr Fraser:** That will hurt the honourable member.

**Mr SCULLY:** It will hurt. The new member should realise that he is the profit of the Government in this deal, and he should stand on the other side of the bar table and not enter the House or support the Government on this issue. I quote from the heroine of the Conservatives, the heroine of the Tories. On 28th March, 1979, Margaret Thatcher, when speaking on a vote of no confidence in the then British Labour Government, said:

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The only way to renew the authority of parliamentary government is to seek a fresh mandate from the people and to seek it quickly.

We challenge the Government to do so before this day is through.

How very appropriate. What is the Government afraid of? The Opposition knows that the Government considered the option of an early election, and the Government should not deny that. The only reason it would not put this to the people is that it knows it would lose. The Government should not complain about the Independents, but should put the matter to the people and let them decide. The Government knows the Opposition will win; it knows we will win next time. Call an early election.

**Mr ACTING-SPEAKER (Mr Merton):** Order! The honourable member will address his comments through the Chair. I call the honourable member for Coffs Harbour to order.

**Mr MILLS (Wallsend) [9.26]:** Before I commence my remarks on the motion, I advise the House, so that the context can be accurate, that the Legislative Council of New South Wales has just carried a motion which censures the honourable member for Ku-ring-gai, the honourable member for Gordon and the former honourable member for Davidson for their conduct in relation to the proposed appointment of Dr Terry Metherell to a senior public service position. I am quite sure that the speakers who follow me, including the Leader of the Opposition who moved this motion, will be very interested in commenting on the fact that the upper House saw fit in its motion to censure the man who had escaped censure in the Independent Commission Against Corruption report and in this House - because he is not a member any more - Dr Metherell.

My remarks will be divided into two areas: first, why we should have a vote of no confidence in the Government; and, second, the content of the motion itself.

Whatever may be said about the honourable member for Ku-ring-gai, the Fahey Government - all 17 Ministers - and the Liberal Party of New South Wales must be eternally grateful to Nicholas Frank Greiner. They must be grateful for the corrupt act and process carried out by Mr Greiner and Mr Moore. They must be grateful for this improper and partial appointment of Dr Metherell. This Government eagerly accepts the benefit of this rotten process because the honourable member for Ku-ring-gai was successful in achieving the objective of this whole activity: he put a Liberal Party bottom on the green leather benches on the Government side. He gave the Liberal-National coalition 48 seats compared with Labor's 47. That is the hard reality of why the Fahey Government is in office today. It is the beneficiary of that corrupt act and process. Every day it says thanks to Nicholas Frank Greiner, who ironically suffered from the process but gave continuity to the Liberal Party-National Party Government. That is why this motion must be debated in the Parliament today. I quote page 59 of the Independent Commission Against Corruption report, where two previous examples of an attempt to swap a seat for a job are discussed:

In September 1965, the then Liberal Government in New South Wales appointed a Labor member of the Legislative Assembly as Agent General in London, in the hope that it could win the marginal seat he held and thereby buttress its very slim majority. The more notorious case of this general sort involved the appointment of Senator Gair as Ambassador to Ireland and the Holy See in 1974. That was again a case of a Government appointing a political foe in the hope of obtaining control of a House of the Parliament, namely the Senate.

In the two cases just mentioned, the attempts failed.

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In the two cases just mentioned the attempts failed, whereas in the events that are being debated in this House the attempt succeeded. The Liberal Party-National Party Coalition Government has 48 seats, compared with Labor's 47, a gain of one. The people of New South Wales have no confidence in the Fahey Government, which is the illegitimate child of the Metherell affair, conceived in an act of corruption. As the beneficiary of that corruption, the Government will never have the confidence of the people of New South Wales. That is the first reason I advance for Labor's motion of no confidence. The second reason for this Labor motion of no confidence is that this is the first opportunity for the Parliament to do its duty to make a determination of this matter. I challenge all those sanctimonious media commentators - not least those on the ABC's 2BL Andrew Olle program yesterday morning when I was driving to this House - and many Government Ministers, who derided this no confidence motion and said that Labor should not proceed with it because the Independents had announced they would not vote with Labor on the motion. My challenge to those people and to the Independent members is to read the ICAC report, especially page 63 which I quote:

In reality, it is not likely that the Governor would be required to consider dismissal of a Minister of his own volition. What would rather happen is that, if cause was seen to arise, there would be Parliamentary debate, perhaps on a motion of no confidence in the Premier, a particular Minister, or even the Government as a whole. Depending upon the outcome, certain advice would be given and followed.

And page 64:

Out of deference to Parliament, I propose to refrain from suggesting what course it should follow. That is a matter for the members of Parliament collectively. They have a grave responsibility to act in an appropriate manner on the basis of this report.



This is the first opportunity the Parliament has had to carry out the recommendations of the ICAC report. I quote from page 91 of the report:

The supremacy of Parliament must be recognised.

And further:

The matter now passes to Parliament for its mature and responsible consideration.

This is the first opportunity the Parliament has had to exercise its mature and responsible consideration of the ICAC report into the Metherell resignation and appointment. Last week's debate was a mickey mouse effort in the sense that it was a take note debate on the report and did not carry out the recommendation in the report to take action. I am most disappointed in the actions of the Independent members of Parliament last week because they, more than the political parties, espouse the ideals of the supremacy of Parliament itself. Last week the Independent members betrayed their own beliefs and the intentions and recommendations of the Independent Commission Against Corruption Commissioner. I say betrayed because their action was not in the Parliament; they acted outside the Parliament - they acted before the Parliament had met. In so doing they committed the same error that they so strongly blamed the political parties for, namely, that decisions are taken outside the House and are consequently presented to the Parliament itself as a fait accompli.

The three non-aligned Independents loaded a pistol and pointed it at former Premier Greiner and former Minister Moore the day before the Parliament met. They used extra-parliamentary political action to achieve their objective. By their own espoused standards they betrayed the democratic ideals of this Parliament. What should  
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have been the Parliament's decision, as recommended by Mr Temby, was all done beforehand and wrapped up. It was done by private meetings and press conferences. The honourable member for Tamworth was particularly bemused. On the ABC radio program "PM" on 19th June he was asked:

... do you see this issue as something in which you could take a different line?

The honourable member for Tamworth answered:

Well depending on what the report says and my interpretation of it and the interpretation of the Parliament ... I'll have to read the report and listen to the debate. That's what Parliament is all about.

Then in debate last week, when contributing to the take note debate, the honourable member for Tamworth said, speaking of the honourable member for South Coast:

He has done himself a great disservice today.

The honourable member also said in debate last week that the honourable member for Bligh and the honourable member for Manly, by trying to rush things and use the media, have been driven by the media. The honourable member for Tamworth was quite bemused by what occurred last week. It was dramatic and exciting stuff last week but it was not in this Chamber, and that is the second reason why we must have this debate today. The battle of the press releases is over. This vote will be the real thing. Yesterday we heard the honourable member for Manly say, "I have confidence in the

Fahey Government". That is not surprising - he helped to create it. The no confidence motion is supported because last week Mr Fahey said that Greinerism is alive and well. Greinerism no longer has the support of the people of New South Wales or the people of the electorate I represent, first, because of the grant of legal aid to Greiner, Moore and the others to challenge the ICAC findings in court. That \$300,000 challenge is at taxpayers expense and is an outrage.

So many of my constituents who are poor cannot get legal aid on serious matters because the Government says there is no money. Legal aid is no longer provided to defendants in alleged domestic violence cases, alleged driving offences such as driving under the influence or while disqualified, or in motor vehicle property damage matters, in which poor people cannot sue to recover damages. In the past 18 months interest has been charged by the Legal Aid Commission on debts. The means test is so low that a person must earn less than \$185 a week to be eligible for legal aid. For example, an old age pensioner couple with their own fully-owned home and without dependants can no longer qualify for legal aid. That is outrageous, yet the high fliers on their past high salaries are able to get the Government to pay for their court challenge to the ICAC findings. That is also outrageous. That is the Greinerism that Mr Fahey says is alive and well and which the honourable member for Manly this week said he supports. Where is the justice in that?

The Liberal Party should pay Mr Greiner's legal bills. I urge the Independents to reconsider their support for a Government in which all 17 members of the Cabinet voted, we are told, to support the actions of Greiner and Moore, actions that have been found to be corrupt and in breach of public trust. Wal Murray at a jovial Cabinet meeting on 14th April, announced that the move to get rid of Dr Metherell "was a decision which I fully support." Mr Greiner announced on 2UE, "They support me, every one of them." In Cabinet on 28th April Wal Murray announced, "The Cabinet gave a strong vote of confidence to Greiner and Moore". Mr Greiner said that Cabinet had given 100

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per cent support over the Metherell affair. This Fahey Government and its 17 Ministers endorsed every breach of public trust found by Mr Temby to have been committed. This new Premier said of this new Greinerism on 28th June, "All the things happening will continue, only the packaging will change". The deception, the misrepresentation will continue. How can we have confidence in that? I have heard half a dozen Ministers, now in office, monstrously misrepresenting the words on page 73 of the ICAC report, seeking to clutch at straws to avoid the impact of the findings of corruption. I went to the trouble of approaching a head teacher of adult basic education at a TAFE college for a plain English explanation of that very convoluted sentence at the top of page 73 of the ICAC report, which has been quoted. The plain English version of that sentence is:

Greiner didn't think his behaviour and decisions were improper because he considered his behaviour as being within recognised standards of honesty and integrity.

That interpretation was from an independent expert in English and I trust it. The Deputy Premier, Minister for Public Works, and Minister for Roads called Mr Temby a liar in this House last night. He deliberately and monstrously misrepresents that sentence on the top of page 73 of the report. That sentence does not mean that Mr Greiner and Mr Moore acted with honesty and integrity. I suppose the problem with that sentence really is that, given Mr Greiner's lack of memory, by the time he got to the end of the sentence he could not remember what was at the beginning. The Government is racked by disunity. The Premier does not support attacks on the integrity of Mr Temby: the Deputy Premier calls Mr Temby a liar. What a difference! What disunity! But Wal Murray is the liar because he continues to peddle that lie about the Independent

Commission Against Corruption finding Greiner honest and when he said that the Independent Commission Against Corruption found that Greiner had done nothing wrong. The Deputy Premier should look at the sentence on page 73. At page 38 of the report the inducement is explained. Page 70 refers to the improper method of appointment. Page 74 gives the long list of what Mr Greiner did wrong. Wal Murray, Deputy Premier, you are the liar, not Mr Temby.

A Government in which half the leadership is attacking the Independent Commission Against Corruption in public does not deserve the confidence of this House. Other reasons for which the Government does not deserve the confidence of the House include the promising a freeze on job cuts last Sunday in a statement by the new Premier and abandoning that commitment the next day by saying, "Well, not quite yet". There were unwarranted and destructive cuts to public sector jobs in the Hunter by this Liberal-National Government, a major reason why the people in the Hunter want this no confidence motion passed. There is the endless and deceitful charade by the new Deputy Leader of the Liberal Party, the Minister for Transport, and Minister for the Environment about the privatisation of Newcastle buses. Whether it is imminent or eventual, this Government will bring on privatisation of Sydney buses too. For that reason also it does not deserve the confidence of this House. It does not deserve confidence when it continues to support privatisation of private hospitals. It does not deserve confidence when Government members continue their vitriolic attacks on Independent members of Parliament. It does not deserve confidence when so many of its own members are under a cloud - members for The Hills, North Shore and Maitland. It does not deserve confidence when the Government and its members have signalled that they will attempt to emasculate the ICAC through the courts. It does not deserve confidence after consistent crises for two and a half months. It is time to bring the sorry mess to an end. The people of New South Wales are demanding a real change. They deserve it. They can get it if this House votes for the no confidence motion.

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**Mr ACTING-SPEAKER (Mr Merton):** Order! I call the honourable member for Maroubra.

**Mr CARR** (Maroubra - Leader of the Opposition) [9.43], in reply: Mr Acting-Speaker -

**Mr Sullivan:** On a point of order. Mr Acting-Speaker, the honourable member for Maroubra is the Leader of the Opposition and I think you should refer to him as such.

**Mr ACTING-SPEAKER:** Order! The honourable member for Maroubra is also the Leader of the Opposition. I do not uphold the point of order but I take the honourable member's point.

**Mr CARR:** I know honourable members are keen to get home. We have had two days of meeting in response to the Metherell disaster which hit this Government. No members are more keen to get home than those on the Government benches. They are keen to scuttle. The Metherell crisis has been consuming this Government since 10th April. This Government has been in paralysis since then. The Independent Commission Against Corruption report on this Government contained a devastating finding, the most serious finding against a Premier of New South Wales in all the years of self-government. The forced resignation of the former Premier and the former Minister for the Environment, taking with them the former Minister for State Development, involved a set of circumstances the like of which has not been seen in this State or in

other States or Federal politics within memory. A head of government and two Ministers have been swept away by this crisis. That is why a no confidence motion is justified.

There can be no diminishing the extent of the crisis, measured by both the gravity of the substantive charges against the former Premier and the former Minister and the extent of its political impact. The new Premier arrived in his position because of the Metherell affair. There will be new Ministers because of the Metherell affair. The Fahey Government came into being because of the Metherell disaster. The new Premier was elevated not because, to use the words of the famous Metherell diary entry, he was "head and shoulders above the rest". Not at all. The new Premier was elevated not because his time had come, because he was offering a new set of policies to a public in this State and which wanted them. He is there because after the terrorist bomb went off in the airport lounge he was the only one left. That is how he got the job. He is there as a result of a grade A political disaster, the Metherell affair. We have all been tempted to feel sorry for the former Premier and the former Minister. But whenever we are tempted to feel sorry for them we should remember the arrogance of the press conference behind Parliament House on that Saturday morning. Tim Moore sent a notice out to the media which said: "This is a big one. Do not miss it". Quentin Dempster was phoned and told to come in for the press conference. Tim Moore said this was a big story. That was an understatement. If I had known what was going on, I would have faxed out a notice saying, "Get in here for this".

The honourable member for Gordon and the former member for Davidson stood out there under the tree making their sweet little announcement. I am reminded of the words from George Orwell's novel *1984*: "Under the spreading chestnut tree I sold you and you sold me". I know there has been a lot of wailing and whining on the other side of the Chamber about Nick's departure. Someone said to me, "There have been more crocodile tears on these benches than you would find in the upper reaches of the Congo River". The fact is that Government members made him go. They had the opportunity of standing with him shoulder to shoulder in this Parliament and taking their chances.

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But they told him to go. They pulled the plug. Someone said to me the other day, "There is all this talk of mateship in the Metherell diaries but, if you want a friend and you are in the Liberal Party, buy a dog". In the former Premier's last days in his führer bunker, with the artillery raining down - this is a revelation - the only person the Government could get to go public and do a press conference supporting Greiner's position was John Dowd. They got him out of the retirement home around in Phillip Street and brought him in for a press conference. John Dowd, back from the political dead, out of the Parliament for a year, was wheeled in to say, "We never intended the ICAC to do this".

I wondered what they would do next. Unable to find a Cabinet member to defend Nick in those last führer bunker hours, what else would they come up with? I thought it would not be long before David Jones wheeled in a clairvoyant to the press conference room to summon up the spirit of Robert Askin to say: "I know Nick. I can vouch for his honesty. He did no wrong". Tonight this Government is racked by division. It is poisonously divided like no government since that of Tom Lewis and Eric Willis. That is why there will be and there can be no stability while this Government hangs on. Just as we got strong and stable government only with the defeat of Willis in 1976, we will get strong and stable government only with the defeat of the Fahey Government - or, I tip, the Collins government or the Baird government - down the track, and its replacement by a Labor government.

The divisions in the Government are running out of control. Take one random example. The honourable member for Ermington was brought back from Paris. There he was, little Toulouse Lautrec watching the Can Can from the front row. The message came through, they've booked the flight back, Toulouse is off, cane under his arm, bowler hat, off to the airport to come back. And, of course, the honourable member for Ermington was brought back to be Bruce's campaign director. He's back. Within six hours he's voting for Fahey. Their loyalty runs deep. No wonder the Minister for Police had to take him to lunch on Monday at Streeton's. I worry about the collective cholesterol level of the Government. He was lunching at Streeton's with little Ermington. Meanwhile, over at the Wentworth Grill the Attorney General has two Herald journalists in for lunch. Goodness knows what they found to talk about. The Attorney General's ever attentive press secretary was there in attendance helping guide the conversation to the overriding objective of protecting Peter.

The great revelation though in the last 24 hours is that which comes in the *Eastern Express*, the revelation that in all the lead-up to the change of Premier and the election of the new Premier, Michael Yabsley, the member for Vacluse, was offered the deputy leadership of the New South Wales Liberal Party by John Fahey. There it is in the *Eastern Express*. The source, of course, is the member for Vacluse, so it must be right. What a vote of no confidence in the new Deputy Leader of the Liberal Party. And, of course, having learnt nothing, he goes on to say that the Metherell appointment was absolutely defensible. Had Mr Fahey asked him to apologise? No, comes the reply, no request to apologise. I wonder what the honourable member for Bligh thinks about that. In the meantime the former Premier was telling those in the Liberal Party room that there were three candidates to replace him, two of whom had been guilty of the most treasonable conduct towards him, and the party had no choice but to elect the man they eventually did elect. That was another indication of the ruinous divisions that divide this Government. Even the honourable member for The Hills has a bid in for the Cabinet. The honourable member for The Hills wants to be Minister for Consumer Affairs.

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I cannot pass comment on that sterling performance in question time today by the Minister for Justice. It was a speech not noted overall for its coherence but one that suggested daily additions are being made to the drinking water of Government members. Anyone who might have detected an aged hippy pouring the contents of a test tube into the water supply that services their floor would no doubt have detected the reason for that curious performance. Mark Twain said that no party is as bad as its leaders and when we survey that backbench we wonder if that is really true. Government staffers, even as we debate this motion, are buzzing in the corridors about who is going to be in this Cabinet when it is finally unveiled. Their warning is that any mayhem we have seen up until now will be small stuff indeed compared with what is unloosed when the Cabinet is unveiled. The word is, it is full of surprises; so fasten your seatbelts, it's going to be a bobby dazzler. All this brings us to the bottom line of more instability as long as that Government clings on. The Liberal Party in New South Wales is in one of its periodic crises. Like the governments of the Lewis-Willis period, this is a Government that cannot resolve the tensions within its ranks. Only a change of government will be able to deliver stable and strong government in New South Wales.

The nub of the case in this no confidence debate is the Cabinet's collective responsibility for the corruption represented by the Metherell appointment. I quoted in my speech that opened this debate yesterday all the evidence that pointed to Cabinet making decisions that represented an endorsement of the Metherell appointment. Now,

in the Premier's reply, there was the lamest excuse, the lamest attempt to avoid that collective responsibility. The Premier's response was not actually put to Cabinet by way of a formal proposition. No formal submission was made to the Cabinet, no vote was taken. That was something else they plucked out of the air. No vote was taken. The fact is, as the Metherell diaries confirm, as the list of statements by the Deputy Premier and the former Premier testify, they were celebrating the Metherell appointment. They thought it had got them off the hook, all things considered, Maitland pending, all other factors factored in. The Independents are putting a very kind interpretation on all these affairs by saying there is any excuse or any other interpretation than that this Cabinet collectively put its stamp of approval on what we now understand, and the community now understands, to be the corrupt trade in a job for a seat.

The Premier claims that the new Government has restored stability to New South Wales. Yesterday and today that was blown apart by the Deputy Premier's performance. He is on a warpath against the ICAC in a rage of hatefulness trying to bring down, trying to compromise, trying to intimidate the commission which earlier had found that he had created a climate conducive to corruption in his North Coast land dealings and that the former Premier had corruptly bargained a seat for a job. Any claim that this Government can restore stability is blown apart not only by the Deputy Premier's performance but by the scandals on this Government's backbench. They will not go away, they will not be smothered, they grow worse by the week. Any claim that this Government can restore stability is blown apart also by the mad dog performance of the member for Vacluse. Uncontrollable, no regrets, no kid gloves, he is mad and cannot be controlled or disciplined by the Premier any more than the Deputy Premier can or any more than the errant members of this Government's backbench can. Already they are pointing to the fumbling performance by the new Premier. Already the word is out, he is Fahey the fumbler. Fahey the fumbler, providing no leadership, no resolution on these questions of personnel or on economics. Let me read to the House what the new Premier said on 29th June about this State's triple-A rating and let the Independent members of this House ask their question whether this State is in fact in the very best hands. The new Premier of New South Wales on the State's triple-A rating said:

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It is not the case that the reason we are doing everything is to save the triple-A rating.

What I want on my wall is not a triple-A rating.

Perhaps the Premier should be endeavouring to explain that. Today we have had blown apart any claim that he is departing from the policies of the Greiner Government, of the Premier he replaced. So much for the jobs freeze when his own electorate newspaper, the *Goulburn Post*, announced after an interview with their local member that:

Premier John Fahey yesterday denied there were plans to stop Government job cuts in New South Wales.

So much for the jobs freeze! It lasted two days. The jobs are going - heartless redundancies in the middle of a recession. In addition to the 52,000 jobs that have already gone, thousands more are to go in a recession. That is the new Premier's first broken promise. [*Extension of time agreed to.*]

It is a broken promise in the true tradition of his predecessor. In relation to privatisation, we have it on the Premier's authority that of course the operative word, whether or not it concerns a hospital, is "privatisation". He said:

I am simply saying that without the process called privatisation we will not have services in this State for decades.

He has the same gung ho approach to privatisation as the man he replaced. As the honourable member for Bligh pointed out in her contribution, there is no indication in this Government's program of any departure from the education policies that during the past four years - yes, going back to the time Metherell was installed as Minister for Education - have proved clearly disastrous. On education, as on health, as on privatisation in general and as on government jobs, this Premier has locked himself into Greinerism. As he says, only the packaging has changed, and there is very little evidence of that.

This Government lacks the confidence of the people of this State. Cabinet endorsed the Metherell appointment, praised it, celebrated it, saw it as its safety net and as the best available way to buy time. In anyone's language, not merely Mr Temby's, the Metherell appointment was corrupt. It was trading a job for a seat. This Government lacks the confidence of the people of this State because its divisions mean it cannot provide stability and good government and because, in its hatefulness, it is turning maniacally on the Independent Commission Against Corruption and its commissioner, launching hysterical scurrilous attacks that threaten to impair the authority and usefulness of the commission. This Government lacks the confidence of the people of this State because the new Premier is showing no authority - not over his deputy, not over the honourable member for Vacluse and not over his own tainted and scandalous backbench. In short, he is proving to be a fumbler. His Government is locked into the failed policies of his predecessor, embracing Greinerism and declaring that it is alive and well. The policies of Greinerism do not work. The laboratory experiment has collapsed. Greinerism has failed. Through a want of intelligence and compassion, to continue to inflict it on the people of this great State of New South Wales shows again why this Government lacks the confidence of the people of this State. Lacking that confidence, it must surely lack the confidence of this House.

**Question - That the motion be agreed to - put.**

**The House divided.**

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**Ayes, 42**

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 Hunter

Mr Irwin  
Mr Knight  
Mr Knowles  
Mr Langton  
Mr McBride  
Mr McManus  
Mr Markham  
Mr Martin  
Mr Mills  
Mr Moss  
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

**Noes, 47**

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

Mr Hazzard  
Mr Jeffery  
Mr Kerr



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

Mr Photios  
Mr Rixon  
Mr Schultz  
Mr Small  
Mr Smiles  
Mr Smith  
Mr Souris  
Mr Tink  
Mr Turner  
Mr West  
Mr Windsor  
Mr Yabsley  
Mr Zammit  
*Tellers,*  
Mr Beck  
Mr Hartcher

**Pairs**

Mr Greiner  
Mr Humpherson  
Dr Kernohan  
Mr Schipp

Mr Davoren  
Mr Gaudry  
Mr Iemma  
Mrs Lo Po'

**Question so resolved in the negative.**

**Motion negatived.**

**BILL RETURNED**

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

Coal Industry (Amendment) Bill

## **BUSINESS OF THE HOUSE**

### **Printing of Reports**

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

That the following reports be printed:

Cobar Water Board, for the year ended 31st December, 1991.  
Environmental Impact Statement Strategy Progress Report, dated June 1992.  
Mines Rescue Board, for the year ended 31st December, 1991.  
Sydney Cricket and Sports Ground Trust, for the year ended 29th February.  
Wild Dog Destruction Board, for the year ended 31st December, 1991.  
Wine Grapes Marketing Board, for the period 31st May, 1991, to  
31st December, 1991.

### **SPECIAL ADJOURNMENT**

**Mr FAHEY** (Southern Highlands - Premier, Treasurer, Minister for Industrial Relations, Minister for Further Education, Training and Employment, and Minister for Ethnic Affairs) [10.13]: I move:

That, unless otherwise ordered, the House at its rising this day do adjourn until Tuesday,  
1 September, 1992, at 2.15 p.m.

**Mr BECKROGE** (Broken Hill) [10.13]: I should like to speak on the special adjournment. This evening I was watching the news and noted that the honourable member for Gordon will tender his resignation to the Parliament after many years. I was a little disturbed that the channel I was watching referred to his 18 years in Parliament - I could be corrected - a long time in life, as a footnote. I should like to say that in all my dealings with the honourable member for Gordon he always considered the Parliament. He has been a great parliamentarian and I have appreciated his friendship. The Parliament should understand what he has done.

**Mr CLOUGH** (Bathurst) [10.14]: I should like to join with the honourable member for Broken Hill in paying tribute to the honourable member for Gordon, who has announced his intention to leave this Parliament. I entered this Parliament with the honourable member for Gordon and I am greatly saddened to see him leave in the circumstances that he is. I always found him to be a very easy person to get along with and I consider him a friend. I pay tribute to him for his speech last Tuesday in which he said that he stood by his friend, the former member for Davidson, Dr Metherell. It took guts to say that and it is indicative of the man. I assure him that I will certainly miss him in this Parliament.

**Mr LONGLEY** (Pittwater) [10.15]: It is appropriate that I should report, at least in brief form, the feelings of all the members on this side of the House. Tim Moore has made a singular contribution to this Parliament that is recognised by all members on this side and, from what the previous two speakers have said, by all members of this House. Tim Moore is a man of the greatest and highest stature, a parliamentarian of whom we are all exceptionally proud. His record on environmental issues, particularly in the Liberal Party, is without equal. It is appropriate that at this time - an exceptionally sad time for those on this side and for his many personal friends - he be accorded our very highest

regard and esteem.

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**Mr FAHEY** (Southern Highlands - Premier, Treasurer, Minister for Industrial Relations, Minister for Further Education, Training and Employment, and Minister for Ethnic Affairs) [10.16], in reply: I thank those honourable members who have taken the opportunity to speak on what is a very sombre occasion. It is a sad occasion for members on both sides of the House who are witnessing the departure of someone who has contributed almost his entire adult life not just to the people of this State but in the most significant way to the parliamentary process. No one would deny that he was the best Leader of the House in anyone's memory, and I think the honourable member for Charlestown has the longest memory in this House. No one has contributed more to the parliamentary process than the honourable member for Gordon. I want to try to lighten the mood a little. Our friends depart from this place for various reasons, frequently not at their own instigation. It is not the wish of the honourable member for Gordon to leave, and he departs with a very sad heart. Many of our friends from both sides of the House do not come back very often to show us that there is life after Parliament.

On behalf of all members of the House I invite the honourable member for Gordon to come back frequently, because he has friends and those friendships have nothing to do with party politics. All of us will take a considerable interest in his career which, I am sure, will be a shining and distinguished one, whatever he might wish to take on. We want to maintain our friendships. We acknowledge that the honourable member for Gordon has been an outstanding parliamentarian, an outstanding person and someone with whom we want to be associated for a long time. I cannot speak more highly of him. I should like to speak longer but I do not think this is the occasion for long speeches. We are all judged by our deeds, not by the words we use on occasions such as this. For many decades the honourable member for Gordon will be judged by his deeds, and the many contributions he has made to life in this State.

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

**Motion agreed to.**

**House adjourned at 10.20 p.m. until Tuesday, 1st September, 1992, at 2.15 p.m.**

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#### **QUESTIONS UPON NOTICE**

The following questions upon notice and answers were circulated in *Questions and Answers*:

#### **MOUNT DRUITT POLICE CITIZENS YOUTH CLUB**

Mr Amery asked the Attorney General, Minister for Consumer Affairs and Minister for Arts representing the Minister for Police and Emergency Services -

(1) What is the ownership and title of the land and building of those Federation of NSW Police Citizens Youth Clubs situated in the electorate of Mount Druitt?

(2) If not wholly owned by the Federation, what special conditions apply which could affect the clubs continuing if the conditions were not met, or if the clubs were disposed of?

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(3) Who raised the monies for these clubs when constructed and what proportion by each of the following:

- (a) The committee formed to fundraise?
- (b) The Federation itself?
- (c) Any government or local government grant or donations in kind?
- (d) Any individuals, companies, trusts, organisations or any other who assisted in monetary terms or in kind?

(4) Were there any donations in kind made by anybody?

(5) (a) Was any of the buildings, land or part thereof donated?  
(b) If so, by whom?

(6) Has any long-term assessment been done of the clubs:  
(a) For their continuing role and for how long?  
(b) Sale of part of the land or buildings?  
(c) Any alternative use?  
(d) Relocation to any other site?

(7) What is the current membership of clubs in each of their categories?

(8) What activities programs are provided at the clubs?

(9) Who are the police personnel attached to the clubs?

(10) If a vacancy exists for a police person, how long has that position been vacant?

(11)(a) Is the number of allowable Directors for the club Committees too small?  
(b) Will the number of Directors be increased?  
(c) If not, why not?

(12)(a) How many vehicles are attached to the clubs?  
(b) What are the types of these vehicles?

(13) Has any building or property of the clubs been sold since 1989?

(14) Do the clubs have a residence or any other property besides the actual club?

(15) If so:

- (a) What is its location?
- (b) What is its value?
- (c) When was it purchased?
- (d) Was it purchased by the club and the community?
- (e) Where is the club located or was the property purchased by the Federation?
- (f) What proportion of the property was paid for by the Federation?
- (g) Who paid the balance?
- (h) If sold, where were the proceeds directed?

(16) Have the current directors of the Federation or the previous interim directors ever been to the clubs individually or as a whole since the new legislation covering the clubs was passed?

(17) If so, when and who visited the clubs?

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Answer -

The Minister for Police and Emergency Services has advised:

(1) The only Police Citizens Youth Club located in the State Electorate of Mount Druitt is the Blacktown Police Citizens Youth Club.

The property is known as Lot 1 in Deposited Plan 536510 in the City of Blacktown, Parish of Prospect and County of Cumberland and more fully described in Certificate of Title Computer Folio Identifier 1/536510.

The registered proprietor as shown on the First Schedule of the Title is The Council of the Municipality of Blacktown. Perusal of the Second Schedule indicates the property excludes minerals, contains a lease to the Federation of New South Wales Police Citizens Boys (sic) Clubs and is subject to a public road dedication.

(2) No other information is available without considerable research. This research is beyond the administrative resources of the Federation.

(3) No other information is available without extensive research of archival material which may or may not be in existence. The administrative input required to complete this task is beyond the resources of the Federation.

(4) and (5) This information is not available without extensive research of archival material which may or may not be in existence. The administrative input required to complete this task is beyond the resources of the Federation.

(6) No. However, a number of preliminary assessments have been conducted with inconclusive results which have been discarded. A reformulated assessment is to be conducted during 1992.

(7) The Blacktown Branch has advised that as at 19 March 1992, membership of the Branch by category was:

Senior males	398	Senior females	71
Junior males	1049	Junior females	416

(8) As at 15 April 1992 the following activities and programs were conducted at the Branch:

- \* Aerobics
- \* Basketball
- \* Baton Twirling
- \* Boxing

- \* Community Policing Programs
- \* Gymnastics
- \* Gymnastics for the Disabled
- \* Housie
- \* Jazz Ballet
- \* Judo
- \* Jujitsu
- \* Karate

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- \* Kick Boxing
- \* Powerlifting
- \* Self Defence
- \* Table Tennis
- \* Tae Kwon Do
- \* Tap Dancing
- \* Weightroom
- \* Wing Chun

(9) Senior Constable Biscoe and Senior Constable Bond.

(10) Not applicable.

- (11) (a) A number of Branch Management Committee members have expressed the view that they would prefer to see an increase in Branch Management Committee size. The individual opinions of the members of the Port Stephens Branch Management Committee are not known.
- (b) At its meeting on 16 January 1992 the Federation's Board of Directors considered a proposal from the Federation Advisory Council that membership of Branch Management Committees be increased to 15 persons. The Board resolved, inter alia:

"The Board took into account MAC Recommendations 5.1.1 which sets out:

'That the Minister establish in three years time a team to review the implementation of this report, assess the relevance of the recommendations, efficiency of the policing and Federation functions, and recommend to the Minister accordingly'.

Accordingly any consideration of Branch Committee size will be held over until the final review of the Federation scheduled for October/November 1992 has been undertaken".

- (12) (a) Three.
- (b) Nissan Urvan (2)  
Ford Falcon Sedan

(13) No. It is assumed that "property" refers to realty.

(14) No.

(15) Not applicable.

(16) and (17) There is no requirement for the recording of attendance of members of the

interim Board of Directors or the current Board of Directors at Federation Branches. This information therefore cannot be supplied.

#### **LAMBTON POLICE STATION EAGLEPHONE**

Mr Mills asked the Attorney General, Minister for Consumer Affairs and Minister for Arts representing the Minister for Police and Emergency Services -

(1) When will funds be made available to restore the eaglephone service to Lambton Police Station?

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(2) What is the estimated cost of the work?

(3) What is the position of this job on its priority list?

Answer -

The Minister for Police and Emergency Services has advised:

(1) to (3) The eaglephone service was installed and operational from 27 May 1992.

#### **MINISTER FOR POLICE AND EMERGENCY SERVICES CORRESPONDENCE**

Mr Anderson asked the Attorney General, Minister for Consumer Affairs and Minister for Arts representing the Minister for Police and Emergency Services -

(1) When will he reply to correspondence from Mr Harold Scruby dated 10 December 1991 and 19 March 1992?

(2) In view of the written advice provided from the Chief Executive of the Roads and Traffic Authority that "walk" includes "jog" or "run" in the General Traffic (Pedestrian) Regulations, does he still adhere to his previous advice that "walk" and "jog" do not have the same meaning?

(3) (a) Will he ensure that immediate action is taken to address the issues raised by Mr Scruby?

(b) If not, why not?

Answer -

The Minister for Police and Emergency Services has advised:

(1) A reply was forwarded to Mr Scruby on 19 March 1992. The delay occurred because the Commissioner of Police, Mr A.R. Lauer, needed to seek legal advice from the State Crown Solicitor's Office on the issues raised.

(2) I am guided by the Chief Executive of the Roads and Traffic Authority in this matter.

(3) (a) Mr Lauer arranged for the District Commander at Dee Why and the Patrol Commander at Mosman to be informed of the Crown Solicitor's advising to ensure they are fully aware of the ambit of the Regulations.

However, each case will depend on its own facts and police have a discretion to caution offenders as an alternative to initiating a prosecution in every instance.

- (b) Not applicable.

#### **NEWCASTLE BUSES COMMUNITY SERVICES OBLIGATION PAYMENTS**

Mr Gaudry asked the Minister for Transport -

(1) What payments were made or planned to be made to Newcastle Buses under the community services obligation arrangements for the following periods:

- (a) 1988/89?
- (b) 1989/90?

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- (c) 1990/91?
- (d) 1991/92?
- (e) 1992/93?

(2) Will the reduction in community services payments affect:

- (a) The number of services provided by Newcastle Buses?
- (b) The number of routes operated by Newcastle Buses?
- (c) The working conditions of bus operators at Newcastle Buses?

(3) Is the reduction and removal of these payments to Newcastle Buses leading to privatisation?

Answer -

(1) (a) to (c) In 1988/89, 1989/90 and 1990/91, Community Service Obligations had not been introduced. Total Government payments represented the funding requirements for transport subsidy schemes and operating losses.

(d) 1991/92 is the first year where State Transit entered into a contract for Community Service Obligations. This includes provision for full efficient costs, together with a return on assets employed. Total CSO payments for Newcastle Buses amount to \$7 million.

(e) Currently being negotiated.

(2) (a) and (b) No.

(c) There will need to be changes to working conditions of bus operators in Newcastle as part of the workplace reform at Newcastle Buses.

(3) The reduction is aimed at establishing efficient operating costs at Newcastle.

#### **F4 FREEWAY NOISE LEVELS AT SILVERWATER**

Mr Nagle asked the Deputy Premier, Minister for Public Works and Minister for Roads -

(1) When were the decibel readings taken, for the area surrounding the proposed toll gates from the F4 Freeway, Silverwater, that were less than 63 decibels?



(2) In March 1991, were readings taken which showed noise levels far in excess of 63 decibels?

(3) If so, why the discrepancy?

(4) Will he give an undertaking to the people of Auburn that if the decibels have or will reach 67-68 that he will build soundproofing walls similar to those built on the F3 Freeway?

(5) Will he now take new readings to determine what are the current sound decibels that affect the surrounding residential areas near the F4 tollgates at Silverwater?

(6) On the week commencing 22 March 1992, did State Wide Roads, or any other organisation on behalf of the RTA, take pollution readings in the vicinity of the F4 Freeway tollgates?

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(7) If so, what were the results?

(8) If the results show higher pollution levels, then what action will he take to reduce the pollution levels to protect the children at North Auburn Primary School, the residents of Silverwater and North Auburn, and all the people who work in the industrial and commercial area of Silverwater?

Answer -

(1) The honourable member has clearly misunderstood the advice I gave him in the House on 19 March 1992.

No claim was made that the pre-existing section of the F4 Freeway had a decibel reading of 63.

My final remarks to the honourable member related solely to the construction of the "Missing Link" between Prospect and Mays Hill.

The agreement with Statewide Roads required that the "Missing Link" be constructed with a decibel reading of not greater than 63.

(2) Yes.

(3) The section of the F4 between Concord Road and Silverwater was built by the Wran Labor Government.

The road was built with a grooved concrete surface, the cause of all the complaints about noise that have been made since that time.

The blame for excessive noise lies with Labor, not with this Government.

(4) In an endeavour to overcome the inadequacies of the road surface, considerable money has been spent by Statewide Roads in providing an open grade asphalt surface on the F4 between Marlborough Road, Homebush and James Ruse Drive, Granville.

As a result of the endeavours by Statewide Roads to improve conditions for residents, the

Freeway now has a road surface which generates significantly less noise than was previously the case.

- (5) See (4) above.
- (6) Yes.
- (7) These are not yet available.
- (8) The pollution level is not expected to increase.

#### **COMO BRIDGE TRAIN BREAKDOWN**

Mr Langton asked the Minister for Transport -

(1) Is he aware of a train breakdown at the southern end of the Como Railway Bridge at around 11.30 p.m. on 31 March 1992?

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- (2) Were the passengers informed a bus would soon arrive to pick them up, and were asked to alight from the train and walk through the dark to a roadway to meet the bus?
- (3) By midnight, was there no bus, but three St George taxis?
- (4) Why did the SRA refuse to pay the taxis to take the stranded passengers to their destinations?
- (5) Why did it take the bus 1 hour and 20 minutes to arrive?
- (6) What plans are in place to improve response in future breakdowns?

Answer -

- (1) Yes.
- (2) Yes. Three buses were ordered for passengers at Como, Oatley and Mortdale respectively.
- (3) No buses had arrived by midnight. However, three taxis had arrived as a result of a telephone call from Sutherland Police. The taxis were ordered independently of the State Rail Authority's arrangements for buses.
- (4) As buses had already been ordered by the Authority to transport the passengers to their destinations, the Authority was not prepared to pay for the taxis. In this case, three taxis were inadequate transport given the large number of passengers involved.
- (5) The local bus companies had either closed down for the night or were depleted of staff. Accordingly, drivers had to be contacted at home, travel to the bus depot, then collect stranded passengers.
- (6) The response time in emergency situations is always dependent upon various circumstances including the time of the day in which the incident occurs. A number of measures have already been introduced by the Authority's CityRail Group to improve

response times and passenger assistance during train service disruptions, including closer liaison between railway staff, police and bus operators, and improved communications on trains and stations. Further steps to improve performance during service disruptions are being undertaken. These include:

- \* arrangements for buses to be handled by Line Managers or their assistants;
- \* additional on-site supervision of passengers;
- \* improvements to mobile communications; and
- \* establishment of local taxi accounts.

#### **BLACKTOWN ELECTORATE SCHOOL BUS PASSES**

Ms Allan asked the Minister for Transport -

(1) How many students in the electorate of Blacktown have had their bus passes refused or taken away since 1 January 1992?

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(2) How many families have the older student at the same school with a pass, and the younger student refused?

(3) What difficulties are currently being experienced by students attending selective and technology high schools in obtaining bus passes if they travel away from their local high school?

(4) If difficulties are being experienced, what action is he taking to facilitate the provision of bus passes for such students?

Answer -

(1) Free travel bus passes are denied to ineligible students by the schools concerned, bus companies and, on occasions, Department of Transport. Records of the numbers of ineligible students refused passes are not maintained.

(2) The Department of Transport is not aware of any current instances where an older child in a family holds a pass while a younger one is denied. Any instances that are brought to the attention of the Department are promptly investigated.

(3) Eligible students have no difficulty in obtaining free travel bus/rail passes to and from the schools attended.

(4) Not applicable.

#### **CARTWRIGHT TRAFFIC SIGNALS**

Mr Anderson asked the Deputy Premier, Minister for Public Works and Minister for Roads -

(1) Has he refused requests for funding to enable traffic control light signals to be installed at the intersection of Hoxton Park Road and Cartwright Avenue at Cartwright?

- (2) Has the Roads and Traffic Authority recently published a document entitled "South Western Traffic and Safety Programme"?
- (3) How many projects does the brochure identify?
- (4) When is it recommended for work on these projects to be undertaken?
- (5) (a) Does the intersection at Cartwright appear as a black spot in the brochure?  
(b) If so:
  - (i) What priority is it accorded?
  - (ii) When is work recommended on it?
- (6) Will he now indicate when these traffic lights will be installed?
- (7) When will each of the projects in the brochure, located in the electorate of Liverpool, be undertaken?
- (8) If it is not intended to honour the clear commitment in the brochure, will you order its immediate withdrawal and replacement?

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Answer -

(1) to (8) I informed the honourable member in response to Question 798 of 2 December 1991 that the RTA would share the cost of the signals with Liverpool Council on a 50/50 basis. I also informed him that they would not be funded in 1991/92.

Subject to the availability of funds, the work will be commenced towards the end of 1992/93. This reflects the priority of the site in relation to other more pressing blackspot treatments in the Liverpool area and elsewhere.

#### **REPRESENTATIONS BY Mr GAGIC**

Mr Anderson asked the Attorney General, Minister for Consumer Affairs and Minister for Arts representing the Minister for Police and Emergency Services -

With regard to the reply to representations on behalf of Mr M. Gajic of Liverpool indicating that the complaint had been brought to the notice of the Ombudsman -

- (1) On what date were the papers sent from his office to the Ombudsman?
- (2) What were the reasons for the delay, if any?

Answer -

The Minister for Police and Emergency Services has advised:

- (1) A copy of the papers was forwarded from the Office of the Assistant Commissioner, Professional Responsibility to the Ombudsman on 13 May 1992.
- (2) The draft response received in the Ministerial Support Unit of the Police Service

from the Police Regional Office, South West, gave the impression that the matter had already been referred to the Ombudsman. It was not until 13 May 1992 that the true position came to notice and the position rectified.

#### **ROCKDALE ELECTORATE SCHOOL BUS PASSES**

Mr Thompson asked the Minister for Transport -

- (1) How many students in the electorate of Rockdale have had applications for bus passes refused or passes taken away since 1 January 1992?
- (2) How many families have the older student at the same school with a pass and the younger student refused?
- (3) What difficulties are currently being experienced by students attending selective and technology high schools in obtaining bus passes if they travel away from their local high school?
- (4) If difficulties are being experienced, what action is he taking to facilitate the provision of bus passes for such students?

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Answer -

- (1) Free travel bus passes are denied to ineligible students by the schools concerned, bus companies and, on occasions, Department of Transport. Records of the numbers of ineligible students refused passes are not maintained.
- (2) The Department of Transport is not aware of any current instances where an older child in a family holds a pass while a younger one is denied. Any instances that are brought to the attention of the Department are promptly investigated.
- (3) Eligible students have no difficulty in obtaining free travel bus/rail passes to and from the schools attended.
- (4) Not applicable.

#### **PICTON-MITTAGONG LINE STEAM TRAIN BAN**

Mr Langton asked the Minister for Transport and Minister for the Environment -

- (1) Has the SRA imposed a ban on the operation of steam trains on the Picton-Mittagong line?
- (2) What was the original reason for the ban?
- (3) Does that reason still apply?
- (4) Will he now consider lifting the ban?

Answer -

- (1) and (2) No. An embargo was placed on the running of all steam trains on SRA lines in

the interests of public safety following the Brooklyn accident of 6 May 1990.

Following the findings of the Coronial inquiry into the accident, accreditation criteria were developed by the SRA with the involvement of the Department of Transport, Workcover Authority and heritage operators.

The operation of all heritage trains on SRA operating and disused lines is now controlled by Agreements granted under these accreditation criteria.

The embargo on steam train operation was applied in the interests of public safety until the results of investigations into the Brooklyn accident were available.

(3) and (4) No. Operation of steam hauled passenger trains under the accreditation criteria resumed on 20 April 1991. There are now three heritage groups, including the Rail Transport Museum, accredited for running on State Rail operating lines. A number of applications are currently being processed for both operating and disused lines.

#### **BIGGA ROAD AND TARALGA-OBERON ROAD SEALING**

Dr Refshauge asked the Deputy Premier, Minister for Public Works and Minister for Roads -

(1) Has the Bigga Road recently been sealed?

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(2) (a) Who was the constructing authority?  
(b) What was the cost?

(3) Will he make available a similar amount of money for the sealing of the Taralga-Oberon road?

Answer -

(1) The sealing of the Bigga Road, a local road, was undertaken over a number of years by Crookwell Shire Council. The work was recently completed.

(2) (a) See above.  
(b) Approximately \$2.3 million.

The work was funded largely by the Federal Government under the Local Roads Program. That Government's contribution was \$2.202 million.

In addition, Council expended its \$98,000 block grant under the Council Determined Works segment of the 3x3 Program on the project.

(3) The Taralga-Oberon Road (Main Road 256) is a Regional Road under the care and control of Mulwaree and Oberon Shire Councils. Regional Roads are funded under a block grant system.

It is the prerogative of the above Councils to determine on which of their Regional Roads future block grants will be spent.

All New South Wales Councils were recently invited to submit their highest priority

projects to be considered for funding under the extended 3x3 Program.

There is nothing to prevent Mulwaree and Oberon Shire Councils from nominating the Taralga-Oberon Road for funding under the Program. Funding decisions will be made strictly on a needs basis.

#### **ST MARYS RAILWAY STATION REDEVELOPMENT**

Mr A. S. Aquilina asked the Minister for Transport -

When will he provide funds for the redevelopment of St Marys Railway Station?

Answer -

Work on Stage 1 of the St Marys station upgrading program costing \$0.25 million has been completed.

Work on the St Marys bus-rail interchange, costing \$2.3 million has commenced.

CityRail is currently examining the scope of works required to complete Stage 2 of the St Marys station upgrading which will include a booking office on the overhead footbridge. The project also includes the provision of "easy access" facilities and a link with the bus interchange via a ramped bridge. The ramps costing more than half a million dollars, will be constructed during 1992/93 financial year.

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As there is not enough space to build ramps down to the platforms, the Government proposes to install lifts to provide easy access for passengers. Planning for the lifts has already begun and work will commence as soon as funds are available.

#### **PUBLIC LIABILITY INSURANCE FOR WALK LEADERS**

Mr Face asked the Minister for Sport, Recreation and Racing and Minister Assisting the Premier -

(1) Does the Department of Sport, Recreation and Racing require Walk Leaders, prior to and during walks, to be covered by Public Liability Insurance?

(2) Is he aware that the St George Walkers have agreed to examine the proposition of forming a club independent of the Department, principally because of the onerous conditions Walk Leaders must satisfy to obtain Public Liability Insurance?

(3) Could he supply the necessary papers concerning Public Liability Insurance for Walk Leaders?

(4) Is he aware that it is not uncommon for the St George Walkers to have in excess of 70 walkers on a day's walk and of the difficult task in getting all those people to sign a disclaimer form?

(5) Is he also aware of the necessity for the Walk Leaders to address the walkers at a busy ferry, bus or train station on the difficulties of the programmed walk and to assess the physical and mental condition of all the walkers?

(6) Is he satisfied that sufficient departmental resources are being used to help the walkers and that the current resources are not being used to hinder the general aim of senior citizens walking for pleasure?

Answer -

(1) The Department of Sport, Recreation and Racing does not require Walk Leaders in its Walking for Pleasure Programme to be covered by Public Liability Insurance. The department does however appreciate that Walk Leaders act in a voluntary capacity and notwithstanding, that they may be in a position that if a walk participant is injured as a result of some innocent yet negligent act of the Walk Leader, the Walk Leader could be sued. To this extent the Department has advised Walk Leaders that the Department will accept full responsibility in such matters.

(2) I am aware that St George Walkers are considering forming their own club, but not for the reasons associated with Public Liability Insurance.

(3) I cannot supply any papers concerning Public Liability Insurance for Walk Leaders as there are none. I am happy to supply correspondence from my Department to St George Walkers which clearly sets out the duty of care that leaders must exercise and the degree to which my Department accepts legal liability.

(4) I am aware that it is not uncommon for the St George Walkers to have in excess of 70 walkers on a day's walk. I am also aware that my Department does not require every walker to sign a disclaimer form for every walk in which they participate. Only those

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walkers who have not signed a form will be required to sign a disclaimer form which serves the dual purpose of indemnifying the volunteers and my Department and secondly requires walkers to consider if there is any disability which may preclude them from taking part in any walk.

(5) The Department does not expect Walk Leaders to conduct an assessment of the physical and mental condition of all walkers on the day of each walk. It does however expect that the leader will not conduct a "hard" walk for walkers the leader knows to have a disability to such a degree that the walker would be endangered if he or she participated. The walk leader is asked to advise participants of any potential difficulties or dangers which could be experienced. As such, the walk leader is expected to take reasonable care. These guidelines are designed to minimise the risk of injury to walk participants and to provide the walk leaders with a framework for conducting walks in the safest and most enjoyable manner.

(6) Walking for Pleasure Clubs are established for the enjoyment of members and with the idea that the Club be run by the participants, with the Department acting in a supportive role.

The Department facilitates the development of new Walking for Pleasure Clubs and provides encouragement and support to the 64 existing clubs by way of promotion, printing and administrative support.

In order to effectively deliver this statewide programme the Department has introduced a standardised format. This may require certain individual clubs to vary their current practices and documentation but it is not the Department's intention to hinder the general aim of senior citizens walking for pleasure. Indeed the feedback to the Department is overwhelming support for the assistance the Department has and is giving these 64



existing clubs since taking on the programme in 1991.

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