LEGISLATIVE ASSEMBLY

Thursday, 29th October, 1992

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Mr Speaker (The Hon. Kevin Richard Rozzoli) took the chair at 9 a.m.

Mr Speaker offered the Prayer.

LAND TAX LEGISLATION (AMENDMENT) BILL

Withdrawal

Ms MOORE (Bligh) [9.3], by leave: I move:

That the order of the day for the second reading of this bill be discharged.

I move this motion because I have had undertakings from the Minister for Finance, Assistant Treasurer, and Minister for Ethnic Affairs that the exemption from land tax on boarding-houses will be extended to all low income housing, and that in the term of the Fiftieth Parliament the disaggregation and increase of the threshold, which are the other two measures that my bill deals with, will also be acted upon, revenue permitting. I welcome those undertakings. At this stage I believe that my bill has achieved what I set out to do. Of course, if those undertakings are not honoured I will reintroduce my bill.

Motion agreed to.

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

Bill ordered to be withdrawn.

HUNTER WATER BOARD CORPORATISATION (WASTE DEPOSITS) AMENDMENT BILL

Withdrawal

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

Bill ordered to be withdrawn.

BUSINESS OF THE HOUSE

Callover Procedure

Mr SPEAKER: Order! Members have expressed concern that when they are unable to attend in the Chamber during the Thursday callover on private members' day business standing in their names automatically lapses. I have considered the matter and advise the House of an available procedure which I believe overcomes the problem. Members who know that they are unable to be present on Thursday mornings should postpone business in their names during the callover of the business paper for the placing or disposal of business on the Wednesday preceding. Members should postpone their business to the date of the next private members' day. I was advised by both the

honourable member for Eastwood and the honourable member for Campbelltown of their inability to be in the Chamber this morning at 9 o'clock, and arrangements were made for postponement under the rule I have referred to. Because it is a current rule of the Parliament it does not require any new procedures. If I had known that the honourable member for Auburn was going to be away I would have indulged him with the same opportunity. However, he has the right to place his matter back on the notice paper when he returns.

DOMESTIC DINGO PROTECTION BILL

Bill introduced and read a first time.

Second Reading

Ms ALLAN (Blacktown) [9.8]: I move:

That this bill be now read a second time.

The Domestic Dingo Protection Bill will allow the breeding and keeping of dingoes by private individuals and organisations other than those already covered by the Exhibited Animals Protection Act. The bill will also remove the obligation of dingo breeders to obtain a special permit from the Minister, as the current legislation requires. The bill is specific in protecting dingoes in captivity, those which are genealogically pure members of their species. It will not affect existing legislation, namely, the Wild Dog Destruction Act of 1966 and the Rural Lands Protection Act 1989. This bill will protect the gene pool of the pure dingoes, as well as the farmers who need to protect their properties and livestock from the feral hybrid dogs, not of the National Party, but the real feral hybrid dogs who are categorised as wild dogs and noxious animals under the aforementioned Acts, namely, the Wild Dog Destruction Act and the Rural Lands Protection Act. The dingoes which are currently bred in captivity are pure-bred and not subject to the hybridisation of wild dogs, and therefore this bill will ensure the survival of the dingo pedigree. The origins of this legislation were not in the exhibition of the Hon. R. S. L. Jones a few weeks ago in the Legislative Council when he took into that Chamber one of these pure-bred alpine dingoes that at this stage live in the southern parts of New South Wales and are under threat from the current Government.

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

Ms ALLAN: The origins of this legislation go back to about Christmas 1991, when my office was first contacted by the people who had those dingo pups and who at that stage were under direct threat from actions by the current Minister for Agriculture and Rural Affairs, who was seeking to have those dingoes either destroyed or sterilised. At that time my office took a compassionate and scientific interest in the issue. My office not only was concerned about the animals being destroyed and the obvious consternation which the owners of the animals were feeling - we felt a great deal of sympathy for them - but also felt that the Government was acting illogically in attacking those dingoes in the southern part of New South Wales.

At Christmas 1991 members of the Legislative Assembly had just about exhausted themselves in a long discussion about the protection of endangered and threatened species in New South Wales. We also knew that we were on the threshold of a national debate about the protection of Australian endangered species. Yet here was a classic example of a species under direct threat from the New South Wales

Government. My office decided that it should do as much as it could to protect not only those specific examples in southern New South Wales which were under direct threat, but also others that were still pure and representative of a very important species to Australian society, but on which the current Government seems to place no importance. The present legislation has already been responsible for the biological extinction of alpine dingoes, and that is what the Domestic Dingo Protection Bill seeks to counter.

There has been no attempt in the implementation of the Wild Dog Destruction Act or the Rural Lands Protection Act to distinguish between purebred dingoes and the genuine threat to rural New South Wales from wild dogs, which often are a bastardisation of dingoes, a form of dingo and domestic dog, who have escaped from their owners - often farmers, sometimes hunters, at other times tourists or people just visiting or passing through rural New South Wales - who have been very negligent and allowed their animals to escape, and eventually to cause a major problem to the landholders and other citizens of rural New South Wales. The implementers of the Wild Dog Destruction Act or the Rural Lands Protection Act have made no attempt to distinguish between the protection of what is a very important Australian species and the immediate threat to livestock or other aspects of rural New South Wales. The Opposition believes that the current legislation is inadequate because it fails to make that distinction between genuine wild dogs and wild-domestic dogs that are a threat to landholders. I urge all honourable members, particularly those in the National Party, to make sure they read the legislation before they rush to their fax machines and start condemning it. Clause 4 ensures that the dingoes -

Mr Cochran: Jim Snow should read it.

Ms ALLAN: I urge Jim Snow to read the legislation as well. I think it is very important. As a member of the New South Wales Parliament -

Mr SPEAKER: Order! The honourable member for Monaro will have an opportunity to participate in the debate.

Ms ALLAN: Members of the New South Wales Parliament, whether they are members of the National Party, the Labor Party or the Liberal Party, or whether they are Independents, have a responsibility to read this legislation before they act like rabid dogs and attack it. Clause 4 will ensure that dingoes not covered by the bill fall into the category of wild dogs and noxious animals. In that way the rights of farmers will be preserved; they will be able to continue to protect their properties and livestock from the hybrid form of dingoes. It is almost a crime that a combination of the current legislation and the current and past actions of the present Minister for Agriculture and Rural Affairs have caused at least one breeder of alpine dingoes in New South Wales - whose dogs were threatened to be castrated or destroyed - to seek in the Australian Capital Territory a form of canine political asylum from the New South Wales Government.

Yesterday the Australian Capital Territory Minister responsible for parks and wild life, Mr Bill Wood, was considering whether he should assent to an application to house these soon-to-be-snipped dogs from New South Wales in a disused housing kennel in Fyshwick. There they would be kept safe not only from the scissors but also from the honourable Ian Armstrong until the passage of this legislation through the Parliament, and hence the survival of these pedigree native animals would be assured. That was
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yesterday and I think honourable members of the House will be very pleased later this morning to hear the news from the Australian Capital Territory about the actions of the Territory Minister. I think it will disappoint some members on the other side of the Chamber that at least in the Australian Capital Territory there are politicians sensible enough to see that there is no real threat from these captive pure dingoes. Some honourable members in the Chamber would not be aware that on 14th October the Australian National Kennel Council finally saw fit to recognise dingoes and grant them breed status. Many of the members on the other side of the Chamber are dog lovers, and they would be pleased to know that at last the Australian National Kennel Council has recognised the dingo as a species fitting of performance and showing. The dingo now has the same status as working Australian dogs, which include such breeds as the Australian cattle dog, the kelpie, and the tailed cattle dog. The council has now granted the dingo the same status that, say, corgis enjoy.

I am very interested to see on the notice paper that on some future Thursday we will discuss, at the behest of the honourable member for Monaro, the fall of Singapore; the honourable member for

Ermington will move a motion on the constitutional monarchy. All honourable members know, of course, that the corgi is the symbol of constitutional monarchy. If those honourable members are prepared to spend time in this Chamber discussing those important issues, they will have no fear from this legislation, because at last we will have legislation, if it is carried, that will elevate an Australian native animal, the dingo, to at least the status of the corgi.

Mr SPEAKER: Order! I call the honourable member for Coffs Harbour to order. He also will have the opportunity to participate in the debate.

Ms ALLAN: The actions of the present Minister for Agriculture and Rural Affairs in relation to this matter have been deplorable and in stark contrast to the actions of his predecessors. I refer particularly to the Hon. Jack Hallam, the former Minister for Agriculture and former member of the Legislative Council. He enjoyed a great deal of respect from rural groups in New South Wales in relation to a number of issues. He often came into conflict with others in the Labor Party because he was prepared to articulate a number of the concerns of prestigious interest groups from rural New South Wales that did not necessarily or traditionally fit into the political agenda of the Australian Labor Party. The Hon. Jack Hallam respected the implementation of both the Wild Dog Destruction Act and the Rural Lands Protection Act. He had sufficient sense to use his own discretion when it came to the issue of keeping domestic dingoes in captivity.

On numerous occasions Mr Hallam was approached by the handful of breeders in this State who attempt to protect this species with the request to allow them to continue their operations. On all occasions Mr Hallam agreed to those requests. Those agreements were entered into on a regular basis and were not challenged by members of the National Party. Members of that party will no doubt participate in this debate at a later stage and will no doubt try to introduce into the debate the X-rated photographs of the destruction of animals that the honourable member for Coffs Harbour keeps flashing around the Chamber today. Members of that party did not seek to challenge the decisions made by Jack Hallam on the numerous occasions he was asked to grant clemency to these breeders. Virtually up to the date of the ascension to office of the present Minister for Agriculture and Rural Affairs, major confrontations did not occur. The Hon. Ian
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Armstrong has now decided to up the ante. He cannot tolerate the thought of the Australian dingo, a pure species, surviving in this country; so he is seeking to destroy it. He overreacted and decided to drive these breeders from New South Wales. Rather than deal with the issue, he has forced the Australian Capital Territory Government to give them political asylum.

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

Ms ALLAN: The Minister for Agriculture and Rural Affairs tried to score a few paltry political points by putting at risk the survival the Australian dingo. He did not like the publicity received several weeks ago by the Hon. R. S. L. Jones, other members of the Parliament, and members of the Australian Dingo Association when members of the association had the courage to bring alpine dingo pups to Sydney and display them before the media. He did not like attention being directed to the administration of his portfolio. He was so incensed that he decided to be vindictive and to try to castrate or destroy those dingoes earlier than the due date for the sterilisation procedure to occur. He brought forward the timetable for the sterilisation or destruction of those dingoes by at least a fortnight because he could not stand the public condemnation that was occurring in the metropolitan media. He did not like his decisions and the operations of his portfolio being exposed in the effective way that they were.

I take this opportunity to congratulate not only the Hon. R. S. L. Jones for putting this matter on the Legislative Council agenda, but also the people from the Australian Dingo Association who had the courage and initiative to bring those pups to Sydney several weeks ago and highlight this important issue. The long campaign that has been waged in southern New South Wales by individual breeders who have

been trying to protect these species has now culminated in this legislation coming before the Parliament. It will receive the wholehearted support of the Opposition because we at least believe that the credentials of the Australian dingo are such that it should remain as a species in this country and, in fact, be displayed internationally.

Debate adjourned on motion by Mr Beck.

BUSINESS OF THE HOUSE

Order of Business: Suspension of Standing and Sessional Orders

Mr J. H. MURRAY (Drummoyne) [9.26]: I move:

> That so much of the standing and sessional orders be suspended as would preclude consideration forthwith of Order of the Day No. 15 of General Business (for Bills).

I am sure honourable members understand that at present there is much debate within the general community in relation to this bill, which relates to the holiday period at the end of the year. It is only right and proper that people who are at this very moment making arrangements for their holidays should know whether they will be able to include Boxing Day within their holiday period or whether, if they are under State awards, they will have to return to work. If this motion is agreed to, the House will be able to make a definitive decision, and the general public will be able to organise their holiday arrangements for the 1992-93 Christmas period.

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Mr COLLINS (Willoughby - Minister for State Development, and Minister for Arts) [9.27]: The Government opposes the suspension of standing orders to bring on this debate. It is a complete waste of the Parliament's time to bring this matter forward when within the last few weeks it has been fully debated by this House. Members on the other side of the House fail to realise that we on this side of the House take the state of the New South Wales economy seriously. The Government has taken a decision and has provided leadership to industry in New South Wales. It has given industry a clear indication of its firmness of intention on economic management.

Mr SPEAKER: Order! If members wish to converse, they should do so outside the Chamber. The Minister has the call.

Mr COLLINS: The Opposition is seeking to turn these proceedings into a Christmas pantomime. This motion is a charade, a cynical political exercise, which Opposition members know is pure posturing on what they regard as a motherhood issue. The Government stands by the decision it has taken. It recognises the tremendous impact this bill would have on the New South Wales economy and on businesses that are struggling to keep their employees in jobs. The Government wants the State's rate of unemployment, which is the lowest in Australia, to remain intact. It does not want people to be forced to the wall because of ratbag legislation that those opposite are trying to put in place.

If this debate is brought on and the Opposition overturns the Government's decision, ultimately some employees in this State will lose their jobs. It will certainly cost small businesses, which are struggling to keep people in jobs, hundreds of millions of dollars - and everyone in the community knows that we cannot afford that at this time. The State is going through a tough time. The Government does not like taking tough decisions, but it is recognised by the community at large that this decision has been made in the community interest. The Government wants to rebuild the Australian economy and retain the leadership this State has demonstrated consistently during the recession. The Government flatly opposes any suggestion by the Opposition that standing orders should be suspended to debate this legislation.

Question - That standing orders be suspended - put.

The House divided.

Ayes, 43

Ms Allan
Mr Amery
Mr Anderson
Mr J. J. Aquilina
Mr Bowman
Mr Clough
Mr Crittenden
Mr Doyle
Mr Face
Mr Gaudry
Mr Gibson
Mrs Grusovin
Mr Harrison
Mr Hatton
Mr Hunter

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

Ms Nori
Mr E. T. Page
Mr Price
Dr Refshauge
Mr Rogan
Mr Scully
Mr Shedden
Mr Thompson
Mr Whelan
Mr Yeadon
Mr Ziolkowski

Tellers,
Mr Beckroge
Mr Davoren

Noes, 44

Mr Armstrong
Mr Baird
Mr Blackmore
Mr Causley
Mrs Chikarovski
Mr Cochran
Mrs Cohen
Mr Collins
Mr Cruickshank
Mr Fahey
Mr Fraser
Mr Griffiths
Mr Hartcher
Mr Hazzard
Mr Humpherson

Mr Jeffery
Dr Kernohan
Mr Kerr
Mr Kinross
Mr Longley
Ms Machin
Mr Merton
Mr Morris
Mr W. T. J. Murray
Mr O'Doherty
Mr Packard
Mr D. L. Page
Mr Peacocke
Mr Petch
Mr Phillips

Mr Photios
Mr Rixon
Mr Schipp
Mr Schultz
Mr Smiles
Mr Smith
Mr Souris
Mr Turner
Mr West
Mr Windsor
Mr Yabsley
Mr Zammit
Tellers,
Mr Beck
Mr Downy

Pairs

Mr Irwin
Mr Knight
Mr Nagle
Mr Rumble

Mr Chappell
Mr Glachan
Mr Small
Mr Tink

Question so resolved in the negative.

Motion for suspension of standing orders negatived.

Mr SPEAKER: Order! As I said earlier, after a division and in other circumstances in which members are leaving the Chamber en masse, they should do so quickly and quietly to enable the business of the House to proceed. The level of conversation of members departing the Chamber made it absolutely impossible for members to hear what was being said by the Clerk. That is most unfair to the member seeking the call. I ask members to bear that in mind at all times.

MOTOR ACCIDENTS (THIRD-PARTY PROPERTY INSURANCE) BILL

Second Reading

Debate resumed from 27th March.

Mr KERR (Cronulla) [9.42]: I do not lead for the Government in relation to this bill. It was appropriate, given the nature of the bill, that I waited for the traffic to clear.

Mr Amery: They are all insured.

Mr KERR: The honourable member for Mount Druitt said they are all insured, but they certainly will not be assured by the proposed bill. I share the concern expressed by the honourable member for Mount Druitt and the honourable member for North Shore in relation to what is a very serious issue. I shall speak briefly about the background of the bill; the administrative costs that would be involved; the impact on premiums; and,
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finally, what I consider to be a number of drafting problems. When I have done that I shall suggest a more positive approach to what should be done. The issue of compulsory third party property insurance for motor vehicles has been raised by many people. All honourable members have read of accidents that occur when somebody who is at fault causes extensive property damage to an innocent person. I have been approached by electors who have either been in or heard about such a situation and they are concerned that action has not been taken to ensure third party property insurance. If we have third party personal insurance, why can we not have it in relation to property?

It is an injustice, an imposition and a burden on the general community. That burden is particularly concentrated in times of recession. Honourable members could well imagine a situation in which somebody - thrown out of a job by the recession we are told by the Prime Minister we had to have - is involved in an accident; he is not at fault; the person who caused the accident does not have property insurance; and that person is out of pocket and his mobility impaired so that he is unable to seek employment. No honourable member would doubt the seriousness of the problem. The problem has been around a long time and it is important that there not be a knee jerk reaction by the Parliament; that we do not create a bigger problem than that which exists at present in an ill-considered attempt to address

a mischief.

[*Interruption*]

The honourable member for Mount Druitt interrupts because I have spoken about my electorate and the concerns of my constituents; because I represent a caring electorate. In 1986 when the proposer of this bill was in the House, an interdepartmental committee was established. Who instigated that committee? It was the lamented former Premier the Hon. Barrie Unsworth, in his capacity as Minister for Transport. The committee was established to investigate the feasibility of introducing compulsory motor vehicle third party property damage insurance. It is interesting to note that the Labor Party came to office in 1976 and it took a full decade for it to get around to addressing the problem. How did it address the problem? It set up an interdepartmental committee.

Mr Amery: That is normal.

Mr KERR: That is normal?

Mr Martin: The one that never got up.

Mr KERR: The one that never got up is right. That could be said about the former Premier, too, of course. But let us not be too critical because that committee considered the introduction of a compulsory scheme which would increase the number of accidents that were reported, bring an escalation in premiums required for third party property insurance, and reduce the proportion of vehicles which are comprehensively insured. It is interesting to note that the Labor Party's own interdepartmental committee referred to those matters as reasons for not supporting the introduction of compulsory third party property damage insurance. In 1988 there was a change of government.

Mr Blackmore: A welcome change.

Mr KERR: A welcome change, as the honourable member for Maitland has said - who, I might say, was part of that welcome change. The better quality of constituent representation no doubt ensured that the new Government took on board the problem. The new Premier, who had been in office for only a short time, was - in

contrast to his predecessors - already seeking to review the problem. A review of the 1986 report was undertaken and additional information obtained which was not previously available. At that time the then honourable member for Mosman, now the honourable member for North Shore, was making moves to address this serious problem. The problem is complicated by the present Federal scheme of government. That is why it has been difficult to ascertain the extent of the problem. It is all very well to have anecdotal evidence but there has not been any empirical study of the extent of the problem.

There are real problems in relation to the flow of interstate vehicles on New South Wales roads - that is, vehicles registered interstate, Commonwealth vehicles and other vehicles exempt from registration. I am sure all honourable members rejoiced when they heard of the court victory of the Minister for Transport for the little people in relation to Comcar. That is an example of the way the Government stands up for the workers and small business. That is what the Government is all about. It will be interesting to hear what the honourable member for Mount Druitt has to say about the evidence that has been compiled relating to the extent of the problem. As I said, I do not doubt the seriousness of it and I do not doubt the hardship in respect of individual cases but -

[*Interruption*]

I look forward to the contribution of the honourable member. I hope it is a better contribution than that of the Hon. Barrie Unsworth, because in 1986 that inquiry did not reveal the sort of empirical evidence

that should have been provided. Administration costs are a real concern. The honourable member for Mount Druitt has said they will be low, and I are looking forward to him quantifying that assertion.

Mr Amery: I did so in my second reading speech.

Mr KERR: I know reference was made to administration costs in the second reading speech, but we want more.

Mr Amery: The honourable member did not read it.

Mr KERR: To put it at its simplest, the bill provides for the registration of motor vehicles to be conditional upon certification by the applicant that third party property damage insurance has been effected and will be maintained. The machinery for effecting this scheme is not so straightforward. Clause 7 of the bill purports to determine the circumstances in which a compulsory third party property policy will come into existence. Subclause (2) of clause 7 refers to "the insurer recorded by the Roads and Traffic Authority". Clause 8, which prescribes the prerequisites for registration, does not itself require the RTA to record any information, but such a course would seem inevitable in the light of clause 15. The notification required by that clause contemplates that the RTA will maintain a record of the compulsory third party property insurer and the policy details for each vehicle. For the RTA to properly meet the obligation imposed by the clause, that information would need to be kept up to date during the period of registration. Thus, any change in insurer would need to be recorded.

For the obligation to be effectively met, there would need to be computer interfaces with every compulsory third party property insurer, and currently there are more than 60. That would be a real problem. The substantial additional records requirements would entail additional computer work and procedures within the RTA involving significant expenditure and a corresponding cost impact spread among the

various compulsory third party property insurers. We have listened day after day to complaints about computers in the RTA and it has been said that the RTA does not effectively administer its records; that its computerisation program is wrong. The implementation of the compulsory third party personal insurance scheme has already required an extensive interchange of information between the RTA and insurers to establish that insurance cover has been properly effected and, so far as insurers are concerned, to verify when risk commences. Issues of recording and verification, such as payment by personal cheque, cancellation of registration and change of insurance, all add degrees of complication to a system still very much in its infancy. The introduction of compulsory third party property records would add a further dimension of complexity and increase the chances of error, delay and confusion on the part of vehicle owners - the very people we should be seeking to help.

Time does not permit me to cover the full range of administrative costs, but I pose a couple of thought starters in relation to it. Costs will, inevitably, impact on premiums at a time when family budgets are really being stretched. No provision has been made for self-insurance. I am sure honourable members understand that many car fleets, including the State Government inner budget sector fleet, are self-insured. This bill would have an adverse cost impact on those arrangements. In that regard the bill is expressed to bind the Crown. The continued affordability of compulsory third party property insurance is an additional and much greater concern. In contrast with motor vehicle accident schemes which operate in respect of personal injuries, under which every vehicle owner is assured cover at a reasonable premium irrespective of their driving or claims history, property insurance premiums are tailored more to the vehicle owner's circumstances, resulting in many being denied cover. The honourable member for North Shore has done a lot of work and has sought to address these problems.

Mr Amery: Hear! Hear!

Mr KERR: The honourable member for Mount Druitt acknowledges that fact. There are a number

of drafting problems in the bill. First, there are a number of clauses which would input terms into existing and future contracts of insurance. In some cases they may render the validity of arrangements susceptible to challenge on the basis of their inconsistency with Commonwealth legislation. I do not claim to be any Peter Nagle in relation to drafting or legal matters, but I would say there are a number of problems in this regard and the honourable member for Mount Druitt would be well advised to seek expert help. I understand that the honourable member for Auburn is at present overseas, but I am sure that his advice, assistance and counsel will be available on his return.

Mr Martin: Free of charge.

Mr KERR: I cannot give that undertaking, I am sorry.

Mr Martin: That is the beauty of our side; we do it for nothing.

Mr KERR: I would suggest that the bill be deferred until he is available and legal aid is there. He may well provide services at mates' rates, but I could not be sure that they would be free of charge, I am sorry. Because of the work done by the honourable member for North Shore there has been considerable action taken in relation to this problem. I have met with representatives of the insurance industry as I am sure members of the Opposition have. It would be stupid but perfectly typical if Opposition members were to set up a proposition but then say "We are not going to meet with the insurance companies, they are a bunch of dowdies". The Government does not hold that
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view at all. A number of initiatives have been sought to be put in place: first, existing third party property policies have been extended to include first party cover for the policyholder involved in a collision with an uninsured motorist who is at fault and who can be identified; second, the introduction of faultless no-claim bonuses and faultless excess to protect innocent motorists involved in collisions with both insured and uninsured motorists. These policies are very much the result of action taken by the honourable member for North Shore. I acknowledge that the industry has been spurred into action by the well-considered thoughts of the honourable member for North Shore, and he should take credit for alleviating a considerable amount of hardship on motorists in this State. We must work together to ensure that we have - [*Time expired*.]

Mr SMILES (North Shore) [9.57]: At the outset of my contribution I should like to congratulate the honourable member for Mount Druitt on a particularly responsible approach to the issue. I say that very deliberately because several years ago the honourable member for Mount Druitt and myself first examined this important and necessary area for the Parliament to consider. In those seven years, at no time has the honourable member for Mount Druitt ever attempted to score petty political points but has been dedicated to finding a solution to a problem that affects many people throughout New South Wales. Over the years I have been amazed at public reaction to this issue. I have been amazed at the extent of media interest in the issue, and I have been deeply distressed and concerned at the number of tragic stories that have come to my attention because, at this stage, this State does not have a motor accident third party property insurance concept of a compulsory nature.

I acknowledge the important concerns raised by the honourable member for Cronulla. I believe those concerns will have to be addressed before this State can look forward to a motor accident third party property insurance of a compulsory nature that will satisfy the needs of our community and provide a system with as few loopholes as possible. In acknowledging the contribution by the honourable member for Mount Druitt, he has had, like myself, constant liaison with not only members of the insurance industry but with all interested parties. With the exception of the insurance industry, no body or individual in the community is opposed to the proposal before the House. Having said that, I should like it to be known, particularly by the honourable member for Mount Druitt, that though I am, and will continue to be, strongly in favour of the concept of compulsory motor accident third party property insurance, this bill does have some limitations. I assure the honourable member for Mount Druitt, as I assure the House and my constituents, many of whom are concerned about this matter, that I will continue in a bipartisan way to

work within the confines of this House and the New South Wales community in general to find a satisfactory solution to this vexed problem, so that future legislation can be brought before this House and passed unanimously.

Mr TURNER (Myall Lakes) [10.1]: When I was practising law I was sympathetic to the concept that is proposed in this bill. However, like my colleague the honourable member for Cronulla, I have had consultations with insurance associations which have put the ramifications of this bill in a different light - the problem was not as great as I had perceived. I pay credit to the Insurance Council of Australia and its constituent members for universally introducing the uninsured motorists extension scheme. Motorists who have previously been uninsured for whatever reason - economic purposes or ignorance - can take out third party property insurance at the cost of a few dollars.

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The honourable member for Mount Druitt cited the Victorian report, which stated that uninsured vehicles were responsible for about $28 million damage to property. Honourable members would be aware that Victoria has the capacity to escalate just about anything, including one of the biggest deficits in Australia. I am sure that deficit will be tackled by the coalition Government, led by Mr Kennett. That Government is probably looking to boost the State's productivity, including employees working on Boxing Day. The NRMA takes a different view as to the amount of the damage arising out of non-insurance in this State. It suggests the costs may be about $1.5 million; but I think all parties would concede that it is extremely difficult, because of the nature of the accidents that occur to assess the exact cost. I am satisfied from the figures that I have seen that the New South Wales figure is certainly at the lower order rather than the higher order, as is thought to be the case in Victoria. One aspect that did arise out of an examination of the statistics in the Victorian report was that if the figure of $28 million damage to property is accepted, the associated administrative costs would be about $4 million.

This bill can be likened to plugging the hole in the wall of the dam. The proposal for compulsory third party property insurance across the board will affect only a few people. The administrative costs would far outweigh any benefits. The bill is silent about the provision of a nominal defendant. That rather nebulous name might not mean much to people of a non-legal background, but provision for a nominal defendant is necessary because at times claims will be made against an uninsured person or a person whose insurance has been voided for whatever reason. If this bill were to proceed, it would be incumbent upon the honourable member for Mount Druitt to ensure that there was a nominal defendant provision in the bill. Without that provision people could be severely disadvantaged. I will say more about that at a later stage when I speak to proposed clauses 10 and 12.

At its simplest, the bill provides for the registration of motor vehicles to be conditional upon certification by an applicant that third party property damage insurance has been effected and will be maintained. One can but consider the massive amount of additional work that will be involved for the Roads and Traffic Authority in carrying out that task. The provisions of this bill will increase the workload in regard to vehicle registrations, depending on one's actuarial education, by either 50 per cent or 100 per cent. Honourable members would be aware of the RTA's marvellous new system called DRIVES. To increase the capacity of the DRIVES computer from 50 per cent to 100 per cent will create an administrative and economic nightmare which will far outweigh any benefits that may accrue under the bill. Clause 8, which describes the prerequisites for registration, does not of itself require the RTA to record any information, but such a course would seem inevitable. How would the RTA know to issue motor vehicle registration papers unless it knew that compulsory third party property policies had been issued?

One of the prerequisites of the bill is that no registration can be effected without evidence of a third party property insurance policy. In addition, of course, with the freeing up of motor vehicle insurance schemes in New South Wales, third party property insurance will remain in the private sector. The private sector would have to interface with the RTA to ensure that there is evidence of third party property insurance having been taken out. With some 60 insurers in the field at present, this would create a further

administrative and bureaucratic nightmare, which New South Wales does not need. It was often the case when I was practising law that many people did not understand their responsibilities in relation to insurance, particularly with property, or they did not want

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to understand. Many people took the risk and to hell with the consequences. The bill has merit in that regard but I submit it will not deter irresponsible people in the community driving while either unregistered or uninsured. Clause 10 of the bill reads:

> A third-party property policy taken to have been issued for a motor vehicle, or for motor vehicles to which a trader's plate is to be fixed, ceases to have effect at the end of the period for which the policy specifies it is in force.

That is clear. However, it does not say what happens at the end of that period. What will happen is that the policyholder will become uninsured. I remind honourable members of what I said previously about the obligations of the nominal defendant, which provision would come into play if proposed section 10 were put into force and the insurance policy was not renewed after the period stipulated. Proposed section 12 provides for cancellation of policies if premiums remain unpaid. That proposed section calls for cancellation but does not specify what will happen thereafter. No reference is made to the fact that the nominal defendant would become the defendant in an action brought by an aggrieved person claiming on an insurance policy. That is a significant defect of the bill and of itself should be sufficient to reject it. I should refer to the commercial ramifications of the bill, particularly as to how premiums will impact on the community, and the insurance industry in particular. For instance, no provision is made for self-insurance. The State Government self-insures. The bill is silent about what will happen in that regard. In may have a significant impact on those wishing to self-insure. The bill contains no provisions that would enable the Government to ensure that compulsory third party property premiums remained affordable. The bill makes only a nebulous reference to that matter. Nothing would prevent insurers imposing unattainable premiums, which would lead to more people driving unregistered and uninsured vehicles. That will exacerbate present problems.

As a member of a party that supports free enterprise I believe that one of the best ways to get things done is to ask the community and the business sector to consider the problem and arrive at solutions, rather than make it compulsory for people to toe the line. Following discussions at the behest of the honourable member for North Shore and the introduction of the bill by the honourable member for Mount Druitt, the insurance company umbrella group has proposed sound, commercial economic conditions that would make third party property insurance work without being driven by legislation emanating from this Parliament. The Parliament generates enough legislation without dealing with third party property insurance anomalies that have been examined carefully by the insurance industry umbrella group and the uninsured motorist extension scheme, and for which in most instances solutions have been found. I am reminded that in the early 1970s only about 7 per cent of Australians did not have health insurance; the remaining 93 per cent had taken out health insurance of one form or another. In his wisdom Mr Whitlam decided that everyone should be reinsured under Medicare, or Medibank, or whatever it might have been called in those days. That has had enormous consequences for Australians and created one of the greatest drains on the economy that could be imagined. A similar situation applies in regard to third party property insurance. Extremely few people are affected, but the bill introduced by the member for Mount Druitt would impose conditions on 100 per cent of the New South Wales population because of the wrongdoings - consciously or unconsciously - of a minority of people. The bill contains a number of drafting errors that would provide so many loopholes that one could drive a Murray Cod through them.

Mr Amery: The honourable member should move amendments to fix them.

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Mr TURNER: The honourable member for Mount Druitt said I should move amendments to fix

them up. It is his bill. He admits that the bill contains mistakes. He should get it right.

Mr Amery: Point them out.

Mr TURNER: I would, but I do not have sufficient time and there are so many of them I would have to seek an extension of time. The bill should be rejected because it will be an unnecessary imposition on the whole of New South Wales for the vagaries of a few people who do not do the right thing or are unaware of what is the right thing to do.

Mr O'DOHERTY (Ku-ring-gai) [10.13]: I have significant difficulties with the bill proposed by the honourable member for Mount Druitt. Many of my colleagues have acknowledged in this debate that the honourable member for Mount Druitt has a genuine interest in this matter and has attempted to put into place a scheme that will protect motorists. All honourable members are aware of the need to do that. Most of us have been involved in a motor accident and felt the pang of panic that the insurance policy might not cover the extent of the damage. I do not deny that a problem exists about the way in which motor vehicles are driven and that some motor vehicles are uninsured. Many motor vehicles are unregistered also. Whether this bill will fix the problem is another question. I agree with those who suggest that the bill does not address the problem. Other honourable members have said that the bill does not overcome the difficulties caused by unregistered motor vehicles, which remain a significant problem. If the bill became law and it was compulsory to take out third party property insurance, many more people might be discouraged from registering and insuring vehicles. That would create other problems in our society that almost do not bear thinking about. A system must be in place that is so user friendly that people will want to be part of it, not one that people want to get out of. The costs that would flow from the system proposed in the legislation might provide the impetus for people to decline to register their vehicles. If a compulsory scheme were in place, accidents involving unregistered and uninsured vehicles would become a dangerous and grey area indeed.

If a person thought he was covered by the no fault system, failed to renew his comprehensive motor vehicle insurance and had an accident with an unregistered vehicle, would he have any coverage? Probably such a person would be worse off than under the present system. That would be the case under the provisions of this bill. The background to the legislation is that the issue has been examined by the Parliament on a number of occasions. In 1986 a committee was established by the Minister for Transport at that time, the Hon. Barrie Unsworth, who later became Premier. That interdepartmental committee investigated the feasibility of introducing a compulsory third party motor vehicle property damage insurance scheme. The committee took a great deal of evidence and at the end of the day considered that the introduction of a compulsory scheme would increase the number of reported accidents, result in an escalation in the premium for third party property damage insurance, and reduce the proportion of motor vehicles comprehensively insured. I shall speak a little about each of those matters. Each day a number of accidents happen; one frequently drives past them on one's way to work each morning. Most of them involve minor damage. Often the people involved agree to disagree, shake hands and agree to cover the costs of their own repairs - perhaps the cost of replacing a lens cover or bashing out a dent in a bumper bar.

If a compulsory scheme along the lines proposed by the honourable member for Mount Druitt were in place, those accidents might suddenly become reportable. People involved in such accidents might suddenly decide to have the lens cover replaced and also

fix the scrape down the side caused when they backed over something in the driveway or ran over the letterbox on the way out in a bit of a hurry in the morning. Suddenly the compulsory scheme might be called upon to pay for all of those things that normally would not be claimable. In other words, there would be an increase in the amount of insurance fraud because there was a golden cow there to be milked. I am sure the honourable member for Mount Druitt will acknowledge that as a significant problem.

The 1986 committee also said that there would be an escalation in the premium required for third

party property damage insurance. We ought to think very carefully about imposing that on the community. In my previous occupation as a radio broadcaster I had the opportunity to interview the honourable member for Mount Druitt with respect to this issue. We discussed whether there would be an increase in the cost of insurance. I know that the honourable member for Mount Druitt would share my concern that we should not impose extra costs on people, especially those least likely to be able to pay. That is a significant problem. People would not welcome putting their hands in their pockets for yet another government impost, as envisaged in this bill. The bill does not include a provision which would enable the Government to make sure that compulsory third party property premiums remain affordable. The honourable member for Mount Druitt might wish to reflect on that. The obligation to cover uninsurable drivers, without the opportunity for any contractual exclusions which commonly operate for drunk or unlicensed drivers, could well be anticipated to raise the overall cost of property insurance. The 1986 committee anticipated that fewer people would register their vehicles, or they would delay registration because they would have to save extra money for the additional costs imposed by the bill and they would abandon their comprehensive insurance to compensate. That adds significantly to a problem which already exists. Instead of fixing a problem this bill may create more problems. None of us want that.

In 1989 the then Attorney General advised the then Premier that a review of the 1986 report had brought forward additional information. As a result of the 1989 review it was decided that the compulsory third party property damage insurance scheme was not viable in the foreseeable future. Committees of both sides of politics have looked at the matter and both sides have decided that it is too big to handle in the way envisaged by this bill. Other States have been grappling with this debate. The debate is worth having - the community is encouraged to debate it. I know that the honourable member for Mount Druitt wants that to happen. Despite the national debate which has taken place, no other jurisdiction is actively pursuing a compulsory scheme at this stage. The national picture brings to mind another problem: vehicles from interstate are not covered. People choosing to have an accident choose to have one with a vehicle bearing "Premier State" number plates. If people have accidents with a vehicle from another State they would not be covered. That is another hole through which we can drive the previous speaker's Murray Cod.

No one is suggesting that the problem does not exist - but whether this bill is the way to solve it is another question. I urge the honourable member for Mount Druitt to rethink the way he has gone about this. He should listen to the community debate and talk to those on this side of the House who would like to see some resolution of the problem but in a different way. As the honourable member for Myall Lakes mentioned, the insurance industry has been grappling with this problem because of the community debate. It has already started to put in a number of initiatives which may address the problem. For example, existing third party property policies are being extended to include first party cover for the policyholder involved in a collision with an uninsured motor vehicle if the uninsured motorist is at fault and can be identified. That goes a long way to meeting many of the concerns raised by the honourable member. The

introduction of a faultless no claim bonus system and faultless excess, protecting innocent motorists involved in collisions with both insured and uninsured motorists, is also occurring. Rather than compulsion, we on this side of the House believe that the way to go is to start a community debate and see whether the people in the industry can come up with solutions which are acceptable to all. That system allows people to opt in, rather than have the compulsion of paying an extra impost on the registration of their vehicle. More people will be covered by a better system.

The honourable member for Myall Lakes mentioned several drafting problems contained in the bill. There are too many to mention this morning. Proposed section 3(b) of the definition of "third party property policy" effectively requires the insurer to provide an uninsured motorist's extension, perhaps by means of first party cover, if the vehicle at fault is uninsured. That provision duplicates an arrangement which is already being widely implemented, although by no means universally, within the insurance industry. If people do that voluntarily we might be able to come up with a better way than enshrining things in legislation which will generate a bind on the operation of sensible policy down the track. Proposed

section (a) under the definition of "third party property policy" refers to loss of or damage to property without indicating whose property is being referred to. It seems that first party property would also be covered. The title of the bill belies the fact that that was what was intended. The honourable member for Mount Druitt might like to look at that. Proposed section 6(2) places the onus of disproving elements of an offence on the person charged. That approach is unacceptable. Those matters ought to be elements of the offence to be proved by the prosecution. I will not be supporting this bill. I support a continuation of the public debate to find a better way of addressing the problems which have been raised in all sincerity and genuineness by the honourable member for Mount Druitt.

Mr W. T. J. MURRAY (Barwon - Deputy Premier, Minister for Public Works, and Minister for Roads) [10.27]: The bill before the House outlines a scheme of compulsory third party property insurance. It raises some very serious concerns with respect to the Roads and Traffic Authority. This bill could be best described as "a great idea at the time". It is an idea that many people, including me, have had concerns about for many years. The reality is that great ideas are not necessarily feasible when put into practice. Everyone probably knows someone who, at some time, has been run into by a person who was uninsured. When two people are uninsured and the expense is great there are problems on both sides. Alternatively, when one person has an insurance policy and the other is uninsured the responsibility falls back to the innocent party in most cases. This bill will not solve those problems.

Proposed section 8 of the bill allows the Roads and Traffic Authority to process an establishment, renewal or transfer of registration if the applicant supplies the number of his or her third party property damage policy and the name of the insurer, and if the applicant declares that the policy exists and will be kept current. The requirement for a declaration will inconvenience the great majority of people who are honest, but will not necessarily reduce the number of uninsured vehicles. In addition, penalising a motorist for a false declaration does not assist the innocent party with whom the motorist has just collided. Whilst the concept of relying on a motorist's declaration suggests a simple scheme, proposed sections 7 and 15 clearly require the recording by the Roads and Traffic Authority of the policy details. However, as the details recorded are not required to be supported by any documentation the integrity of the data is immediately suspect. Laws are made to protect those who are genuine and give genuine information; they are created to take action against those who are dishonest. Quite frankly, proposed sections 7 and 15 would create a situation of giving a great deal of benefit to the dishonest person in this process. Therefore, far from being simple, the scheme would require significant computer systems and procedures development to record data of questionable value.

Clause 15 requires the Roads and Traffic Authority to inform the relevant insurer of any changes in the registered particulars of a motor vehicle. Each working day there are some 9,000 transactions changing registration particulars. The RTA and the insurers would therefore have to construct computer interface software, equipment and procedures. Currently, more than 60 companies are involved in providing motor vehicle insurance. The cost of developing the necessary interface would of course be significant and may well cause some insurers to withdraw from the total market. In any case, it is not feasible to operate such an interface with more than 60 external organisations. Clause 12 of the bill provides that after warning the policyholder the insurer may cancel a policy if the cheque for all or part of the premium is not met on presentation. There is no requirement to inform the RTA or to cancel the registration. Therefore a vehicle can be registered but not insured. The additional cost to the RTA of the current compulsory third party personal injuries scheme is about $7 million per annum, and this is recouped from insurance. The establishment cost to the RTA of the scheme proposed by the bill is estimated at $3 million. The annual cost would exceed that for the compulsory third party scheme and is estimated at around $10 million.

The honourable member for Mount Druitt claimed that uninsured vehicles cost the community $20 million a year; the insurance industry claims the cost would be as low as $1.5 million a year. I would like the honourable member for Mount Druitt to provide statistical information to support his claim that

uninsured vehicles cost the community $20 million, because the insurance companies' information on its claim is quite specific. The additional cost to the community of the proposed scheme is $13 million for the first year and $10 million each year thereafter, for the RTA's component alone. The scheme is not simple. It would cost the community a great deal, perhaps more than uninsured vehicles would cost. The scheme is insufficiently structured to achieve its objective of ensuring all vehicles are insured. It is fascinating that Labor colleagues of the honourable member for Mount Druitt have not spoken in this debate in support of his scheme. I wonder how much real support he has in his own party for the proposal. The fact is that this scheme comes under the classic definition of being a great idea at the time. In short, the scheme proposed is neither feasible nor effective; its implementation could not in any way benefit the community of this State. The scheme is complete nonsense and the bill should be withdrawn.

Mr COLLINS (Willoughby - Minister for State Development, and Minister for Arts) [10.34]: I wish to acknowledge the role played by the honourable member for Mount Druitt and the honourable member for North Shore in pursuing this issue. Both members have had a longstanding interest in this matter. It is useful for the House to debate the issues involved in the proposal put forward by the honourable member for Mount Druitt. Like all other speakers on this side of the House, I have to indicate my opposition to his proposal. It has a number of shortcomings. The first is uncertainty about the extent of the problem which the bill purports to address, and hence the need for the measures it would implement. Moreover, the arrangements proposed have the potential to become an administrative nightmare. They would also probably involve substantial cost to the community in terms of necessary government expenditure and increased premiums for the consumer. When introducing the bill, the honourable member for Mount Druitt expressed concern about the cost of damage resulting from accidents caused by motorists who drive vehicles that are not covered by insurance. He cited statistics from a Victorian report estimating that uninsured vehicles cause $28 million damage to property and that that figure and associated administrative costs total $4 million. Those figures, he conceded, were at odds with National Roads and Motorists Association research and Insurance Council of Australia assessment of the extent of the problem. Those organisations suggest that there is a very low cost, perhaps as little as $1.5 million. They have been in their respective businesses a very long time and have an obvious -

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[*Interruption*]

We will come shortly to what the honourable member knows about the Insurance Council of Australia and the NRMA, so if I were the honourable member I would not interrupt too much at this stage. Furthermore, no assessment of the extent to which the measures proposed will address the problem seems to have been made. Since the legislation will only apply to vehicles registered in this State, there will continue to be a large number of uninsured vehicles legally on New South Wales roads and being a potential source of continued costs of the kind to which the bill is directed. These include vehicles registered interstate, Commonwealth vehicles and vehicles that are exempt from registration. There are no associated nominal dependent arrangements proposed, so unidentified vehicles at fault in the causing of accidents will create a gap in the scheme. It would seem that until some accurate New South Wales data is available and the doubts as to the extent of the problem removed, it is premature to determine on a cost-benefit basis the appropriate response. In that regard, it is noted that the honourable member for Mount Druitt contends that the administrative cost of the bill will be low. That is not accepted by the Government.

Put at its simplest, the bill provides for the registration of motor vehicles to be conditional upon certification by an applicant that third party property damage insurance has been effected and will be maintained. The machinery for giving effect to the scheme is not so straightforward. Clause 7 of the bill purports to determine the circumstances in which a compulsory third party property policy will come into existence. Subclause (2) of that clause refers to "the insurer recorded by the Roads and Traffic Authority". Clause 8, which prescribes the prerequisites for registration, does not require the Roads and Traffic Authority to record any information, but such a course would seem inevitable in the light of clause

15. The notification required by that clause contemplates that the RTA will maintain a record of compulsory thirty party property insurer and policy details for each vehicle. For the RTA to properly meet the obligation imposed by the clause, that information would need to be kept up to date during the period of registration, and thus any change in insurer would need to be recorded. There would need to be computer interfaces with every compulsory third party property insurer, currently more than 60 in number.

The substantial additional record requirements entail additional computer work and procedures within the RTA, involving significant expenditure and a corresponding cost impact spread amongst the various compulsory third party property insurers. The implementation of the compulsory third party personal injuries scheme has already required an extensive interchange of information between the RTA and insurers to establish that insurance cover has been properly effected and, so far as insurers are concerned, to verify when risk commences. Issues of recording and verification, such as payments by personal cheque, cancellation of registration and change of insurer, all add degrees of complication to a system still very much in its infancy. The introduction of compulsory third party property records at this stage would add a further dimension of complexity and increase the chances of error, delay and confusion on the part of vehicle owners.

Presumably it is envisaged that some government body will supervise the proposed scheme, although the bill does not specify whether it would be the Roads and Traffic Authority, the Motor Accident Authority or some other agency. However, whichever body is or would be responsible for oversighting the arrangements, its operating costs will be increased as a result of the multitude of incidence of the scheme that would need to be monitored. Matters such as the cost of premiums and the levels

at which insurers fix an excess, for example, would need to be kept under review. Another function that any supervising agency would need to perform would be that of educating the public about the compulsory nature of third party property insurance. Any such campaign would have to overcome the certain confusion between third party personal injury insurance and third party property insurance to avoid rejection of the new scheme as something adding unnecessary complexity to the registration procedure. In that regard it should be borne in mind that considerable funds diverted to public education in relation to compulsory third party personal injury insurance, known as the green slip scheme, came from the levied funds of the insurers involved and was not a direct cost to government.

From the insurers' perspective, added administration costs will flow from the fact that they will no longer be able to provide bulk insurance for fleet owners as a result of the necessity to maintain individual vehicle-linked policies. Accordingly, without some certainty of there being a significant cost associated with the present incidence of uninsured drivers causing damage, added operational costs make the present proposal impractical. No provision is made in the bill for self-insurance. It is understood that many fleets, including the State Government's inner budget sector fleet, are self-insured, and the bill would have a significant adverse impact on those arrangements. Continued affordability of compulsory third party property insurance is an additional concern, in contrast to the motor accidents scheme operating in respect to personal injury, under which every vehicle owner is assured cover at a reasonable premium irrespective of their driving or claims history. Property insurance premiums are tailored more to the vehicle owner's circumstances, with the result that currently many are effectively denied cover.

The bill contains no provision to enable the Government to ensure that compulsory third party property premiums remain affordable. In that regard the obligation to cover uninsured drivers, without the opportunity for any contractual exclusions which commonly operate for drunk or unlicensed drivers, could well be anticipated to raise the overall cost of property insurance. A greater incidence of failure to register, delayed registration and abandonment of comprehensive insurance to compensate may be forecast. Another feature of the bill which may impact adversely on premium levels is that it fails to provide any limit to the exposure of the insurer, suggesting unlimited coverage is required while minimal cover might be considered satisfactory. The insurance requirements are currently ambiguous and any continuing uncertainty in that regard is likely to be factored in by increasing premiums.

Another consequence of the proposed legislation that might be expected to add to insurers' costs and ultimately to be reflected in premiums stems from the notional splitting of comprehensive insurance dollars entailed in having compulsory third party property insurance running with the vehicle. The first party component will not so run as there will be, in effect, two policies to manage and a possible need to adjust the terms of policies to coincide with registration. Thus with existing insurance arrangements increased insurer costs may be anticipated. The inevitability of that result is compounded when it is recognised that comprehensive policies are driver-related and not vehicle-related. It would be untenable from an insurer's point of view for a policy with maximum no-claim bonus to be assigned to a new and unassessed driver. Allowance for that contingency will doubtless be made to maintain underwriting control.

Thus the proposals contained in the bill are likely to bring about a significant increase in premiums while depriving vehicle owners of the right to choose the insurance regimen best suited to their circumstances. It has been suggested by the Insurance Council of Australia that that situation will contribute to an increase in the number of

unregistered and uninsured vehicles and thereby deprive the Government of significant registration revenue. The development would also lead to an increase in nominal defendant personal injury claims. The need for and effectiveness of the measures proposed really must be questioned by every member of this House. It is not denied by the Government that the financial devastation suffered by those who incur substantial liability and have limited means or opportunity to recover is a real hardship. However, before any compulsory scheme is contemplated there needs to be accurate empirical data as to the extent of the cost of damage caused and not paid for by motorists who drive without any property insurance cover. That measurement would need to reflect any trend that is occurring as a result of initiatives being implemented by the insurance industry to address the problem. Only when the extent of the problem and the cost are known can any informed assessment be made as to the need for or the appropriateness of measures to address the problem and the viability of any proposals put forward to deal with it. Many Government members have spoken on the bill. The honourable member for North Shore has had a longstanding interest in this issue and continues to maintain that interest.

Mr Whelan: He is called filibuster Phil.

Mr COLLINS: The honourable member for Ashfield mentions filibusters. The absence of members opposite to speak in support of the honourable member for Mount Druitt has been noted. It is all very well for the honourable member for Mount Druitt to float his proposal, which sounds like another terrific motherhood idea. The Opposition wants to prescribe more holidays for everyone and probably will introduce a Christmas stocking bill before the week is out. The poor old honourable member for Mount Druitt was told to introduce the bill but no other member of the Opposition wants to fight in support of it. Members opposite will trickle into the Chamber to vote for the bill but none of them want to speak in favour of or to be associated with a bill which is so flawed. The honourable member for Mount Druitt may have a hobby horse, and good luck to him, but the bill is a con job on the people and motorists of New South Wales.

Government members have examined the bill closely and objectively with open minds, have spoken to the National Roads and Motorists Association, to the Insurance Council and to their constituents, but no member opposite has supported the honourable member who introduced the measure. If ever this State suffers the ultimate Carr accident and somehow the Leader of the Opposition becomes Premier, the Australian Labor Party would rapidly step away from this proposal. The honourable member for Mount Druitt would probably not even be on the front bench of such a government. We would be told that the bill was just his idea, that he is not on the front bench any more, and that Labor is not committed to compulsory third party insurance. That is why this private member's bill is a total con job, and that is why every motorist in this State suspects the motives of those opposite. This cynical attempt by the Opposition to grab for what it thinks is a populist notion will cost motorists in this State a great deal more in their annual premiums but give them no additional benefit. The Opposition has not spelt out any

additional benefit. The Government flatly rejects this private member's bill.

Mr AMERY (Mount Druitt) [10.49], in reply: I am pleased that the filibuster debate by Government members has now come to an end. The same Government members who spoke on proposed age discrimination legislation two or three weeks ago have made similar speeches - apart from references to third party insurance - and used similar tactics in relation to this bill. The exception was the honourable member for North Shore. The Government, as the honourable member for Manly said, does not take private members' bills in this House seriously. The Government is concerned about various contentious issues on the program. Its tactic on private members' day is to line

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up seven or eight Government speakers to talk out their allocated time and waffle on, but only half of those members ever read a bill to enable them to contribute properly to debate.

This matter has been on the agenda for about 10 years. Yet the standard of debate from the Government side has been very poor. In answer to the rhetoric from the Minister for State Development, and Minister for Arts about the Opposition not having speakers on this bill I say that Opposition members do not want to contribute to delays on private members' bills and therefore we will limit debate so that the bills can be voted on. Unfortunately, we may have to speak with the Independents about gagging debates to prevent undue delay in passage of private members' bills. I am greatly disappointed by the action of Government members. I turn now to the few points raised by Government speakers. The honourable member for Cronulla gave the same speech he gives every Thursday morning on private members' bills. He had not read the bill or the second reading speech. He asked me to provide information and statistics that were provided when the bill was debated previously. He said he shared my concerns about third party insurance but had reservations about the administrative costs. He was concerned that under my proposal there was no certificate of insurance in the declaration of insurance to the Roads and Traffic Authority. The honourable member said that nobody doubts the seriousness of the problem, but the coalition does nothing to overcome the problem. He talked about the history of this issue and he said that he wanted more interdepartmental committees, reviews, talks and statistics - and more stalling.

The honourable member came up with the chestnut that this is a New South Wales bill and that because interstate drivers would come across the borders the scheme would be unworkable. Australia is one of the last Western countries to introduce compulsory third party property insurance. The United States of America does not have six States; it has 50. Each State has a different form of insurance. Some have compulsory third party property insurance such as proposed in the bill; some have financial responsibility legislation; and some have the optional system that we now have in New South Wales. This has not prevented compulsory insurance schemes from operating successfully in the various States of the United States. This is the case in Canada and the United Kingdom. The honourable member for Cronulla referred to the need for computers and so on. The object of certifying insurance is to cut out the cumbersome system of producing certificates at motor registries and to put the onus on the owner and driver of a motor vehicle to declare his insurance so that the cost of administering the scheme will be reduced. It is nonsense to say that the scheme would be an administrative nightmare. A far more complicated system has been introduced for personal injury insurance and it is operating well. Motorists have obtained the benefits of substantially reduced premiums as a result.

Statements that the scheme would be an administrative nightmare express the views of the insurance industry. Arguments put by the insurance industry were the basis of almost every speech from a Government member. The Minister for State Development, and Minister for Arts said the lack of compulsory insurance was not really a serious problem - another insurance industry claim. The NRMA produced a booklet entitled "Drastic medicine for a minor complaint". The NRMA said that only 1,000 motor vehicles a year are affected and that the damage cost could be as low as $1,176,000 a year. I wonder where the Government gets its information. I put to one side private motorists for a moment. After the bill was introduced the Bus and Coach Association stated in a press release:

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> According to Roger Graham, spokesperson for the NSW bus industry, bus and coach operators in NSW are having to write off $5 million per year, due to damage being inflicted on buses by un-insured vehicles.

The NRMA did not refer to the bus industry. The New South Wales Taxi Council this month wrote a letter to me stating:

> I was delighted to hear that you were interested in the subject of Compulsory Third Party Property Damage Insurance and that you intended to introduce a Private Members Bill on the issue.
>
> The New South Wales Taxi Industry Association and Taxi Council have long had a policy of compulsory Third Party Property Damage Insurance . . .

The letter went on to give figures of claims written off in the previous financial year by three taxi companies. RSL taxis wrote off 94 claims at a total cost of $110,000; Cumberland 101 claims costing $404,850; and Taxis Combined Services 283 claims costing $270,313. The proportion of uninsured third party claims to total claims was 58 per cent, 26.5 per cent and 28 per cent respectively. So let us have none of this nonsense about the problem being minor. In my second reading speech I gave the figures of the Victorian study which showed that uninsured vehicles are involved in 38,000 motor vehicle accidents. Notionally, they would be responsible for 19,000, causing up to $32 million damage, of which only $12 million would be recovered through the small claims debt system in the courts. This leaves a $20 million debt for the insured motorists and taxpayers of Victoria to pick up. We can comfortably predict that, in proportion to population, the problem in New South Wales would be closer to $30 million net. Who pays for that? Every person in this State who pays an insurance premium picks up that $20 million to $30 million.

The waffling claim by the NRMA that the problem is minor shows how easily the insurance industry can con Government members. When I listened to the speeches of Government members, including the Deputy Premier, Minister for Public Works, and Minister for Roads, I heard chapter and verse passages from the various letters and submissions I have received from the insurance companies being repeated. Honourable members opposite are cronies of the insurance companies. I thank the honourable member for North Shore for his complimentary remarks. He was amazed, as I was, at the public reaction and the insurance industry reaction to my bill. Members, including the honourable member for North Shore, attended a seminar by the insurance industry within the confines of this House. Questions asked of the NRMA and the Insurance Council of Australia by the honourable member for North Shore and the honourable member for Coffs Harbour by and large were left unanswered. The insurance industry representatives were unconvincing and left the meeting worse for wear.

I congratulate the honourable member for North Shore for his continued interest in the bill. I am disappointed that he has obviously been nobbled or out-voted by his own party. Unfortunately, he is unable to make clear to the House what I believe is his true position. If he had been given a free hand, I am sure his contribution would have been far more independent and would have moved amendment in relation to those aspects about which he has some concern. I take on board his invitation to me during the debate to confer with the Attorney General about continuing the debate on this bill. The honourable member for Myall Lakes was obviously a last-minute speaker. I do not have a great deal to say about his contribution. He claimed that the problem was not as great as originally thought. That is merely a repetition of the NRMA nonsense. He referred to the fact that the insurance industry has introduced the uninsured motorists extension scheme. The insurance industry can take some credit for that. That scheme is a worthwhile additional benefit for third party insurance holders and will provide some improvement in benefit.

However, that scheme continues the current process of those who have insurance paying the costs of those who, for one reason or another, do not have insurance. The fundamental problem has not been resolved. In addition, the scheme does nothing to save those who are uninsured from financial ruin caused by small debts claims initiated by insurance companies. For one reason or another, people are uninsured - most by choice, some because they do not regard insurance as a priority. About 80,000 New South Wales vehicles are uninsured but their owners think the vehicles are insured. Recently I was visited by a person who wanted assistance with an insurance claim for motor vehicle property damage. He produced his green slip, thinking that his green slip insurance covered him for property damage. A substantial number of people driving around today believe they are insured because they have green slips. In fact they are not. Should their vehicles collide with vehicles insured by insurance companies, the insurance companies will pay out the claims of the insured motorists and will take the uninsured motorists to court. As financial counselling services have continually reported, that brings about financial hardship to unemployed people and low income earners, who think they are saving money by not having insurance.

The honourable member for Myall Lakes referred to the bill containing no reference to the nominal defendant. That is intentional. I wish Government members would study the proposed scheme a little. If a property insurance scheme involving the nominal defendant was introduced, costs would really blow out. People returning home late at night who run into gateposts or trees would claim they were hit by unidentified motor vehicles and then lodge claims against the nominal defendant. Such claims would blow out the cost of premiums and perhaps give some credibility to the claims by insurance companies that the proposed scheme would blow out the costs of insurance premiums. The absence of any mention of the nominal defendant is not a flaw in the bill. It was a deliberate policy decision of the Opposition. The argument advanced by the honourable member for Myall Lakes about the nominal defendant was inconsistent with his other concerns about the proposed scheme having administrative financial implications.

The honourable member for Myall Lakes concluded his contribution with the usual claim about drafting problems. Virtually all Government speakers said the same thing. But they did not identify the drafting problems. If they commented on the provisions of the bill at all, they certainly did not follow the practice of Opposition members of giving notice that amendments will be moved to Government bills. It is obvious that the Government's response to the bill is negative. The honourable member for Myall Lakes can best be described as another insurance company advocate. The honourable member for Ku-ring-gai continued the theme that the bill is a good idea. He mentioned the possibility of people claiming for such things as broken lenses and the consequent increase in the cost of insurance. The object of the bill is to make compulsory insurance policies which are voluntary under the present system. Any regulations accompanying the legislation could easily impose a small excess, which could deal with the nonsense argument advanced by the honourable member for Ku-ring-gai.

The honourable member for Ku-ring-gai referred also to the problem of motorists travelling interstate. That is a furphy. The NRMA and other road authorities suggest to all motorists travelling interstate that they become familiar with the laws of the other State. I am sure that when New South Wales motorists travel to Victoria they study the rules of the road for that State in relation to right turns from left lanes and so on. The onus is on drivers to be familiar with the laws of other States. That is done in

relation to other matters. I do not understand why, as the Americans have found, there should be any difficulties in relation to that matter. Several Government speakers mentioned the absence of any provision for self-insurance. The definitions in the bill clearly set out what is required by the proposed third party insurance scheme. Self-insurers will be required to issue a certificate or advise the Roads and Traffic Authority that their vehicles are covered in accordance with the bill. Self-insurers will be in the same position as ordinary insurance companies. Their insurance policies will have to comply with the definitions contained in the bill.

Computer systems, administration costs and other matters have all been referred to. As I said in my second reading speech, the bill is lean in relation to administration. The onus will be placed back on

motorists to declare their insurance. The RTA has a small role to play. I am sure its elaborate computer system would not have to be expanded too much to record the few details required by the bill. The Minister for State Development, and Minister for Arts commenced his contribution by being positive and was a little hysterical when he concluded his remarks. He said that the Government opposes the bill, and he referred to its alleged shortcomings. He again put forward the NRMA case. He really added nothing to the debate. He merely repeated what other Government speakers have said time and again. In conclusion, I thank the honourable member for North Shore and the honourable member for Coffs Harbour. I thank also the various organisations which have written to me about the bill. I have referred to the taxi industry and the Bus and Coach Association. Only two private motorists in New South Wales wrote to me asking questions or opposing the bill. All letters opposing the bill came from insurance companies.

The opposition to the bill is induced by the insurance companies. They oppose it because they do not want their operations to be controlled by any legislation or by any government. They will fight against regulation by legislation, an insurance Ombudsman or any other vehicle. I thank also the various States of the United States of America. I wrote to almost all of those States and received prompt replies. Many of them responded more quickly than some of our own government departments did. I intend to reply to those letters personally. I should like to read from one letter I received to shoot down claims about third party insurance. A letter addressed to me from the Kansas Insurance Department dated 17th July, and signed by Mr Larry Bryan, the fire and casualty policy examiner, reads:

> Our mandatory liability became law on January 1, 1974 and had little effect on the overall insurance rates. This was based upon the fact that a part of the law included the application of no-fault benefits . . .
>
> We are of the opinion that our law, a copy of which is enclosed, is one of the better laws in the United States which is demonstrated by the fact that our latest survey indicated somewhere between 5 and 8% uninsured motorists population.
>
> As a point of interest, this percentage dropped from 18% prior to mandatory liability.

The Opposition does not suggest for one minute that any scheme would result in all vehicles being insured. However, we do say - and this has been substantiated by American experience - that the bill will result in the number of uninsured vehicles being halved. The off-set costs that must be carried by other motorists because of their insurance premiums and the costs to taxpayers through court costs and so on will therefore be halved. This is yet another private member's bill introduced by the Opposition which has not been taken seriously by the Government. It has resulted in another filibuster by Government speakers. I hope the bill is passed by the House.

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Question - That the bill be now read a second time - 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 Gaudry
Mr Gibson
Mrs Grusovin
Mr Harrison

Mr Hunter
Mr Iemma
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr McBride
Mr McManus
Mr Markham
Mr Martin
Mr Mills
Mr Moss
Mr J. H. Murray
Mr Neilly
Mr Newman
Ms Nori

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

Tellers,
Mr Beckroge
Mr Davoren

Noes, 47

Mr Armstrong
Mr Baird
Mr Blackmore
Mr Causley
Mrs Chikarovski
Mr Cochran
Mrs Cohen
Mr Collins
Mr Cruickshank
Mr Fahey
Mr Fraser
Mr Griffiths

Mr Hartcher
Mr Hatton
Mr Hazzard
Mr Humpherson

Mr Jeffery
Dr Kernohan
Mr Kerr
Mr Kinross
Mr Longley
Dr Macdonald
Ms Machin
Mr Merton
Ms Moore
Mr Morris
Mr W. T. J. Murray
Mr O'Doherty
Mr Packard
Mr D. L. Page
Mr Peacocke
Mr Petch

Mr Phillips
Mr Photios
Mr Rixon
Mr Schipp
Mr Schultz
Mr Smiles
Mr Smith
Mr Souris
Mr Turner
Mr West
Mr Windsor
Mr Yabsley
Mr Zammit
Tellers,
Mr Beck
Mr Downy

Pairs

Mr Irwin
Mr Knight
Mr Nagle
Mr Rumble

Mr Chappell
Mr Glachan
Mr Small
Mr Tink

Question so resolved in the negative.

Motion negatived.

FISHERIES AND OYSTER FARMS (CLOSURE OF WATERS) AMENDMENT BILL

Second Reading

Debate resumed from 24th September.

Mr MARTIN (Port Stephens) [11.17], in reply: Honourable members will recall that this bill was introduced on 17th September and that my reply to the second reading stage was interrupted pursuant to sessional orders on 24th September. I will now conclude my reply. The legislation is narrow in its scope. It seeks to take from the Minister of the day the power to publish specific matters in the *Government Gazette* and prosecute people without the approval of His Excellency the Governor or the Executive Council. That is what this legislation is about. It is about ensuring that the Parliament debate rules that are sought to be imposed on the people of New South Wales. It is important that honourable members have an opportunity, if they feel strongly about such rules, to debate the issue. At present they are denied that right. Such debate would not be used, as some frantic members from the Government side of the House suggested on 24th September, to frustrate the passage of legislation.

A couple of matters were raised in this debate that need to be addressed. In a flippant and stupid way the honourable member for Blue Mountains suggested that Pacific oysters came from the fishery research station at Port Stephens. Following a point of order taken by me, the honourable member was asked to withdraw the assertion. It is important that I put on the public record that staff at the Brackish Water Fish Culture Research Station have been loyal servants of this Government and previous governments; they have done a superb job and never once have they been a party to the spread of Pacific oysters. At one stage in the debate reference was made to changing requirements under section 18 of the Fisheries and Oyster Farms Act from being by way of notification to that of regulation. In that regard I draw the attention of the Minister to *New South Wales Legislative Assembly, A Short Guide To Rules and Practice* by A. E. A. Ward, which is available to all members. I conclude my remarks by saying that it is important that Parliamentary Government rather than Executive Government be required to determine such issues. I commend the bill.

Question - That this bill be now read a second time - 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 Gaudry
Mr Gibson
Mrs Grusovin
Mr Harrison

Mr Hunter
Mr Iemma
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr McBride
Mr McManus
Mr Markham
Mr Martin
Mr Mills
Mr Moss
Mr J. H. Murray
Mr Neilly
Mr Newman
Ms Nori

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

Tellers,
Mr Beckroge
Mr Davoren

Noes, 47

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

Mr Jeffery
Dr Kernohan
Mr Kerr
Mr Kinross
Mr Longley
Dr Macdonald
Ms Machin
Mr Merton
Ms Moore
Mr Morris
Mr W. T. J. Murray
Mr O'Doherty
Mr Packard
Mr D. L. Page
Mr Peacocke
Mr Petch

Mr Phillips
Mr Photios
Mr Rixon
Mr Schipp
Mr Schultz
Mr Smiles
Mr Smith
Mr Souris
Mr Turner
Mr West
Mr Windsor
Mr Yabsley
Mr Zammit
Tellers,
Mr Beck
Mr Downy

Pairs

Mr Irwin
Mr Knight
Mr Nagle
Mr Rumble

Mr Chappell
Mr Glachan
Mr Small
Mr Tink

Question so resolved in the negative.

Motion negatived.

PUBLIC HOSPITAL SERVICES (CONTROL OF PRIVATISATION) BILL

Second Reading

Debate resumed from 24th September.

Ms MACHIN (Port Macquarie) [11.30]: I rise to speak to the Public Hospital Services (Control of Privatisation) Bill. I am not leading for the Government on this bill, much as I probably could and would like to. I oppose the bill introduced by the honourable member for South Coast. I oppose it for a number of reasons, many of which are already on the public record. I have read a lot of comments by the honourable member for South Coast. Two days after my baby was born I was reading *Hansard* in hospital - unusual reading for a new mother. I think that demonstrates the importance of this issue. The bill states:

> The object of this Bill is to ensure that the management of health services delivered from hospitals to public patients is substantially retained in public hands.

That sentence almost makes the bill irrelevant. That is what the Government proposes to do. There is no way the Government wishes to give away the management of the health services in New South Wales. In Port Macquarie - and the three other hospitals identified by the Minister for Health - the Government proposes to supplement the funding coming to the health system. This is not about ideology, it is not about

privatising the whole of the health service, and it is not about a hidden Liberal Party or National Party agenda; it is simply about getting more money into a cash starved system to build hospitals to treat public patients. We use private money to supplement other services and facilities provided by the Government, for example, the transport system. Many people would concede that the transport of the public is almost as important as the health of the public; they are closely related when we consider the safety factors. As parents, we are happy to entrust the lives of our children to conveyance by the private sector, yet for some reason we feel that if the Government is not signing the cheques for the nurses it will be different. That is what it boils down to.

The hospital in Port Macquarie, and hospitals anywhere else, will be run by the same administrators and have the same staff. The staff have been given guarantees in writing that their jobs will be retained - be they a cleaner, an engineer, a nurse, a doctor or an administrator. The same people will be in the building; it is just a case of who owns the bricks and mortar and who is writing the cheques and running the hospital on a day-to-day basis on behalf of the Government. The Government does not want to give away control. If I thought that the Government was giving away control I would strongly oppose that. I see the Government's proposal as a practical solution to a difficult problem. For that reason, I oppose this bill. The bill not only will preclude the contracting out, if you like, of further hospitals and their management to the private sector, as has been stated ad nauseam, on a limited basis, but also will inhibit the Government delivering many of the services which we already contract out within the system.

The bill goes to the heart of the role of Government and the way the Westminster system is applied. The honourable member for South Coast is very keen in drawing our attention to the principles of the Westminster system when it suits him; over the years he has made some valid points and suggestions. However, when it does not suit him, he wants to take power away from an elected government of the day - a Government which was elected on a particular platform. The Government's platform made no bones about the fact that it would include private sector involvement in infrastructure and would be looking to privatise certain functions and authorities controlled by it. That was not hidden by the Government for one minute. Before the election it had not been the intention of the Government to undertake this approach to Port Macquarie. Before the election we did not know how bad the recession was going to be and how the State's budget would be knocked about. The options are to do nothing - that would be the case around the State - or to find more money. We will not get much money from Canberra, even the Deputy Leader of the Opposition acknowledges that, so we have to look for another source.

The bill says that the Government, having put up its general proposals to the public and being

elected on such a platform, does not have the right to make decisions. When it suits the honourable member for South Coast, the role of government must be approved by him; day-to-day functions must come before the Parliament. I think that precedent is dangerous. It means that all contracts potentially have to come before the Parliament. The Deputy Premier, Minister for Public Works, and Minister for Roads has had legislation passed, with the support of the Parliament, for contracts to be entered into by the Government to supplement the road construction program in this State. The principle is no different. If this bill were adopted, a precedent would be set which would knock out those sorts of contracts or require a Minister, using his powers under the Westminster system - which I think most honourable members support - to change the structure entirely and bring everything before the Parliament and subject it to the political process. That is not how the Westminster system works.

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The honourable member for South Coast moved a matter of public importance on 18th March, the day after my son James was born. He stated his opposition to what was being proposed at Port Macquarie. I think that shows the position the honourable member is coming from. We all have a great deal of concern for health in our electorates, particularly public health, but the honourable member for South Coast is living in the past. He cited a number of papers and conferences, one of which was a conference on primary health care at Alma Ata in Russia in 1978 - hardly relevant to today's debate. He also referred to a European regional committee statement of 1980 about the system of primary health care globally. That was the research the honourable member was relying on in March this year; he has since moved on. I hope he is not relying on research carried out by the Evatt Foundation, because it is somewhat skewed. The foundation is a paid research arm of the Labor Party. It is paid, by the taxpayers, to come up with research papers which are not at all academic - loose, to say the least. Those papers are put forward in a political way to support Labor Party policy. I think more ought to be said about the Evatt Foundation, but I will not do so today because that is not the principal issue before the House.

The Port Macquarie hospital is just about at its limit. It has capacity for a little bit longer but, at the present time, something like 1,800 people have to go out of the district for procedures which cannot be carried out in Port Macquarie. The waiting lists vary - they have improved a little as a result of a Government injection of funds. The waiting list for some procedures can be up to 18 months, particularly with respect to orthopaedic procedures. Honourable members will know that the conditions treated by those procedures are painful and are suffered by the elderly. More than a quarter of my electorate consists of people over the age of 65. Therefore, there is a high dependence on the health services and a high incidence of people requiring orthopaedic treatment. As a result people are in pain for a long time.

The alternative to what is being proposed in Port Macquarie is to say to those people: "Sorry, we cannot build a hospital until the end of the decade. Everybody agrees with that; it is not just the Government saying that, but the Labor Party as well. We can patch up the existing hospital for a while and put you on the waiting list and hope that an emergency does not crop up and delay your operation. You might get done in a year or 18 months' time". People have contacted me to say that they have been delayed once again and that they are in pain and inconvenienced. Their families are distressed because of the pain they are suffering. There is nothing we can do. The staff at the hospital try very hard to deal with that. I suppose they get sick of me ringing up and asking: "Can you get Mrs So-and-So in in a hurry? She is in pain and needs this operation". That situation will continue and get much worse.

That is what I am trying to get through to the honourable member for South Coast. This is not just the Government changing its policy or philosophy; it is about human beings and human lives, and it is about getting more people through the hospital system quickly. I would probably prefer to stick with what we know - everybody does. It has not been a lot of fun for me in the last year in Port Macquarie. I was initially wary of the concept. However, I had the benefit of being subject to a lot of information in a short period. I, like the hospital board and a number of the senior staff and the medical fraternity, came to the conclusion, after looking at the facts, that this is the best option for Port Macquarie now. We do not have the luxury of saying, "We will have public funding and we know it will come". I do not believe we have the

luxury of waiting up to 10 years. I do not think that is fair to the many thousands of people who will be forced to remain on the waiting lists.

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The Department of Health advises that within two years we will be about 2,000 admissions short. Within about four years that will have risen to 5,000 admissions short. That means that there will be 5,000 people the hospital cannot cope with. That is not acceptable. There are only 36,000 people in Port Macquarie now. I am sure the figure will go up proportionately. I do not think that would be acceptable to anyone sitting opposite. We have to look at a way of addressing the problem. The honourable member for South Coast says that he is not ideologically opposed to privatisation per se, but I think that is what he is showing in his response to this legislation. As I have said before, a number of other activities carried out by the Government involve the private sector. Why is this different? If this achieves the ends, if this is a way of treating people, why do we not go for it?

The Opposition has been saying some things at Port Macquarie, some of which cropped up as recently as yesterday. The Minister referred in the House yesterday to a comment made by the president of the Combined Pensioners Association. I do not believe that association is renowned for its support of this Government or this side of politics, but I guess that is by the by. A lot of elderly people watching and listening to this debate are very confused. In a town like Port Macquarie, many people do not read the local newspaper. It has a circulation of 4,000, and there are 36,000 people. So a lot of them get their information from across the airwaves and from talking to people. For nearly the last 18 months they have been told: "You will not be able to get into the hospital. When you leave the hospital, you will be given a little card saying _That was your last free visit. You will not be able to get back in unless you pay'". Mr Ottley from the Combined Pensioners Association said yesterday, "People will not be able to afford the cost of health care if this private sector development goes ahead". That is an outright lie. I wrote to Mr Ottley today to ask him to justify this statement and to reiterate the offer the Minister made to brief him so that he might be acquainted with the facts. If he already knows the facts, he is telling a lie to his constituency. That is extremely irresponsible to say the least.

Many of the elderly do not want to know about these issues. They get a bit more confused than some of us, if that is possible. They are understandably frightened. If I were an elderly resident in Port Macquarie and had been listening to what people such as the Deputy Leader of the Opposition have said, I would be worried. I think that explains the results of the referendum voted on about a month or so ago. I note the presence of a constituent of Port Macquarie in the gallery who made a very valid point the other day. Of all the residents in Port Macquarie eligible to vote, comparing the proportion that voted no with the total population, 51 per cent of the population that chose to vote, voted no. So a large proportion choose not to vote. That is probably a more telling statistic. The other interesting statistic is related to the work force in that area. The delegates from local unions made an informed, and probably difficult, decision in terms of their philosophical stance. They elected to base their point of view and support for this proposal on very pragmatic grounds, namely, the need for more people to be treated and the fact that the economy at present is badly affected because of the recession; and the hospital will provide a hell of a lot of jobs and a big injection of money into the town now, when we need it, as opposed to eight or nine years down the track - more quickly, than the Government could provide for the hospital to be built. [*Extension of time agreed to.*]

I thank the House for its indulgence. Those delegates were not subject to strong-arm tactics. Off their own bat, they decided to write to people such as the honourable member for Manly to point out that they felt this project was worthy of backing. Over 80 per cent of credentialled delegates did that. Yesterday it was borne

Page 8286

out that they probably are more in tune with their constituency than is the New South Wales Nurses Association in Sydney. Perhaps 500 or so people chose to demonstrate and to strike rather than the 50,000 people who were supposed to be demonstrating in the streets. That suggests that the local

workers and union representatives in Port Macquarie are more in touch with the issues involved and the needs of the community, regardless of the politics, than is the Nurses Association in Sydney. It has made it quite clear that it regards it as a political issue. The association has been at pains lately to say that it is not against private hospitals. The reason for that is quite amusing. Pat Staunton went to Port Macquarie a few times and got around town in her jackboots saying things about private hospitals and nursing care, implying that there was a much lesser standard of nurse in private hospitals. Understandably, all the nurses in Port Macquarie who have worked in the private hospital -

Mr Phillips: Who are members of the union.

Ms MACHIN: - who are members of her union, felt quite affronted at that slur on their professionalism and their standards. Since that time, I note that the association has been a bit more careful in qualifying its approach to private sector involvement and nurses working in the private health system. The honourable member for South Coast is living in the past. He has to recognise that this bill will limit what we are attempting to do in Port Macquarie for very good reasons. I do not think anyone could seriously suggest that the Government is motivated by other than a desire to treat more patients for free in a high-quality hospital. This will be an outstanding hospital. There is no reason for it to fail. There is no reason for the private company involved to want to rip people off. It runs a lot of hospitals around Australia, and it runs them very well. It is also suggested that the public system is the only one that is perfect. All of us would be able to point to some very tragic cases that have occurred in public hospitals. By no means is the public sector perfect and infallible. The Minister would be aware of a case I raised with him recently where a dreadful incident happened at the public hospital in Port Macquarie. It is illogical and nonsensical to submit that because the Government is not running the public facilities they will be of a lesser standard. That does not make sense. The whole of the staff will be re-employed at the proposed hospital.

The bill has wider implications than those I have addressed. It will limit the Government's role and rights under the Westminster system to exercise its executive power. Governments are elected to do that and to make leadership decisions. This is one such classic case. People say, "Why don't you do what the people want and obey the 61 per cent who voted in the local council referendum?". I could do that, but what would happen if I did? We cannot build the hospital in two years' or five years' time. If we are lucky, we will have it built, or reasonably well under way, by the turn of the century. What should I do for all the old people who come to see me and are in pain, those people who have to go to Newcastle or Sydney, cannot afford the travel or have to leave their families because the families cannot afford to go with them? It does not solve the problems. It is pointless to say, "Do what the people have said, and everything will be okay". Everything will not be okay. I recognise that this is an unpopular decision. It is not helping me locally politically, but I am prepared to wear the flak because I think the outcome will be right and I think that for Port Macquarie this is a valid approach.

The bill before the House deserves to be defeated. I understand the concerns of the honourable member for South Coast, but he needs to look closely at this and have an open mind. He has not demonstrated that he has an open mind on the issue. He has been to Port Macquarie once, maybe twice, for very fleeting visits. He was only

received in a moderate way. On one of his visits he suggested that we could make do with demountables, which was laughable - a demountable hospital for Port Macquarie. That went down really well locally. It took away any credibility he had. It was a nonsense suggestion and it showed his level of understanding. The Labor Party position is predictable, though it has been interesting to note that this kind of approach has been undertaken in Victoria and was initiated by the Kirner Government in Werribee. Currently, the same company involved in Port Macquarie is undertaking a consultancy for the South Australian Labor Government in regard to a hospital there. A similar approach is being taken in Western Australia. So this is not about ideology; it is not about party politics; it is about practicalities, about getting dollars into the system.

If the private sector wants to subsidise public patients, which is what it will end up doing in this hospital in particular because of a lot of the concessions made, great. Why should we not use private money for the good of public patients? That is what this is all about. This bill will jeopardise the health of public patients and their access to hospitals. We want to provide more access. We have to recognise that we are limited in our funding. Let us get the money from somewhere else, but let us treat public patients. The bill will not allow that. It will limit the present system even more by making it harder to involve the private sector or to contract out many of the services that are essential in our hospitals. For that reason, the bill deserves to be rejected. I hope that the honourable member for South Coast will adopt a more open mind and step away because he is the only one demonstrating an ideological position. [*Time expired.*]

Mr JEFFERY (Oxley) [11.50]: I oppose the Public Hospital Services (Control of Privatisation) Bill 1992. I fully support the comments made by my colleague and next-door electorate neighbour the honourable member for Port Macquarie. I had the honour of representing the Port Macquarie electorate for seven years and am deeply aware of the needs of the people on the mid North Coast, not only in Port Macquarie. The new base hospital, with its joint public-private function, will provide specialist services that will meet the needs not only of my colleague's constituents in Port Macquarie but of those in the Oxley electorate and in other areas nearby. The bill is fatally flawed, as demonstrated by the honourable member for Port Macquarie. It is an affront to the Parliament that such a bill should be introduced after months of drafting by parliamentary draftspersons at great cost to the people of New South Wales. The honourable member for South Coast does not have responsibility for the health of people living in the Oxley electorate, nor does he represent the mid North Coast or the North Coast generally. The honourable member for Port Macquarie, other members of Parliament and I have that honour and responsibility.

The proposed legislation is a nonsense. The honourable member for South Coast is attempting to dictate the needs of people for whom he has no responsibility - people who will be denied access to the expanded health services they need if his bill is passed. The honourable member for South Coast is motivated by a desire to be destructive and offers no constructive solution to the problem of funding the New South Wales health care system. The funds shortage has been created by the Deputy Leader of the Opposition and his mates in the Labor Party and the Federal Labor Government, which has not adequately funded New South Wales, as the New South Wales Minister said yesterday in this House. The honourable member for South Coast wants to prevent the properly elected New South Wales Government discharging its responsibilities to provide adequate health care services to the people of this State. The honourable member has seized on this issue for his own political expediency and also to gratify his own limited lust for power. I condemn that action. He has failed to maintain solidarity with his fellow Independents on this issue. I congratulate the honourable member for Manly, who is present in the Chamber, for adopting a more constructive approach and resolving his concerns over the application of this joint sector development model.

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The honourable member for Manly is a doctor and knows the problems faced by people who have difficulties gaining access to health care; he knows the pain and distress they suffer. The Government has taken an innovative approach to meeting the needs of residents of the North Coast area and is accelerating the development of new hospitals in key growth areas, with the support of the private sector. The Government has no desire to attempt to replace the existing health care system. What is being proposed is a model that will produce the best hospitals in the country. The new hospitals will provide more safeguards for the rights of public patients than does any other public hospital, and they will be required to comply with the highest standard of care in the country. Is the honourable member for South Coast blind to all that? Is he a prisoner of an outmoded ideological conviction? Is he willing to jump into bed with the fellows he sits next to, the hardliners in the Labor Party, and the union movement? A poster put up the other day after the nurses demonstration proclaimed that the next step was to be a meeting at the dining-room of the Teachers Federation club. It is well known that the Teachers Federation is another

left-wing union. The honourable member for South Coast, in his early days before he became a member of this House, had dealings with that union.

The poster mentions Kevin Myers, a community health worker and member of the Port Macquarie hospital action group. He is another one of these action group people trying to stir up action to prevent pensioners and the elderly getting proper health care on the North Coast. The poster declares that the demonstration was "organised by the Militant and Youth Right Campaign", and Stephen Jolly is named as an organiser. The left-wing of the Labor Party and these hospital support action groups are trying to prevent proper progress of health care in New South Wales. What other hidden agendas might such people have? I ask the honourable member for South Coast to be very careful, for his objective will prevent people in desperate need of care having access to additional services. The bill poses the kind of bureaucratic and legalistic tangle that Kafka would have been proud of. The bill accomplishes nothing but will keep the public and private sectors tied up in court for months, if not years, considering each joint sector proposal. It might suit the legal profession for Queen's Counsel and solicitors to be given opportunities to earn money in that way, but those funds should be spent on health care in New South Wales.

The bill should be put into the garbage bin of legislative failure, for that is where it belongs. As the honourable member for Port Macquarie said, the honourable member for South Coast wants to install demountable wards at Port Macquarie. I am horrified to hear such suggestions. The bill struggles to describe the Port Macquarie proposal as a privatisation project that needs to be controlled. The Port Macquarie proposal is not privatisation but is, as has been found by the Parliament, well and truly controlled. Paradoxically, the bill has a number of fatal flaws. Under clause 4 of the bill, the Port Macquarie project may not even be covered. For the benefit of the honourable member for South Coast sitting opposite, I repeat that the Port Macquarie project might not fall under the scrutiny of the bill. Clause 4 provides, in part:

> This Act applies to agreements entered into or proposed to be entered into by or on behalf of the Government, a public hospital authority or a public or local authority:
>
> (a) by which any person is or is to be charged with the management of the provision of any public hospital services to public patients.

I contend that provision does not apply to Port Macquarie hospital. Though the phrase "management of the provision of any public hospital services" has been drafted to avoid the possibility of inadvertently covering agreements such as visiting medical officer

contracts, it appears that contracts such as that for the Port Macquarie project are also not covered. Under that contract, the operator will be the provider of services to public patients. The Government is contracting for services under that contract, but that is quite different from contracting for the management of provision of services. The provision quoted seems to apply not to operator-provider agreements but rather to management agreements - for example, a comprehensive management contract under which a public hospital, being a provider of services, appoints a private manager for the hospital.

Management of the provision of services delivered by the public hospital would form part of the manager's responsibilities. A manager remains just that, a manager, and the public hospital continues to be the provider. The honourable member for South Coast might say that is a mere technicality but I think it highlights the money feasts the bill would create for members of the legal fraternity. Without doubt, there would be enough litigation to keep a team of Queen's Counsels employed for months. The provisions of the bill raise several serious implications. First, administration of public health in this State within the economic framework established by the Government would grind to a halt. Second, the object of the bill would be defeated: control of contractual arrangements for provision of health infrastructure - as sought by the honourable member for South Coast - would be removed from Parliament and vested in the courts, at considerable expense to the people of this State. Furthermore, what message does this

potential for strangling any proposal in red tape and legal dispute send to the private sector? Are we to believe the statements of the Leader of the Opposition or the Deputy Leader of the Opposition - we are not sure who will be Leader of the Opposition next week; I understand the honourable member for Liverpool has the numbers - supporting our endeavours to gain private sector support for the development and operation of public infrastructure? What responsible board of directors would walk into an arrangement that would virtually lead them into the Supreme Court? [*Extension of time agreed to*.]

I refer again to the fatal paragraph 4 of the agreement, which provides that the agreement must relate to the provision of public hospital services, which are defined to mean any medical, nursing, diagnostic, dental or paramedical services, including any preventive health services provided by a hospital to an inpatient who is a public patient within the meaning of the Health Insurance Act 1973 of the Commonwealth. As these services relate only to inpatients, community health services and accident and emergency services, which are generally outpatient services which are not covered, are not caught by the bill. Members may be aware that community health services at Port Macquarie are subject to a review under the agreement. This bill does not even address the provision of accident and emergency services - the most fundamental services to public patients provided by hospitals. The holes in the bill of the honourable member for South Coast are so big a Mack truck could be driven through them.

Dr Refshauge: Put up an amendment.

Mr JEFFERY: The Deputy Leader of the Opposition has many bright ideas but they never seem to work. Perhaps he should be in another profession. He has had only one point of order upheld in the eight and a half years I have been a member. That occurred only a few weeks ago. It was a red letter day for him. People in my area have asked who will own the land on which the new hospital will stand. The hospital site will be owned by the private consortium, Port Macquarie Base Hospital Pty Limited. Section 94 contributions will apply, therefore implying that the Government will not own the land. The private consortium will pay the section 94 contributions because the Government will not own the land; it is as simple as that. Constituents in Wauchope and north Port Macquarie - I represent the north shore of Port Macquarie through to
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Urunga - have asked how the Government will be able to sack the operator for not adhering to the contract if the company owns the land. The services agreement provides for termination in the event of default by the operator. A number of default events are specified in the agreement, including failure to provide services to the quality standard specified.

Following the exercise of specified procedures in the event of a default the agreement provides for the health department or the Health Administration Corporation to take the following steps: first, assume management of the operation of the hospital or appoint an independent contractor to do so; second, take total or partial physical possession of the hospital; third, take such other steps as may be considered by the HAC to be reasonably necessary for the operation of the hospital. The step-in rights will ensure continuous operation of the hospital in a satisfactory manner. Ownership of the land will have no influence on the exercise of these rights. The bankers financing the consortium are anxious to ensure that this happens. The hospital agreement covers these points.

Most of the questions raised by the people in my area have been answered but the Australian Labor Party, for ideological and political reasons, is trying to whip up community fears about the Government's health policies. We saw what a dismal failure this was in the street outside Parliament House, in my electorate, and all over New South Wales. Only this week the Premier gave an assurance to the House that the people of New South Wales will be completely looked after. The Minister for Health has also given an assurance that public patients will have full access to public health services in hospitals redeveloped with private investment, which is what applies in all publicly administered hospitals. The majority of nurses in country New South Wales, who are hard-working professional people, totally reject the political stance of the Labor Party and others. Labor's health policy is empty and virtually non-existent. The majority of hospitals and nurses are more interested in looking after patients than in playing politics.

The State Government has a statutory responsibility to ensure that public health services are delivered to anyone in need of care. No one can doubt the Government's commitment to the delivery of public health care. Labor members have been fear mongering by telling pensioners that they will not be able to get into the new base hospital at Port Macquarie. That is absolute rubbish. They will have exactly the same access to the new hospital as they do now to the Hastings District Hospital. The only difference will be that many of the specialist services that patients have to go to Newcastle, Sydney or even Melbourne for will be available locally. It is about time that members of Parliament started thinking about the most important people in this whole exercise - the patients who have been waiting months on waiting lists. I again congratulate the honourable member for Manly on his revised stand on this issue.

Mr Hatton: The kiss of death.

Mr JEFFERY: It is not the kiss of death. This shows that he is learning on this issue. I hope he will support me on another matter that will come up in the next few days. Only one Opposition member is in the Chamber. Opposition members do not know which way they are jumping. They do complete somersaults on issues. They will say one thing to the unions and exactly the opposite to private enterprise. We have seen that with the current leader, the temporary leader. The irresponsible scare campaign by the Opposition about the Port Macquarie hospital really gets to me. It has caused unnecessary concern to the sick and elderly in my area and that of my colleague from Port Macquarie. A massive 30 per cent of the total budget, $4.6 billion, is to be spent
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on health in 1992-93. The figure in 1987-88 was $3.1 billion. In comparison with Labor and its dismal performance on health care, particularly in country New South Wales, this Government is a can do government. The Minister for Health has explained to the people of Port Macquarie what is involved with the new hospital. Originally the people did not understand the concept but now they do. When the new hospital is built at Port Macquarie it will be of great benefit to the people of my area. [*Time expired*.]

Dr MACDONALD (Manly) [12.10]: I wish to comment on the Public Hospital Services (Control of Privatisation) Bill. I was careful not to use the words "support" or "oppose". I am concerned about some components and aspects of the bill. Neither in the second reading speech of the mover, the honourable member for South Coast, nor in the debate so far have the real objects of the bill been debated. The merits of a private hospital at Port Macquarie and the whole concept of privatisation have been debated, rather than what the bill is actually about. The bill is about providing a mechanism for scrutiny of a hospital privatisation contract. I believe that has been lost in the debate. I will try to focus on that, although inevitably I will have to make some comments about the broader aspects of the history of the matter. The debate should not merely be a matter of examining the merits of a private hospital at Port Macquarie. The issue is more profound than that. The bill seeks to give Parliament a role in the scrutiny process. It has come about because there appeared to be a likelihood of a fundamental shift in policy away from the traditional public ownership and management of the public hospital system.

The Minister regarded himself as having the responsibility to provide change and diversity. I do not doubt his motives. Originally the action was to be taken through Executive Government. However, such a massive shift in policy without the likelihood of reference to Parliament resulted in pressure to bring the matter back into this House for debate. That was done through a series of debates on matters of public importance. Ultimately the matter was referred to a Public Accounts Special Committee for consideration. I congratulate that committee on the amount of work it did. It recommended a number of changes and drew attention to a number of issues of concern. At present I am having discussions with the Minister about the role of the Public Accounts Special Committee before the final signing of the contract. Parliament was empowered to have a role in the scrutiny of a major public tender. Parliament does not have a public works committee and has no mechanism under which major public tenders can be scrutinised.

Privatisation of our health system must be proceeded with slowly and cautiously, and with all the

necessary checks, balances and safeguards. In the context of the debate about privatisation, I ask whether the public system is so good that change should not be considered. Some honourable members of this House presumably believe that the present system is such a good provider of health care services that there is no need to consider change. I have worked, and do work, in both systems, and I believe those members are wrong. Change can bring benefits. If society had had an ideological fix back in the days of the cavemen, I am sure the wheel would never have been invented. One day someone must have said, "Let's invent the wheel". If the restraint shown by some members of this House had been prevalent at that time, there would have been no room for development of that facility or, indeed, the development of change. Societies are healthy because of their preparedness to consider change.

However, any change has to be controlled, limited and evaluated. In this debate there is no room for ideological constraint on whether we should go this way or that way. I and my colleague the honourable member for South Coast may have differences of
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opinion on this issue, but the role of the Independents is not only to keep the Government honest but also to keep the Opposition honest. I do not believe the Opposition has been honest in this debate. To be a captive of ideology is to immediately become blind. Change can provide benefits if it is properly managed. The debate in the media, the documents from the Evatt Foundation and the second reading speech of the honourable member for South Coast seem to focus on the perils of the for-profit sector. Recently honourable members received an updated 18-page submission from the Evatt Foundation, which examined all the minutiae of the arguments about cost, comparative cost, residual values and accounting issues. I read that submission overnight and am unconvinced by it. I found the additional seven or eight pages prepared by the deputy director of the Port Macquarie area health service board much more convincing.

I draw attention to that document to emphasise that the debate is becoming bogged down in the details of whether there is a dollar to be saved here, a dollar to be saved there and what accounting methods should be used. At this stage that is not what the debate should be about. Those who oppose privatisation seem to assume that anything undertaken for profit can only be put in train by abusing the system. That is a profound ideological fix. The private sector can be very efficient. Are all small businesses, corporations and professionals only making profits as a result of abusing the system? Apathy and indifference are other forms of abuse. I believe we should be focusing on those matters.

The existing public hospital system in this State is not at all well. If the same tests and arguments were applied to the public system as have been applied in the privatisation debate to the private hospital system, massive shortcomings would be found. The playing field has not been level. The concept of privatisation has been gone over with a fine toothcomb and many arguments advanced. If the public hospital system was subjected to such an examination, it would not stand up for a minute. The debate has focused on the problems of a private system. Perhaps the debate should have included also the examination of the existing system - bed closures, the political allocation of funding, funding restrictions and waiting lists. Honourable members would have to acknowledge that people are under pressure to become privately insured. A duel system of haves and have-nots is developing in this State. I ask those who seek to overcriticise the concept of changing to a private model to think about whether the public hospital system is in order. I believe change is needed.

I argue that at present public patients are disadvantaged. If change is to be implemented, that change must be underwritten by one important control, that is, that the public sector should always remain under public control. The argument has been advanced that it may not matter who owns or controls the hospital; what matters is who controls it. The proposed private hospital at Port Macquarie is caught by the bill. That issue has already been referred to the Public Accounts Special Committee, which made certain recommendations. At present I am seeking a clear undertaking from the Minister that the final contract will be re-examined by that committee so that the important safeguards, about which I have received assurances, and the important elements of public control have not been changed. It was proper for the committee to examine the contracts initially. It should re-examine the contracts prior to signing and

recommend whether the signing should or should not proceed.

That matter may be linked to the difficulty that the honourable member for South Coast has about whether Port Macquarie needs to be incorporated in his bill. If I am satisfied that Port Macquarie has been walked over and that there is a final recommendation from the Public Accounts Committee to proceed, there is no need for
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it to be included in this bill. The bill introduced by the honourable member for South Coast seeks to capture private management of public beds. It also seeks to introduce parliamentary approval and appears to cover all hospitals, including those which are not yet completed but which were on the drawing-board at the time of the introduction of the bill. It seems not to cover a number of aspects - community health and private management of outpatient services. Though honourable members know I have enormous respect for the honourable member for South Coast, I believe he departed from the real context of the bill in his second reading speech. He said in the second sentence when referring to the objectives:

> The review of contracts by Parliament is vital.

On the next page Mr Hatton said:

> The object of the bill is to prevent the control and management of a public hospital by private enterprise, especially for profit.

That discloses that he and I have different positions on this issue. I believe that, subject to the necessary safeguards and scrutiny, changes can be accommodated. [*Extension of time agreed to.*]

Perhaps the honourable member for South Coast will say whether he can accommodate that concept. If we get the right model and it has parliamentary approval, will it have his approval? That basic question needs to be answered. The Government has said it will reject the bill on the basis that it will be invalid and ineffective legislation. The honourable member for Oxley has indicated that he has received advice that the 25 per cent rule introduced by the honourable member for South Coast will capture the minnows and not the big fish. That needs to be carefully considered. I hope there will be an opportunity during the next few weeks for me to discuss with the mover of this bill whether we have captured the right proposals.

The Government proposes to introduce its own bill. My understanding is that the Government intends to capture individual proposals under which the private sector would develop and operate private hospital infrastructure, such development being concomitant with the Government contract to provide services for public patients. It is a very simple proposal and may well have advantages over that proposed by the honourable member for South Coast. However, I have indicated to the Minister for Health - and we disagree on this aspect - my belief that if the Public Accounts Special Committee is to have a role, it should at both the beginning and at the end of contractual arrangements. That is an aspect we will continue to discuss. That difference goes to the heart of the Westminster system, and I appreciate the Minister's concern.

During the past months the Minister for Health and I have negotiated some very meaningful concessions. Those concessions include, first, the limitation of the privatisation proposal from "a handful" to three or four in the next three years; and, second, an assurance that any proposal consented to be the subject of an annual report to Parliament. On the issue of community health, I have never had any support for the concept of including community health in any private management proposal. That should be for the consideration of the committee, and the Minister knows my views on that subject. The final matter I refer to seems to be the issue we should be considering today - parliamentary scrutiny and what that means. If the Minister is confident about his legislation and believes in the role of Parliament, he will agree to the Public Accounts Special Committee having a role in the approval, endorsement, certification,

or ratification process prior to the signing of contracts. If the Minister has that confidence, he will argue that he will take the blame, but I believe there is a role for the Parliament - that of scrutineer.

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The honourable member for South Coast and I share a similar goal about the role of Parliament in this process of scrutiny of contracts. We are concerned about the history of events in New South Wales when the Parliament has not had the opportunity to scrutinise matters. Honourable members need only have regard to the Sydney Harbour Tunnel, Darling Harbour, Eastern Creek or Lotto. If the Parliament had had a very firm and paramount role in those projects, the resultant problems would not have occurred. We do not agree on the bottom line with regard to the private sector venture in Port Macquarie. I would like the honourable member for South Coast to consider a number of matters. His bottom line is that there must be public management. I ask him: what is it about the existing system of public management that is so good? Is public management accountable? Is there accountability in the public hospital system? I do not believe there is. Do we really have control of public hospitals?

My bottom line for Port Macquarie is different. It is that there should be public control, not necessarily public management. There is a very subtle difference. Subtle though it may be, it has some key elements. I believe there can be public control through methods such as licensing, regulation and legislation, accreditation, and contract safeguards. I have drawn the attention of the honourable member for South Coast, for example, to the fact that although 94 per cent of nursing homes are privately owned they offer unlimited public access based on Commonwealth Medical Officer determination as to who should be admitted. There are models which the public sector can regulate and control sufficiently to allow for equity. That seems to me to be one of the key issues in this debate. Finally, the Government has indicated its preparedness to consider alternative legislation. I have not reached agreement with the Government as to what that legislation would be and exactly what it would cover. Until agreement is reached, I intend to indicate my support for this bill, though I propose to discuss with the honourable member for South Coast a number of amendments that will bring us closer together.

Mr FRASER (Coffs Harbour) [12.29]: I do not support the legislation but I do support the Government in respect of what it has done for health care in New South Wales. The honourable member for Manly suggested that there has not been enough discussion on the bill, that we are not looking at the bill clause by clause. I agree with him. The bill needs to be considered specifically, but it cannot be because a philosophical argument is involved. The honourable member for South Coast has run the Labor Party line - or, I should say, the Labor Party lie - that privatisation, or so-called privatisation, or the Port Macquarie experience, will ruin health care in New South Wales.

That statement is absolute balderdash. On numerous occasions the Deputy Leader of the Opposition has visited Port Macquarie to try to score political points. He tried to scare the people of Port Macquarie by saying that they will not have access to a free health system if the Port Macquarie option goes ahead. That is a lie and he knows it is a lie. The Leader of the Opposition started to lose the argument at Port Macquarie so he decided to run the same line at Coffs Harbour. I recorded a meeting at which the Leader of the Opposition was invited to speak. I have a tape of him stating that he agreed with private involvement in health care services. The bottom line of the Port Macquarie contract is the involvement of the private sector in the provision of health services to the people. It will mean that the health care of the people of this State will be attended to. For 12 years the people of the North Coast were denied any increase in health services under the former Labor Government, and for that the Labor Party should be ashamed. It did absolutely nothing. The last improvement to the Coffs Harbour hospital was in 1974. In 1992 this Government is trying to improve the service further

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through private sector involvement. The Government does not have the money to spend on health services. It needs a stop-gap measure, and the Port Macquarie option will provide that stop-gap measure. The private sector will be able to assist the Government to provide health services to the people of Port Macquarie and other areas in New South Wales - health care services that they deserve.

The honourable member for South Coast is running the Labor lie. The Deputy Leader of the Opposition will not speak to this legislation. He is not sure what attitude to adopt because his leader, the Leader of the Opposition, has said that he agrees with private involvement in the provision of infrastructure in New South Wales.

Mr Kinross: Mr U-turn.

Mr FRASER: He is Mr U-turn for sure. The Leader of the Opposition is at odds with the Deputy Leader of the Opposition and other members of the Labor Party. They still have not got it right. They have not decided which way they will run with this issue. The Federal Government has indicated to the people of Australia that it is prepared to accept private involvement in health care. St Vincent's Hospital, Sydney, which is owned by the private sector, provides health care services to the people of New South Wales. If a straw poll were conducted and people were asked what they thought of St Vincent's Hospital, I am sure they would say it was a wonderful hospital that provides a wonderful service. The Port Macquarie option is about private sector involvement, just as the Mater Misericordiae Hospital at Newcastle and St Vincent's Hospital at Sydney are.

About two or three years ago when my wife became ill she utilised the public health system. Part and parcel of her cure entailed further treatment at either Royal North Shore or the Mater Misericordiae Hospital at Newcastle. The treatment was the same, the result was the same and the cost was the same - no cost. This private member's bill provides that contracts signed by a democratically elected government in this State to provide services and infrastructure must be returned to the Parliament for scrutiny. Where will it all stop? Will it be a requirement that every road contract, water supply contract or contract of any description for every government department be returned to the Parliament for its stamp of approval? What would happen to infrastructure in New South Wales if that were the case? It would grind to a halt. Private investment in the provision of services, which the Leader of the Opposition has professed to support, would not eventuate. The private sector would not be prepared to enter into any contract with government because the contract would have to be philosophically approved by such members as the honourable member for South Coast.

The honourable member for South Coast, through this legislation, is seeking to deny to the people of New South Wales - especially those on the North Coast - the right to free hospital care. The Government wants to give the people of New South Wales that service free of charge, yet the Deputy Leader of the Opposition is spreading the big lie that everyone in Port Macquarie will have to take out private health insurance. It is a lie and he knows it. That is why the people on the North Coast call him rumours Refshauge, or more lately, hit-and-run Refshauge, because he drops his bag of lies and runs straight out of the place. All health care at Port Macquarie will be provided free of charge to the people. The option will free up money from the private sector. The construction of the new hospital will create jobs and will allow Port Macquarie to progress. Without the assistance of the private sector the Government could not afford to provide necessary health care services. For many years the Federal Government has left New South Wales short of health funds, but do we hear a scream of protest from the Labor Party or from the honourable member for South Coast? Do they say, "Please give that money to New South Wales, the money it so rightly deserves"? No they do not.

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The Deputy Leader of the Opposition said that the Medicare agreement, which will cost the people of New South Wales $96 million, should be signed. An amount of $96 million is sufficient to build two new hospitals on the North Coast, but is the Deputy Leader of the Opposition worried about that? No he is not. He wants to run his philosophical Labor line and say, "Sign the agreement. You are the ones holding up health care in New South Wales". Honourable members know that the Federal Government is holding up health care services in New South Wales. It is not meeting its responsibility to the people of New South Wales and Australia. Victorians were promised all sorts of things prior to their last State election. But when the election was held and the Labor Party got the hiding it deserved, the Federal

Government said, "We are going to penalise you by taking money from the Victorian health care budget". Health care has been neglected in Victoria for years under this Labor Party philosophy of everything being publicly owned and publicly run.

I turn now to the services provided in hospitals by visiting medical officers. They are publicly paid but they are not publicly employed; they are privately employed. Visiting medical officers contract their expertise to public hospitals. That is privatisation in health care. Coffs Harbour has a poor medical imaging unit at its hospital because of 12 years of neglect by the Labor Party when it was in office. Visiting medical officers at Coffs Harbour hospital request that their patients go to a private firm for their x-rays, cat scans or whatever procedure is necessary and then bring the results back to the doctor. This service does not cost the patient anything. Patients can claim for the procedure on Medicare. Labor members choose to ignore this private involvement in health care services. They say, "That is okay, but we do not really like privatisation". This Government is talking about contracting, about providing a service that it cannot provide because it does not have sufficient funds. If Opposition members want to stop that practice, let it be on their heads, because the people on the North Coast will not thank them. The people of Port Macquarie will not thank them because they will be denied a service to which they are entitled.

Opposition members are denying those people a service that was not provided during 12 years of Labor administration. They are being denied a health system that could be in place in a matter of two years. Opposition members are saying, "No, philosophically I do not want to have anything to do with this, so therefore I am going to stop it". Opposition members should face the people of Port Macquarie and ask them whether they want to wait another five years for a new hospital, whether they want to be on the waiting list for another 12 months before being hospitalised, or whether they want to fly to Sydney, Newcastle or Brisbane to avail themselves of a service that could easily be provided by the Port Macquarie option. That is not what they want. It is about time the Labor Party stopped spreading the big lie about this so-called privatisation. It is about time the honourable member for South Coast realised that the people of New South Wales can be given the health service that they deserve by utilising capital funding within the private sector. The people of the North Coast are quite happy to get a service they have never enjoyed. The suggestion that this sort of contract is not acceptable has resulted only because of the lies which have been told by the Opposition and others in this debate. [*Extension of time agreed to*.]

The people of Port Macquarie have been told that they will need private medical insurance, that the level of service will decrease and that pensioners will not be able to receive the services they need. They are lies. The Deputy Leader of the Opposition is creating a stir by making these false claims. We should look to the positive aspects of private sector involvement in health care for the people of New South Wales. It will enable health care to be provided sooner than is possible, given previous and present

funding restrictions. If the honourable member for South Coast and the Deputy Leader of the Opposition were fair dinkum, they would be at the airport waiting for a plane to Canberra so they could tell Mr Howe and the Federal Labor Government to give New South Wales a fair share of the health care dollar. New South Wales has suffered cuts in health funding since 1985. It has missed out on an estimated $1.5 billion in funding. Why has it missed out? Because Federal Labor Government has been playing politics and New South Wales is not a Labor State. The Federal Labor Government is now trying to hold New South Wales to ransom over the current Medicare agreement. That agreement will take $96 million from New South Wales and return absolutely nothing to it. On that basis, New South Wales is being punished for having an efficient health system, a system which provides care, albeit somewhat belatedly in some areas. As I have already explained, those delays occurred because of a lack of funding. That was never addressed by the Labor Party when it was in office.

The people of Coffs Harbour, Port Macquarie and the North Coast generally suffered under Labor when it was in office; it did not care about what the people wanted. The previous Labor Government defined "New South Wales" as "Newcastle, Sydney and Wollongong". It ignored the North Coast. The honourable member for South Coast did not scream too loudly for an increase in services in his electorate

when the Labor Party was in government. I was forwarded a copy of an editorial from a local paper in the honourable member's electorate. It said that it was about time he concentrated on his own electorate and got his roads and hospitals fixed. I suggest to him that he consider a proposal to provide a new hospital on the South Coast similar to that being considered for Port Macquarie. Maybe then his constituents would get behind him and say, "Thanks for the good job Mr Hatton". No one in New South Wales, especially on the North Coast, will thank him for what he is trying to do for Port Macquarie.

I will now refer to what can be done and will be done as a result of private involvement in health care under the Port Macquarie system, and what could be done in the hospital system in Coffs Harbour. The private sector will provide a medical imaging service at Coffs Harbour and District Hospital in the future. It will be superior to the one provided by the previous Labor Government. Pathology - which is normally overrun and costs the Government a fortune - can be done more efficiently and quickly by the private sector. It is proper economic management to turn the dollars in the health care system back to where they should be; that is, to the service of the people. To suggest to anyone that they will need private health insurance under this contract at Port Macquarie is scandalous. This contract has been examined by the Public Accounts Committee. It has shown that it will save $41 million over the next 20 years.

The honourable member for South Coast says, "I have a philosophical argument against that. Therefore, I am going to oppose the Government's positive action in order that my philosophical arguments may be appeased". That is a disgusting and unacceptable state of affairs. Port Macquarie hospital will save the taxpayers of this State $41 million, but the honourable member for South Coast wants to walk away from that; he does not want anything to do with it. That is not acceptable. He should ask the people of Port Macquarie and the North Coast what they want. Why was the honourable member not screaming for better health care services for the people of the North Coast when the Labor Party was in government? He is now in a position where he can put his stamp on things - he has been called the de facto Premier of this State - but his philosophical ideas, which are thinly backed by the Labor Party, will deny the people of New South Wales, particularly the people of Port Macquarie, services they fully deserve.

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As the honourable member for Manly said, there has been no mention of nursing homes. Nursing homes have been operating successfully under private involvement in this State for many years. The honourable member for South Coast should get on his push bike and talk to the people on the North Coast. He should not tell them lies; he should ask them what they want. He should explain to them that under the Port Macquarie contract they will not need private health insurance, as the big lie campaign of the Deputy Leader of the Opposition has suggested. The honourable member for South Coast should tell the truth and tell them that they are getting an improved medical service, at no cost to themselves or the Government. In fact there will be a double saving: the Government can have this infrastructure provided without having to dip its hands in its pockets, and State taxes can be reduced.

There will also be a time saving. The facility will be available within two years. This bill is totally flawed. Clause 10 provides that there will be no contracting out. Does that refer to visiting medical officers, medical imaging, or pathology? The honourable member for South Coast has wasted the time of the parliamentary draftsmen, the time of this House and the time of the community on this issue. I suggest that he would be better off staying in his electorate, and taking the Deputy Leader of the Opposition with him, to try to do something there. He should stay out of issues affecting people on the North Coast. He should back this Government in what it is trying to, and will do - that is, provide a better health service, at no cost, to the people of New South Wales. [*Time expired*.]

Mr HUMPHERSON (Davidson) [12.49]: I am most pleased to follow three of my colleagues - the honourable member for Coffs Harbour, the honourable member for Port Macquarie and the honourable member for Oxley - in representing the interests of constituents of the North Coast area. Those members

are most concerned about the provision of services to the public and patients in their area. They are not constrained by the blinkered philosophical approach of the Opposition to the involvement of the private sector in the provision of health services. I reject totally the concept of this bill. It is wrong in principle, in practice and in its objectives. Essentially it is retrospective legislation. It is not concerned with the provision of services to the constituents of that area, particularly Port Macquarie, and is purely motivated by a philosophical opposition to the involvement of the private sector in the provision of health services. That is confirmed by the very title of the bill, Public Hospital Services (Control of Privatisation) Bill.

The point to be made is that what is sought to be done on the North Coast is not privatisation; it is not comparable with the privatisation of Qantas and the GIO and the transfer of those organisations from the public sector to the private sector. It simply seeks to involve the private sector in the provision of infrastructure and ultimately services to the community and the public of New South Wales. As the Leader of the Opposition has indicated previously, privatisation does not involve the private sector in building and operating an infrastructure project. Quite clearly, the Leader of the Opposition is fully supportive of the Government's view of this. Even if there is a philosophical difference within the ranks of his own party, I hope that he would at least have the carriage of this matter rather than bow down to the objectives espoused by his deputy leader, who is portraying a very different scenario to people living in Port Macquarie.

The Government recognises and is honouring its responsibility to provide high-quality health care in all areas of the State, and in particular the need for Port Macquarie to have those services. It recognises that we are also in a poor economic climate. To

put things in context, one only has to look at the expenditure on the provision of public health infrastructure and hospitals and the maintenance of those capital facilities over the past four or five years by the previous Government to 1988 to recognise that there was a nosedive in expenditure in those areas. They were neglected year after year. It was only when this Government took office in 1988 that the problem was addressed. It has directed significant funds and has increased funding year after year to maintain existing facilities. It also identified the need for new hospitals and the need to expand existing hospitals to ensure that the public of New South Wales have adequate and proper facilities. But all this has been hindered by the Federal Labor Government. New South Wales experienced a real cut in Commonwealth funding in 1991-92 of $100 million and more. Since this Labor Party has been in government federally, funding to this Sate has reduced by more than $1 billion, and this has made the job of this Government of providing essential services all but impossible. But we have weathered that, and through good management we have maintained our credit rating and still managed to provide services and capital investment where needed. Projects that will cost of the order of $2 billion - unfunded projects - are necessary for the satisfactory provision of health care services in this State. Where will the money come from? No money is available anywhere. We cannot print money, and we cannot put at risk the credit rating the State has worked hard to achieve and to maintain.

The only way Port Macquarie will get a hospital in the short to medium term is through this means. It will not get it by the utilisation of public capital funding. The objective in line with that should be the provision of services to the patients and the public at Port Macquarie. The Government's objective has always been, and will continue to be, to put them first. But in the provision of such services there must be appropriate controls. In Port Macquarie there will be controls. The Department of Health will have appropriate control and there will be a compliance with policies that apply to all public hospitals across the State. The Government is exploring alternatives in the provision of funding to provide these capital projects. It is not constrained by the ways of the past. Too often there is opposition to change simply because of a desire to oppose change. The honourable member for Manly indicated in his speech that he recognises the need for a change in thinking and the need on occasions to involve the private sector in the funding infrastructure within the State. We have taken a much more open-minded approach than many honourable members opposite would like us to.

As I said at the outset, I have a number of concerns in principle with this bill. It is retrospective in

the sense that any agreements in place should this bill pass through both Houses of Parliament would be made void; the contract would be no longer binding on the parties. Therefore, the private sector parties would have no recourse to compensation. I am concerned about the controls that are proposed. In practice, there would be great problems. The suggestion that either House make public a draft agreement would not only compromise private sector interests but also put them at such a risk that projects such as this would be jeopardised - whether in the health sector or any other. As the honourable member for Port Macquarie indicated, it would simply jeopardise the involvement of the private sector in providing public sector infrastructure. It will also take away responsibilities that quite properly should rest with the Minister responsible for these services. In seeking to remove responsibility from the Parliament, it will introduce a practice which in many respects will be unworkable. It is quite interesting in that sense that the honourable member for South Coast was most happy to support the Government in allowing the Minister for Natural Resources to retain the appropriate and proper controls he should have over oyster farming and associated matters.

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Port Macquarie is in need of a hospital. The existing hospital is old. The population, a high proportion of which is elderly, is increasing and expanding. Many people have to travel outside the immediate area to get specialist treatment. The existing hospital has an 85 per cent occupancy rate - in some areas, for example, the medical and surgical wards, it is more than 90 per cent. Occasionally, surgical lists are cancelled because of the overflow of medical patients into surgical beds. The average length of stay in the hospital is four and a half days - one of the lowest averages of any hospital in the State. The demographic projections of growth in the Port Macquarie region are that things will only get worse. The hospital is at saturation point. The only way a new hospital will be provided for the region is if the private sector is involved. Delays that have occurred so far have led to costs not only to the Government but also to the people of New South Wales, particularly the people of Port Macquarie. Honourable members should note this quite interesting point: the Act will not cover the Port Macquarie project. That may be subject to some legal dispute, but the Act seeks to apply and constrain the management of the provision of services. In the Port Macquarie instance, the contract would allow an operator to provide services, but the operator would manage the provision of services. Management, as is appropriate, would be vested in the Department of Health, under the control of the Minister.

After agreement between the honourable member for Manly and the Minister, a number of concessions will be made to ensure adequate controls are in place for the project. The private sector will be involved in a maximum of five joint public and private sector hospitals. This refutes the suggestion by the Opposition, and in particular by the Leader of the Opposition, that all hospitals in New South Wales are to be privatised. That is clearly not the case. There is no plan for that. There never has been such a plan, and I doubt there will be any in the future. The Opposition is conducting purely a scare campaign designed to bring emotion into the argument and totally remove facts from the debate. Parliament will have the opportunity to review this particular project. The project will be evaluated and assessed by the committee and thus enable the early operation of the hospital to be reviewed.

Mr ACTING-SPEAKER (Mr Hazzard): Order! The time being 1 o'clock, in accordance with sessional orders the debate is interrupted.

Debate adjourned.

REGULATION REVIEW COMMITTEE

Report

Mr WEST (Orange - Minister for Conservation and Land Management, and Minister for Energy) [1.0]: On behalf of the Premier I congratulate the Regulation Review Committee on its work and on its report. As set out in the first part of the report, the committee has made a significant contribution in

critically analysing, and in some cases refining, the provisions of particular statutory rules. It is pleasing to note the degree of co-operation between the committee, the relevant Ministers and their administrations that is reflected in commentary on those provisions. In tabling the report, the chairman of the Regulation Review Committee raised a number of matters of general importance considered in the report. The Government takes on board the concerns raised by the committee regarding the variability in standard of regulatory impact statements accompanying new or remade statutory rules. The requirement for regulatory impact statements is comparatively new, and it is recognised that new skills need to be developed across all administrations. As reflected in the report, the committee is playing an important role in assisting particular administrations to develop that expertise.

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The Premier also assures me he will ensure that the particular instances to which the report refers are brought to the attention of the responsible Ministers. The committee can be assured of the Government's determination that the requirement for the preparation of regulatory impact statements should be one of substance rather than of form. The matters for legislative amendment raised by the report relating to the Subordinate Legislative Act 1989 and the Interpretation Act 1987 will be actively considered by the Government, and the committee will be kept informed of progress. The report also raises the issue of extending formal review procedures to principal legislation as well as subordinate legislation. The Government has already announced its policy to include review clauses in new principal legislation. The review will not be internal to government. A report on the review is to be tabled in both Houses of Parliament. It is proposed that this measure be complemented by the introduction of legislative impact statements. The Government is concerned that, to be effective, the scope and requirements of such statements need to be properly defined prior to their introduction, and consultation on this matter is continuing.

I now wish to clarify another matter raised in the report. Following the undertaking of the former Premier to conduct an appropriate review of the principal statutory rules gazetted on 29th June, 1990, the then Attorney General and former Premier Greiner sought the advice of relevant Ministers to ascertain if the regulations accorded with the spirit of the Subordinate Legislation Act. I am able to inform the House that a review of all the regulations was completed. Seven of the regulations, in the opinion of the Attorney General, either did not require or were unlikely to have required a regulatory impact statement. Of the remaining regulations, the relevant Ministers advised that the consultation process for many of the regulations was carried out over a long period, for example, nearly 12 months in the case of the friendly societies general regulation. Generally, extensive consultation had occurred with the relevant interested parties over these regulations.

I am advised, for example, that for the two community lands regulations 19 different organisations were consulted and an education program of 24 seminars at 23 different locations throughout the State was conducted. A regulatory impact statement was prepared for the survey practice regulation even though it was not required. Some regulations were gazetted as soon as they became available from the Parliamentary Counsel because of a government commitment to reform restrictive regulations. By and large, the degree of consultation which took place for the gazetted regulations accorded with the spirit of the Subordinate Legislation Act, even though the particular consultation mechanism in the Act was not utilised. Given this situation, it would have been inefficient and wasteful of taxpayer's money to duplicate consultation which would have already occurred and would only have resulted in delaying much needed regulations without appreciable benefits. For many of the regulations, interested parties were awaiting the impending gazettal and had been planning on that basis. There was no point in further delay. It is regretted that the committee was not informed of these undertakings at an earlier date. However, a commitment was given to review the principal statutory rules gazetted on 29th June, 1990, and that commitment was honoured.

Mr CRUICKSHANK (Murrumbidgee) [1.5]: I thank the Minister and the Premier for giving the undertakings mentioned. Originally I had intended to speak about the wholesale flight into the -1500-page

regulatory refuge issued on 29th June, 1990. But if I understood the Minister correctly, the Premier has now taken up the cudgels, which perhaps were not wielded previously as well and actively as they could have been. I thank the Premier for taking that action. Queries have been raised about the costs involved in the committee preparing the reports, in particular the report issued on
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Tuesday, and about costs of activities that various departments are asked to undertake. I do not abdicate responsibility for costs incurred in the democratic process engaged in by the Regulatory Review Committee. The price of democracy will always be high. The committee, whose membership has not increased since it was instituted in 1988, is deeply conscious of costs, and often seeks further clarification from departments about progress of investigations and whether costings have been carried out. I suspect that many inquiries - a good example was that into Legionnaire's disease - at times do not obtain full information and result in reports that committees often find lacking.

In any conflict of interest, people's rights are involved. Committees prepare and present reports to Parliament but it is Parliament that must weigh up the real cost. Should property-owners or leaseholders allow their premises to harbour disease, or should government initiate extensive early investigations of premises to safeguard public health? If regulatory powers are required to enable property inspections to safeguard public health - a course not favoured by all - those regulations ought to be introduced. No one wants to be involved. That conflict will not be resolved unless improved safeguards are constantly sought. If calamity, disaster or catastrophe occurs, government will be expected to jump to protect public health. Enough data is available on the costs involved. The committee has received reports from the Department of Health and other departments - many reports conflict - but is determined to pursue its inquiries and get to the bottom of it.

People have to come to their own conclusions on different matters but the Parliament must be responsible. Nobody will admit to it but there is a good deal of de facto resistance within departments in relation to the development of regulatory impact statements. The committee is not asking that regulatory impact statements be made because it wants there to be a lot of bureaucratic nonsense; but the statements will reduce costs and be in the public interest. Costs to business are one of the main considerations of the committee under the Act. The matters to be considered by the committee never stop coming before it. The latest involves trying to determine whether hatchback vehicles are commercial vehicles able to use loading zones. [*Time expired*.]

Report noted.

JOINT STANDING COMMITTEE UPON ROAD SAFETY

Report

Mr NEWMAN (Cabramatta) [1.11]: I have pleasure in commending Staysafe No. 23, the report presented by the new chairman of the committee, the honourable member for Wakehurst. Staysafe has contributed to saving the lives of New South Wales drivers. Staysafe is probably most renowned for the introduction of random breath testing of alcohol in 1982. However it has produced a number of reports directed at reducing the New South Wales road toll. The reports produced in the 10 years of operation of Staysafe have had a magnificent result in reducing the road toll in the past year, a result of which we can all be proud. I express my appreciation to Mr Speaker for the fact that the office of the Staysafe staff has been extended, which will make it easier for them to produce their future reports. Throughout the world Staysafe has gained the reputation of being an astute and capable standing road safety committee which is second to none.

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Today I have visitors in the public gallery of the Parliament - Mr Teruji Horikoshi, Mr Yoshio Teruji Horikoshi - who are interested in the ombudsman system in New South Wales as well as road safety. My

aunt Hermi from Zurich in Switzerland would also appreciate the road safety activities of this State. Also present is my dear mother, Helen, who knows all too well about the tragedy of road accidents. She experienced with me our personal tragedy in the death of my wife and son some years ago. The report addresses a commendable history of involvement by Staysafe. I am concerned that recently Staysafe has received a reference from the Minister for Agriculture and Rural Affairs in relation to livestock warning signs. It is questionable whether Staysafe should go into depth on this matter. Some of my country colleagues have told me that on many occasions livestock cause accidents, so there may be some merit in this reference. But the charter of Staysafe is basically involved with the saving of human life. I understand that 80 per cent of the recommendations in previous Staysafe reports have been accepted by the responsible Ministers of the day - from the coalition and the Labor Party. I commend the hard work by current and past members of the committee, particularly the chairmen - from George Paciullo, the first chairman, to Mr Chris Downy and the present chairman, Mr Brad Hazzard. [*Time expired*.]

Report noted.

[*Madam Deputy-Speaker left the chair at 1.16 p.m. The House resumed at 2.15 p.m.*]

MATTER OF PUBLIC IMPORTANCE

Mr Speaker advised the House that he had received from the Deputy Leader of the Opposition notice of a matter of public importance, which would be set down for debate at the conclusion of formal business.

QUESTIONS WITHOUT NOTICE

TAFE FEES

Mr CARR: My question is directed to the Premier, and Treasurer. As Minister for Technical and Further Education, did he conclude plans for a new TAFE tuition fee? Will this mean that from 1994 fees for a certificate course will rise from $140 to $500 per course? Why has he promoted this scheme both as Premier and in his previous role as the Minister responsible for TAFE?

Mr FAHEY: All States in Australia levy charges for technical and further education. Those charges vary from State to State. In fact, charges in the Labor State of Queensland are considerably higher than those in New South Wales. Charges in Victoria are considerably higher than those in New South Wales. When I was Minister for Technical and Further Education, I considered the matter of equity in charges applicable to TAFE courses. The question of bringing equity into TAFE charges was discussed with the director-general and various other people. I should like to explain how the system works. One can undertake a course at a TAFE college for two or three hours one afternoon a week, and the charge is $140 a year. One can undertake a full-time course at TAFE which involves 20 hours over a five-day period, and the charge is $140 a year. There is absolutely no relation between the charges imposed in New South Wales and other States, and the actual cost of delivering the courses. I seem to recall that in the past financial year, when I was the Minister, the annual cost of providing technical and further education was in the vicinity of $800 million, yet the return from administration charges was only about $30 million.

The discussions were on the basis that an hourly rate is more applicable. An hourly rate has equity. If some dollars per hour were charged perhaps that would be more equitable than the present charge and those doing three hours per week would not be penalised to subsidise those doing 20 hours a week. Those discussions took place during the normal budgetary process earlier this year. A decision was made not to change the method of charging, and that was announced in the Budget. It is clear that

this year the charges will remain at the level set in the Budget. At the same time, the question of equity so that all in the TAFE system pay on a proper basis - and perhaps that basis should be tied to the hours occupied by the services delivered in one course versus another - still has to be considered. I am willing to listen to the Minister in relation to that matter for the purpose of ensuring that all students at TAFE pay equitable charges.

TAFE FEES

Mr CARR: I ask a supplementary question. Did the Auditor-General find that when the $140 TAFE administration charge was introduced in 1989, enrolments fell by 17 per cent? Does the Government expect a similar fall in enrolments due to this hefty new fee to be introduced in 1994?

Mr FAHEY: One could take a point of order on the basis that the supplementary question has absolutely nothing to do with the answer I just gave. That answer was totally contradictory to the subsequent question. I suppose it was written before the Leader of the Opposition came into the House. As he follows his orders so religiously and never listens to the answers that are given anyway, obviously he felt duty bound to jump again, as he was jumping up and down when I was talking, and simply carry out the instructions he was given.

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

Mr FAHEY: It ought to be abundantly clear to all members that training is a most important factor in what is happening in this country at present.

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

Mr FAHEY: It ought to be abundantly clear to all members also that the Government's significant and progressive reforms have delivered outcomes in TAFE that are magnificent in comparison to the outcomes achieved when the Opposition was in government prior to 1988. It is a fact that when students enrol they have to pay a fee. When they have to make a commitment and put their money down, they simply do not put their names down for various courses and then never turn up. If they pay money, they turn up. The TAFE outcomes are a reflection of the fact that genuine students obtained something from the system after the Government made the necessary reforms. No decision has been made on future charges. I am still partial to equity being built into the system, instead of imposing an administrative charge that bears no resemblance to the course being offered.

VICTORIAN GOVERNMENT FOREIGN BORROWINGS

Mr PACKARD: My question without notice is directed to the Premier, and Treasurer. Was the New South Wales Treasury aware of concerns that the Victorian Labor Government had breached Loan Council guidelines on foreign borrowings? If so, were these concerns brought to the attention of the Federal Treasurer, Mr Dawkins?

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Mr FAHEY: The substance of the question relates, of course, to the stark contrast between the management of finances in this State under a coalition Government and the managing of the finances of Victoria under the Labor Governments of Cain and Kirner. What has occurred in Victoria has all the earmarks of a first-class scandal and it was highlighted yesterday by a very tough mini-budget delivered by the new Victorian Treasurer in an attempt to pull that State out of the mire, the mess, the hole that it is in. The problem occurred under Labor and there are bleak prospects for the Victorian people for many years to come. Proper management is essential and this Government, under a coalition management team since 1988, has assisted New South Wales to survive the ravages of recession - that recession, which Mr

Keating, the Labor Treasurer and subsequently Prime Minister, burdened on all Australians. The Victorian budget delivered yesterday revealed the full extent of the conspiracy between the Victorian and Federal Labor parties and, in particular, the role of the Federal Treasurer, John Dawkins. His role was to conceal from the public, particularly the Victorian public, the truth about Victoria's mounting international debt.

The Victorian Treasurer yesterday revealed that the previous Victorian Labor Government had exceeded its Loan Council borrowings by $1.3 billion in order to finance successive budget deficits. That was in breach of Loan Council guidelines. There is ample evidence - in fact admissions by Mr Dawkins - that the Federal Treasurer had been warned about the problem by his own department and yet he failed to investigate properly the events that were taking place in Victoria; or alternatively, he deliberately concealed the truth. There is more. In April of this year, the former New South Wales Premier and Treasurer wrote to Mr Dawkins expressing concern about the long-term sale and lease back arrangements being entered into by the Victorian Government, which were apparently in breach of Loan Council guidelines.

In short, the Victorian Government, in an endeavour to ensure it had enough money to pay the wages every week - and that became a week-to-week battle in the final months of the Labor Government - decided it was time to sell off properties that belonged to the people, and to lease them back. That included police stations. In fact, nine buildings were considered appropriate for sale under that arrangement. The arrangement meant considerable overseas borrowing, amounting to hundreds of millions of dollars, which was kept from the Loan Council. Mr Greiner wrote to Mr Dawkins on 22nd April last, drawing attention to the breach of Loan Council guidelines and requesting, first, that the Loan Council review the Victorian sale and lease back arrangements; and second, institute monitoring arrangements for non-standard transactions, in order to ensure that the global limit guidelines could be consistently and correctly applied. There has been no reply to that letter. No attention has been given to it. The matter has not been raised at the Loan Council and no response has been given to New South Wales.

It is clear that Mr Dawkins was not willing to do anything about the letter because he was attempting to save Mrs Kirner's neck, and perhaps a few Labor seats at the next Federal election. Mr Dawkins, for political purposes, was willing to turn his back on the particular concern expressed by the former Treasurer of New South Wales. Honourable members all know what happened. What has happened in Victoria impacts on all of Australia, in terms of the reputation we enjoy and the problems we face as a nation. In the days ahead, as in the past, it will impact on the finances of New South Wales because we have to do our bit to help solve Victoria's problems. There has been disgraceful conduct in the financial management of Victoria and the Federal Treasurer has been willing to aid and abet it. It is clear that he is not fit to remain the Treasurer of this country and the Prime Minister should act in that regard.

This event illustrates the stark contrast between New South Wales and Victoria. This Government came to office four-and-a-half years ago, recognising the mess that New South Wales was in and the need to change direction. The Government recognised, first and foremost, that it was time governments were accountable for what they do; it was time systems were put in place to ensure the actions of governments were subjected to public scrutiny. The Government has done that. New South Wales has the highest level of public accountability, and that has been at political cost. The Government does not resile from that. It was the right thing to do and we will go on doing it because the public has a right to know. I refer to a statement made by the Leader of the Opposition last Sunday when he indicated that the Government of this State should take up the legitimate borrowings available to it from the Loan Council, to the extent of a further $1.2 billion and spend that money on capital works.

Mr Carr: On jobs. On jobs.

Mr FAHEY: On capital works; on jobs. Call it what you like. You wanted this State to borrow a

further $1.2 billion.

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

Mr FAHEY: As I said when the Budget was handed down, the priorities in the Budget were for New South Wales to retire debt, and the Government did that with the proceeds of the sale of the GIO -

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

Mr FAHEY: - and to ensure that the deficit was reduced. The Government did that, as the Budget Papers show. At the same time, it increased the opportunities for jobs to the extent of 18,000 jobs in the State with a record capital works program of $5.9 billion, which is what New South Wales needed to get out of the morass that the country is in as a result of Keating's recession.

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

Mr FAHEY: The New South Wales Government did not take up the borrowings available to it, in contrast to Victoria which took the moneys, the entitlement it had, but also fiddled the books in order to take more, aided and abetted by Mr Dawkins. The New South Wales Government did not take up the money; it used the proceeds available from the sale of the GIO. We chose not to borrow and thereby incur further interest payments on behalf of the people of New South Wales. Yet we have the Leader of the Opposition saying in the same vein as the Victorian Government did during the past several years, "Borrow and let us spend more". That would have put at risk New South Wales' triple-A rating, given to this State by Moodys.

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

Mr FAHEY: Had that occurred, it would have added hundreds of millions of dollars in loan servicing charges to the State. We will not take steps to allow that to occur. More than anything else, it shows that the habits and performances of Victorian Labor leaders in past years, the views that they have expressed and the actions that they have taken, are exactly the actions that will be taken by the Leader of the Opposition if

ever he is given a chance in this State. He demonstrated once and for all in his statements last Sunday, which had absolutely no substance and were totally irresponsible, that he is the Christopher Skase of New South Wales politics.

COUNCILS FINANCIAL MANAGEMENT SURVEY

Mr ZAMMIT: I address my question to the Minister for Local Government, and Minister for Cooperatives. Has the Government completed its annual survey of the financial management of councils in New South Wales, and, if so, will that information be released to ratepayers?

Mr PEACOCKE: I thank the honourable member for Strathfield for his question. He has always taken an interest in local government and will be most interested in this document. In the past, the people of this State have often been kept in the dark about how their local councils managed their finances and what money was spent on. Last year, in keeping with New South Wales' pre-eminent position as the leader of local government reform, the first set of comparative survey details were produced and made available to every ratepayer and council in the State. It is important to note that the survey was welcomed strongly by ratepayers. It was a vital innovation for councils and was used by many of them. Elected members of councils now have the comparative information they need to monitor their performance against that of other councils, and this has enabled them to ask important questions of their own council officers.

It gave me great pleasure today to release the latest edition of the survey. The department's document will be freely available to ratepayers, councils and other interested groups. Though I emphasise that the survey presents only raw figures, it does make local councils an open book to their ratepayers by showing everything, from comparative garbage charges to how much councils spend on library services, and even their debt servicing ratios. I can now tell honourable members that the most expensive big bin garbage service in Sydney and its near regions is in Woollahra, at $492 a year. This is more than three times the charges shown in the previous survey period in that municipality. The cheapest services are provided by the Blue Mountains council at $70 a year and Waverley council at $72, which should please certain members of the Opposition. Both these charges are a slight increase on those shown in the previous survey period. The most expensive rural big bin collection service is in Cobar. The honourable member for Broken Hill would be interested to know that the Cobar shire charges $973 a year for a big bin service. I should add, however, that there are only nine such bins in the whole shire. The cheapest rural collection is in Maitland at $22 a year.

From that spread of figures, honourable members can see the questions ratepayers will be asking their councils on the basis of these kinds of comparisons. A number of councils might have quite legitimate reasons for the charges they levy but the vital thing is that this information enables ratepayers to ask why - as Julius Sumner-Miller used to say, "Why is it so?". It also allows councillors to see whether other councils are doing the job better or cheaper, and if so to get a few hints from those councils. Last year many councils in fact did that. A number of interesting trends have emerged since last year's figures were released. While on the subject of waste collection, the latest figures show that more than 90 per cent of metropolitan councils now offer recycling services. They are to be commended for this important acknowledgment of environmental priorities. Unfortunately, country councils lag a little behind, with only 27 of 132 country councils offering some form of recycling service. I am pleased to announce that long-term debt per head decreased in 12 of the 13 council survey

categories, which is an excellent result. Cowra and Coonabarabran councils reduced their long-term debt to zero, which is also a very good result. The liquidity of 12 of the 13 also improved, showing a much healthier overall financial position for councils in this State. This last development is particularly interesting.

The survey covers 1991 figures submitted by councils. In 1991 the Government announced a freeze on council rates throughout the State for 1992. At that time there was an outcry from councils, claiming they could not survive without an increase in rates. There was a barrage of threats from councils and the Local Government Association that council charges would have to increase dramatically. Ratepayers will now have the opportunity to ask their councils why they were so reluctant to help ratepayers when councils were in their best financial position for years, and why they were demanding an opportunity to slug the community for higher rates in this difficult economic climate. Ratepayers should be asking another important question. During the past few months many councils have taken advantage of the Federal Government's much vaunted job creation scheme. To do this they had to come up with 10 per cent to 20 per cent of the cost of each project. Thus far there has been only one application for additional borrowing to take advantage of the Federal money.

If councils have sufficient resources to foot the bill, they must not have been as burdened by the rate freeze as they claimed, or, alternatively, they were prepared to make sacrifices for the Federal Labor Government's vote grabbing scheme but they were not prepared to make them to ease the rate burden on their own ratepayers. It is time for communities to ask some tough questions about the priorities of their councils. This document and the other major reforms to the local government sector that have been introduced will give them that opportunity.

MINISTERIAL CODE OF CONDUCT

Mr LANGTON: My question is directed to the Premier, and Treasurer. Does the ministerial code of conduct require the Premier's permission before former Ministers can engage in employment with

companies that have a contractual relationship with the Government? Is Mr Greiner in breach of the code by joining the boards of the M4 tollway operators and NatWest Australia Bank, the financiers for the Port Macquarie private hospital, or did the Premier give him approval, as required by the code?

Mr FAHEY: I shall look at the code of conduct and see whether it is binding on former Ministers, former Premiers and former Treasurers. If that is the case, I shall report back those details to the House in due course.

PROPOSED SALE OF PACIFIC POWER CENTRAL COAST COALMINES

Mr TURNER: I address my question without notice to the Minister for Conservation and Land Management, and Minister for Energy. Will the Minister advise the House what progress has been made by Pacific Power to sell its Central Coast coalmines?

Mr WEST: For the past two years the Government and Pacific Power have been exploring ways of selling eight Central Coast coalmines.

[*Interruption*]

I said we have been exploring ways. What did the Leader of the Opposition say? He said that he would sell them off also.

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

Mr WEST: We also said that we would be looking at the need to sell those mines with a view to getting the best possible return to the taxpayers of New South Wales.

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

Mr WEST: We have been looking at ways of doing the best deal possible for the workers in those mines and of making mines owned by the public sector work as well or better than mines owned by the private sector. We have been outstandingly successful in reforming work practices in our mines. We have made our mines compete on an equal footing with the private sector, and in the vast majority of cases we have come in winners. We have also said to the private sector, "Make us a fair and reasonable bid for these mines and they are yours". I report to the House that only one bid met valuation and we will begin immediate negotiations for the sale of the Munmorah mine. All other bids for all other mines, after commercial assessment, were below valuation and were not acceptable. Newvale mine, which was opened in 1963, has outlived its commercial life and will be closed. It does not have one single contract. The Awaba mine, which has introduced some significant improvements in work practices, also does not have one single contract. We will make every possible effort for that mine to continue working, albeit with a greatly reduced work force. All other mines - Newstan, Newvale 2, Wyee, Cooranbong and Myuna - will stay in the Pacific Power stable. We are happy to keep them. We never intended to have a fire sale of these valuable assets. We will not sell our assets below value.

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

Mr WEST: The Government is firm in its decision to close Newvale and wind back Awaba. It will be done in a compassionate way. Newvale will cease production on 30th November and the decommissioning phase will continue to 31st January. On that day 114 mine workers will lose their jobs. These jobs have been hanging on to hope - and hope alone - for the past two years. Each and every worker made redundant will be offered severance and redundancy pay of three weeks for each completed

continuous year of employment; payment of untaken accumulated sick leave; payment of untaken long service leave; four weeks notice or payment in lieu of notice; retrenchment benefits payable under the company superannuation; and entitlements under the Coal Industry Mine Worker's Pension Fund and the Oil Shale Mining Industry Superannuation (Accumulation) Fund. Our employee assistance plan includes out placement services to assist with gaining alternative employment and independent and confidential counselling for employees and family members.

This afternoon the general manager of Pacific Power is holding talks with the union movement. Tomorrow morning Pacific Power will begin making arrangements with the relevant authorities to provide training assistance to mine workers. Part of that assistance will be to enable the current skills of workers to be accredited for acceptance outside the mining industry. I expect that the average payout will be in excess of $60,000. The conditions of redundancy offered to the Newvale mine workers will also be offered to 83 members of the Awaba staff. Awaba will be scaled down to a staff of 60. The future of that mine depends on whether Pacific Power can win export orders for its Newstan mine and allow Awaba to take over part of its contract with Eraring power station. It is too early to say whether the scheme will work. I assure the House that Pacific Power will give it its best shot.

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The closing of Newvale and the scaling down of Awaba will mean a saving of $37 million a year to Pacific Power and the people of New South Wales. As I have said, this Government is not into conducting a fire sale of its assets; it is about making sure that the assets we have work at the highest possible standards. In the case of Pacific Power, competition is the spur for its reform. It was in this spirit that Pacific Power set out to reform its principal cost input - its coal supplies - by opening its coal contracts to competition. Eight Central Coast mines had to compete for contracts; six were successful, two were not. What effect has this competition had on the industry? It has meant a dramatic leap in productivity, a commercial rate of return on assets and a rising dividend to shareholders, and five years of tariff restraint. Allowing private mines to bid for power station coal contracts has delivered a 15 per cent cut in the average price of coal in real terms. Over the past two years output has risen from 3,600 tonnes to 4,300 tonnes per person.

In this mine sale process we called for expressions of interest, for tenders, then re-tendering, detailed assessments, negotiations and re-negotiations. The sale process, which began in November 1990, has led to seven organisations submitting more than 40 offers for varying combinations of the mines. Detailed evaluations of these offers and professional evaluations of the mines revealed a wide gap. The offers were complex. They varied in terms of the amount offered, payment schedule and format of payment. There was a wide variation in up-front payments. Deferred payments were offered as well as coal royalties and payment by coal. All had financial and strategic impacts - impacts on the existing mine work force. Only one offered a deal at valuation.

Only a few weeks ago the Leader of the Opposition told the Australian Institute of Company Directors that he would sell off Pacific Power's coalmines. The Government is of the same opinion, but it is not going to give them away. The Government's aim in this mine sale process was to capture the benefits of competition in the supply of coal to our power stations. This has been substantially achieved. Naturally the Government and I are concerned for the 197 workers who will lose their jobs; but for the 1,739 workers who have maintained their jobs the decision I have announced today is a vote of confidence in the Central Coast underground mines. They have the security at least of their current five-year and 10-year contracts. The pressure remains on them to perform at a high standard in the face of competition from both private sector underground mines and open cuts. The bottom line - the fact which must be borne in mind by all concerned about this issue - is that our electricity industry is entering a new competitive era. The future of our power stations and, ultimately, of our industry - and the future of thousands and thousands of jobs throughout New South Wales - now depends on the supply of competitive, low cost coal.

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

REDEPLOYMENT OF PRISON STAFF

Mr DOYLE: My question is directed to the Minister for Justice, and Minister for Emergency Services. Have nearly 30 prison staff been redeployed following the detection of corruption involving more than $1.5 million in wages this year? Has this matter been referred to the Independent Commission Against Corruption or the police? If not, why not?

Mr MERTON: I do not know the answer to the honourable member's question. I will make some inquiries and advise him in due course.

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COURT HEARING DELAYS

Mr KINROSS: My question is directed to the Minister for Justice, and Minister for Emergency Services. Is the Minister aware of the latest quarterly report on local courts by the Bureau of Crime Statistics and Research? Does the report reveal any improvement in case delays?

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

Mr MERTON: I thank the honourable member for his question on this important issue.

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

Mr MERTON: I advise the House that I have seen the June quarter report of the Bureau of Crime Statistics and Research on criminal proceedings in the Local Court.

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

Mr MERTON: The report shows that substantial reductions in delays for defended cases in the Local Court system have been achieved. The report shows that the number of days from the first court appearance to the final court appearance in defended cases where the accused is in custody has fallen to about one month. This is a reduction of more than 50 per cent from the June quarter in 1991, when the number of days from the first court appearance to the final court appearance was 64. It has been reduced from about 64 days to something like 30 days, a reduction of more than 50 per cent.

Mr Gibson: And the Minister has only been there five minutes!

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

Mr MERTON: I thank the honourable member for his interjection. This is an important achievement, as it is obviously desirable that an accused person spend as little time as possible in custody awaiting the hearing of his case. The report shows that the number of days between the first court appearance and the final court appearance when the accused is on bail has also dropped to 94 from 100 in the June quarter of 1991. The answer is that cases where defendants are on bail have gone down and where they are not on bail the time has also been reduced.

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

Mr MERTON: The Director of the Bureau of Crime Statistics and Research, Dr Don Wedderburn, advises me that reductions followed between 1990 and 1991, with a 20 per cent fall in delays, from 125 days to 100 days, for such cases. Dr Wedderburn also advises me that significant reductions have been achieved without any drop in demand for court time. The number of cases disposed of by the Local Court has remained steady, as have the proportion of cases requiring a defendant hearing. It is important that honourable members note that some 83 per cent of court appearances

involve Local Court proceedings in which a magistrate determines the question of guilt. The magnitude of the workload makes the case delay reductions I have outlined all the more important. It would be fair to say that the issue of case delays is a perennial problem for any Minister responsible for court administration. Under this Government a range of initiatives have been put in place to unclog the court system. For example, in July this year special sittings of the Supreme Court were held, and judicial resources from all divisions were concentrated for a period of two weeks to enable a maximum number of cases to be handled. Members of the public, the legal profession and the judiciary agree that this was an outstanding success. I am advised that the special sittings were extremely successful, with more than 500 cases being handled in reality. We will repeat this exercise in May and November of next year.

I have given just one example of the strategies being developed in all levels of the court system in a concerted attempt to accelerate the wheels of justice. The coalition, unlike Labor when it was in government for 12 years, has made a definite commitment to do something about making justice quicker and more efficient, allowing the people of New South Wales access to justice in the shortest possible time. As the new Minister for Justice, together with all players in the court system, I hope to bring about meaningful reforms in this area. I have made a commitment to make justice more readily available to the people of this State, and the Government will do its best to ensure that that is done. The situation was at the stage where people were not prepared to take their cases to court -

[*Interruption*]

The Opposition finds this very funny. We do not find it funny that people have to wait for court cases to be heard. We have made a commitment. We have taken the initiative.

DEPARTMENT OF STATE DEVELOPMENT STAFF PROPERTY SEARCH

Mr WHELAN: My question without notice is directed to the Minister for State Development, and Minister for Arts. What action has he taken as a result of the illegal and secret search of desks and private property of staff in his department, the Department of State Development, last Tuesday evening? Did the director-general and two senior members of his department secrete themselves in the department's premises to conduct their clandestine activities? Does the Minister authorise or approve of this activity?

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

Mr Collins: On a point of order. I point out the argumentative material contained in the question. Obviously, the question is argumentative and asserts a number of facts.

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

Mr Collins: I ask that the question be struck out and recast in another form.

Mr Whelan: On the point of order. The question clearly asks about the Minister's administration. His point of order indicates that he does not know what is happening in his department. My question asks whether the Minister approved.

Mr SPEAKER: Order! I call the honourable member for Sutherland to order. As I have said on many occasions, it is very difficult for the Chair to determine a point of order when there is excessive interjection in the House. It is for the Chair to decide the merits of the matter raised in the point of order. In all fairness, those who raise points of order should be heard in silence. I was concerned that the honourable member for Ashfield had moved from the point of order to debate the issue. Nevertheless, he is entitled to make his point of order and for it to be heard in silence. The question seemed to have argumentative elements to it and to develop certain premises which departed from the spirit and tradition of questions in the House. Owing to the very late stage of question time, I have little opportunity to give the honourable member for Ashfield the opportunity to recast his question in a fully acceptable form. Therefore I will allow the question and direct the Minister to answer those parts of the question which are in order and ignore the comments which were argumentative.

Mr COLLINS: I am very happy to answer those points that were in order in the question of the honourable member for Ashfield. I make it very clear that I ordered the police to be called in following the loss or misplacement of a file. The file went missing about a month ago. As soon as I found out about it, which was about 10 days ago now, I asked why police had not been brought in, as this file contained a number of documents on a matter which has been of some controversy recently in the House. I wanted to know what steps had been taken to find out where it had gone missing from and who was responsible. I might add that this was brought about following a departmental memorandum being brought to my attention which had been written by an officer indicating that the Pickard file, or at least part of the Pickard file, had been missing and asking whether anyone in the department knew where it was. I made some inquiries of the Director-General of the Department of State Development.

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

Mr COLLINS: I instituted those inquiries. I thought it entirely appropriate, especially given the fact that the director-general reported to me that there had been a break-in at about the time the Pickard file, or part of the Pickard file, went missing. I regarded it as entirely appropriate for departmental documents to be treated as secure documents and, should they go missing, for every endeavour to be made to find out what happened to them. After all, if this happened to a file such as the Pickard file or one of the volumes of the Pickard file, what safety is there for other sensitive information in departmental records?

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

Mr COLLINS: Let me come to the role of the honourable member for Campbelltown. I note that he could not be here today. If he were, I am sure he would have asked me the question himself. The honourable member for Campbelltown seems to have at least one of the documents that came from the missing file. People can draw their own conclusions.

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

Mr COLLINS: I do not make any apology at all for the fact that the Government obviously attempts to secure its documentation. Every citizen in the State has a right to expect that that will be the case. Of course a search was instituted. Of course there is an inquiry under way. When we have the details of that inquiry I will be happy to make them known.

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MAITLAND HOSPITAL REDEVELOPMENT

Mr BLACKMORE: My question without notice is directed to the Minister for Health. Will the Minister inform the House of the progress of the redevelopment of Maitland Hospital?

Mr PHILLIPS: I thank the honourable member for Maitland for his question and congratulate him, a new member of this House, upon his determination to ensure that the Government fulfils its promises in relation to Maitland Hospital - unlike the Labor Government, which failed to fulfil promises and deliver. A development application has been lodged for the redevelopment of Maitland Hospital at a project cost of $34 million. Construction is expected to commence in late 1993. When complete, the redevelopment of Maitland Hospital will offer expanded access to free public health services, which is the fundamental agenda of the Government. It will raise the profile of the hospital as a centre for medical care for the lower Hunter Valley. The people of Maitland have waited too long for their new hospital - that is acknowledged by the Government and certainly by their local member.

It must be remembered that the Labor Party promised for 12 years to fix Maitland Hospital but did nothing. In spite of the fact that during the past year the Government has made announcements about the allocation of money to the Maitland project, the Opposition has had no hesitation in scaring the community by peddling the lie that the Government intends to sell off hospitals on the North Coast and elsewhere. Nothing could be further from the truth. Even in the Sutherland electorate the Opposition has gone to great expense to distribute a postcard-size coloured photograph of Sutherland hospital with "For Sale" stamped across it. The Opposition's blatant scaremongering in Sutherland has no basis in truth and is a lie similar to those peddled by it up and down the coast. To put an end to that lie I quote an editorial of the *Maitland Mercury* of 12th October concerning a recent visit by the Premier to Maitland:

> Premier John Fahey's renewed commitment to begin the multi-million dollar Maitland Hospital project with public funding next year is welcome and should put to rest the suggestions of Opposition Leader Bob Carr that the 150-year-old institution could still be privatised.

Opposition members have left the Chamber: they just do not like the truth or any good news. The Leader of the Opposition, who peddled the lies, has also left the Chamber. The editorial also stated:

> It gives a hollow ring to the promise of Mr Carr that the project would go ahead immediately if he was in government.
>
> Of course it would. He must have known the project is well into the planning stages and is certain to go ahead irrespective of who holds the reins.

Bob Carr has been found out on that particular issue. The editorial continued:

> The timing also shows that the project is being given priority, something that a Labor State government was unable to give, despite promises over a number of years.

Finally the editorial states:

> All that this political crosstalk has been doing is cloud what should be a straightforward issue.

The Opposition is scaremongering about so-called privatisation. Citizens of New South Wales should look closely at what is happening. The Government is committed to consider four projects, and they are listed. Port Macquarie and Hawkesbury, locations for two of the projects, are in desperate need of expanded high-quality, free public health services. The Government will provide those services - and the Opposition does not like it. The other two major projects the Government will look at are at Prince of Wales and also finding a way to involve St Vincent's Hospital in providing its style of care to western Sydney, care which the people of the west are entitled to. The people of Maitland can rest assured the Government will build their hospital, and the people of this State can rest assured the Government will continue to provide expanded free public health services. I look forward to the support of the Opposition

in achieving that goal.

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PETITIONS

Barnsley Traffic Lights

Petition praying that a controlled pedestrian crossing be established opposite the Hawkins Masonic Village, Northville Drive, Barnsley, received from **Mr Mills**.

Serious Traffic Offence Penalties

Petition praying that the House review the laws relating to road accident fatality or grievous bodily harm and institute severe penalties, received from **Mr Mills**.

Illawarra Rail Services

Petition praying that the House prevent a reduction of services on the Illawarra line between Thirroul and Waterfall, received from **Mr McManus**.

Hunter Sewer Service Access Charge

Petition praying that the parameters of the sewer service access charge of the Hunter Water Corporation be modified, received from **Mr Hunter**.

Northern Illawarra Hospital Services

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

Lidcombe Hospital

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

Castlereagh Liquid Waste Depot

Petition praying that the Government close the Castlereagh liquid waste depot immediately and carry out a health survey and tests for toxic contamination, received from **Mr Gibson**.

Court House for Toronto

Petition praying that the Government provide for the construction of a court house complex for Toronto, received from **Mr Hunter**.

INDEPENDENT COMMISSION AGAINST CORRUPTION

Report

Mr Speaker laid upon the table the report of the Independent Commission Against Corruption for

the year ended 30th June, 1992.

Ordered to be printed.

WHISTLEBLOWERS PROTECTION BILL

Withdrawal

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

Bill ordered to be withdrawn.

BUSINESS OF THE HOUSE

Unanswered Questions Upon Notice

Mr SPEAKER: In accordance with the sessional order I draw the attention of the House to the following unanswered questions upon notice: No. 818, standing in the name of the Minister for State Development, and Minister for Arts; and No. 840, standing in the name of the Minister for the Environment.

Mr WEST: Mr Speaker, I will advise the House of the position with regard to these questions at a later stage.

Dr Refshauge: On a point of order. Mr Speaker, there was a major change in standing orders to allow for a restriction on the number of questions which could be asked by the Opposition and a time limit on -

Mr SPEAKER: Order! The honourable member will give me the benefit of his point of order, not debate the issue.

Dr Refshauge: The point of order is that Ministers are required to be here at this time not just to say that they have provided an answer to a question but why it was late. We had the experience the other day when a Minister -

Mr SPEAKER: Order! I have the gist of the point of order. Ministers called upon to give reasons for unanswered questions upon notice are required to be in the House. There was an instance recently of a Minister not being present. The Chair will view further such instances much more seriously. I accept the undertaking of the Minister for Conservation and Land Management, and Minister for Energy; obviously the problem is no fault of his. I expect the Ministers involved to present themselves in the Chamber as soon as possible.

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COMMITTEE UPON THE NATIONAL PARKS AND WILDLIFE (STATE CONSERVATION PARKS) AMENDMENT BILL AND COGNATE BILL

Report

Mr SMILES (North Shore) [3.11]: I bring up and lay upon the table of the House the report of the Committee on the National Parks and Wildlife (State Conservation Parks) Amendment Bill and Cognate Bill, and the minutes of evidence taken before the committee.

Ordered to be printed.

Mr SMILES, by leave: On 30th April, 1992, the National Parks and Wildlife (State Conservation Parks) Amendment Bill and the Crown Lands (State Recreation Areas) Amendment Bill were introduced into the Legislative Assembly by Mr Moore, the then Minister for the Environment. Debate was adjourned. On resumption of the debate on 7th May, Mr Moore moved the following motion, which was agreed to:

(1) That the National Parks and Wildlife (State Conservation Parks) Amendment Bill and cognate bill be referred to a Legislation committee.

(2) That such Committee consist of Ms Allan, Mr Cochran, Mr Hunter, Mrs Lo Po', Mr Morris and Mr Smiles.

(3) That the committee report by 30 October, 1992.

I am pleased to say that the committee met on 1st July, 1992, and, in accordance with the time schedule, the report is tabled today. I have pleasure in presenting the report of the committee's inquiry into the National Parks and Wildlife (State Conservation Parks) Amendment Bill and cognate bill. The committee received 24 submissions from the public, government departments and community organisations. Hearings were conducted in a one-day session and 16 persons appeared before the committee. I thank my parliamentary colleagues and staff for the team spirit which led to the efficient and speedy completion of this task. I draw the House's attention particularly to my parliamentary colleagues the honourable member for Blacktown, the honourable member for Monaro, the honourable member for Lake Macquarie, the honourable member for Penrith and the honourable member for Blue Mountains. I acknowledge the contribution by project officer Mr James Donohoe and the clerk to the committee, Mr Mervyn Sheather. The committee found:

1. That the division in the administration of State Recreation areas during 1991/92 between the Minister for the Environment and the Minister for Conservation and Land Management should not have been undertaken at that stage as it was intended to implement in advance as far as practicable the legislative proposals that Parliament was to be asked to consider.

2. That the introduction of the legislation into Parliament was premature as the legislative proposals had not been the subject of any adequate examination of their costs and benefits nor had any alternative options for achieving the objectives of the proposals been properly examined.

3. That consultation should have been undertaken in relation to the proposals before they were introduced, including consultation with relevant sectors of industry and commerce and with the New South Wales Aboriginal Land Council and any other public interest groups affected by the proposals.

In consequence the committee's recommendations are as follows:

1. That the National Parks and Wildlife (State Conservation Parks) Amendment Bill 1992 and the Crown Lands (State Recreation Areas) Amendment Bill 1992 be withdrawn.

2. That if the proposals are to be re-introduced:

(a) an assessment be made of the costs and benefits of the legislative proposals and of alternatives to them. Further, that in assessing the costs and benefits of alternatives that an examination be made of the merits of the proposal put forward in the submissions of the New South Wales Coal Association and by the Minister for Natural Resources that the proposal for State conservation parks should, if implemented, be based on a multiple use conservation category that includes provision for current and future exploration and mining.

(b) consultation be undertaken in relation to the proposals, including consultation with relevant sectors of industry and commerce and with the New South Wales Aboriginal Land Council and any other public interest groups affected by the proposals.

(c) the Minister obtain advice from the Crown Solicitor on whether the proposals to prohibit claims under the Aboriginal Land Rights Act 1983 in respect of State Recreation Areas is consistent with the Racial Discrimination Act 1975 (C'th).

I draw the attention of the House to page 13 of the report, where the committee notes in the case of the Killalea State Recreation Area:

Given its pristine nature, the committee is not satisfied that the focus in this area should favour recreation ahead of conservation. The committee therefore calls for its return to the National Parks and Wildlife Service's administration.

A further matter is the use of the title to be given to those areas the administration of which has been transferred to the Department of Conservation and Land Management. The committee feels that an examination should be made of whether these areas should be classified within the title structure existing in the Crown Lands Act 1989.

The committee notes the strong community support for local State Recreation Area trusts which have been discontinued by the National Parks and Wildlife Service. The Committee believes that these Trusts should be reinstated.

BUSINESS OF THE HOUSE

Unanswered Questions Upon Notice

Mr HARTCHER: Mr Speaker, I refer to question upon notice No. 840, which has been answered by me but, unfortunately, it was not answered within the time prescribed under the standing orders of the House. I regret this occurrence. The question was lodged on the day of, or the day before, my predecessor's resignation. As honourable members will appreciate, there was some confusion at the time. After the matter came to my notice a few days ago an answer was provided to the House.

Mr COLLINS: I join my colleague in apologising to the House, in my case on behalf of the Attorney General, Minister for Industrial Relations, and Vice-President of the Executive Council. I profusely apologise that question No. 818 was lodged today and not yesterday. I will ask the Attorney General whether we can avoid that situation in future. I am also happy to apologise - I suspect prospectively - for question No. 876, which has been listed in error today but which was answered yesterday. However, should any apology be required in relation to it I am happy to apologise.

HOSPITAL PRIVATISATION

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Matter of Public Importance

Dr REFSHAUGE (Marrickville - Deputy Leader of the Opposition) [3.20]: I move:

That this House notes as a matter of public importance the privatisation of Hawkesbury and four other New South Wales hospitals should be subject to the will of Parliament and not simply by executive action.

This Government almost won the last election! And only with the support of three Independents does it tenuously hold executive power on the Treasury benches. When policies were put to the people before the last election no mention was made of the privatisation of public hospitals. On the contrary, on almost the last day before polling day, Port Macquarie was promised by the then Minister for Health, by the present member for Oxley and the present member for Port Macquarie that it would get a new public hospital - not a privatised hospital, but a public hospital. It is no wonder that the people of Port Macquarie were outraged when they were told they would not get a new public hospital but that their hospital would be privatised. There is no doubt as to the reason the people of Port Macquarie voted so overwhelmingly at a referendum during a recent local government by-election to oppose the privatisation of their hospital.

Mr Speaker, in your own electorate, the people of Hawkesbury were promised a public hospital to replace the existing public hospital, which is falling down. At no stage were the people of your electorate told that it was planned to privatise your hospital. Never in any Minister's speech about the commitment that all sides of Parliament have to teaching hospitals being centres of excellence in New South Wales has there been a suggestion that any teaching hospital would be sold off to the private sector and run for profit. Privatisation of hospitals is a massive move away from what the people of New South Wales were promised. It is a massive shift in the direction of the development of health services in New South Wales and should not be implemented by executive fiat behind closed doors.

Such a massive change in the development of health services in New South Wales should be referred to the people and the Parliament of New South Wales. It is here that the elected representatives of the people have their chance to have a say. Decisions should not be made behind closed doors in the State Office Block or in the Minister's suite over a few drinks with developers. Parliament is where the future direction of our public hospital system should be decided. Some weeks ago the Minister announced that at least five New South Wales hospitals would be privatised before the next election. That means, of course, that this Government has a clear plan that after the next election, should it happen to be re-elected, the whole of the New South Wales health care system will be up for potential privatisation. The Minister says that at present he is considering at least four, perhaps five, major hospitals for privatisation - Port Macquarie, Hawkesbury, the Prince of Wales and Prince Henry complex and Liverpool.

Despite the attempts of the honourable member for Coffs Harbour to get his hospital action group to consider privatisation, even his own supporters put the knife into him and said, "We will not have a bar of privatisation in Coffs Harbour". It is unfortunate that the honourable member for Port Macquarie did not stand up on behalf of her electorate and say, "My people want a public hospital". In the minutes that have elapsed since I submitted this notice of a matter of public importance, another matter has

come to my attention. Perhaps many people working for the Minister in the public health system have not heard that he has at least put a limit - four or five - on the number of public hospitals to be privatised. I understand that plans developed by Mona Vale Hospital to privatise are to be put to the board of the Northern Sydney Area Health Service.

This debate will give the Minister a chance to confirm that when he says only four or five public hospitals will be privatised, he means only four or five. He will at least have the chance to put that on the record. The Opposition does not want privatisation to occur, and it certainly does not want privatisation to occur without any input from this Parliament about whether that is the right direction in which to go. Mona Vale Hospital should be told clearly by the Minister that any plans it has certainly should not be put up to the board of the area health service before the next election.

Dr Macdonald: Scaremongering!

Dr REFSHAUGE: The honourable member for Manly will have a chance to have his say, if he can find proof.

Mr SPEAKER: Order! The Deputy Leader of the Opposition will cease speaking to the honourable member for Manly, who is seated behind him, and address the Chair.

Dr REFSHAUGE: Hawkesbury Hospital obviously requires upgrading. It is a relic. I do not need to tell you, Mr Speaker, that it was built by Governor Lachlan Macquarie in 1820. When the roof fell in, the Archaeological Society was so keen to preserve what was found that it claimed that archaeological discoveries should come first and patients should come second. Of course sanity prevailed and not only were people able to inspect how hospital roofs were constructed in the 1820s, but patients still received the high-quality care that the staff at that hospital have a reputation for providing. Hawkesbury Hospital has been falling down for years. It needs to be rebuilt in a way that will serve the people of the area. It needs to be rebuilt in a way that the services can meet the needs, and that private profit-making does not become the determinant of health planning. Mr Speaker, privatisation is not the way to go for the redevelopment of your hospital.

The Government claims that it does not have the money to build public hospitals. It claims it does not have $50 million to build a new public hospital at Port Macquarie. If one looks at the *Hansard* record, one will see that when the honourable member for South Coast suggested that a private operator could build the hospital and the public sector could run it, the former Premier said there were only two reasons why that idea was no good, and but for those two reasons he would do what was suggested. Mr Greiner told this House that the two reasons were, first, that the Government had reached its borrowing limits on the Loan Council and, second, that the public sector could not borrow money as cheaply as the private sector could and, therefore, it would cost the Government more money to build the hospital.

Let me tackle those two issues. First, at present New South Wales is nowhere near the limit on its Loan Council borrowings. I am not suggesting a public hospital at Port Macquarie will cost $1.2 billion to build, but that amount is available, if required, before New South Wales reaches its Loan Council limit. Mr Greiner's first reason has now totally disappeared. In relation to the claim that it would cost the private sector more, the Minister now tells us that it would cost the private sector less. The former

Premier said they were the only two reasons for going down this route. If those two reasons now do not exist, that demonstrates that the Government is full of the cant and hypocrisy it has displayed in so many other areas of maladministration.

The Government should be shown up for what it is: a sham, driven by its own ideology. The debate should be brought to the Parliament and every contract should be scrutinised. Honourable members should look at the history of the matter to see why this Government started on this route. The two reasons - the only reasons - put forward by the former Premier are now gone, and long gone. It grieves me that the Government is not only trying to pick off a few hospitals that have provided longstanding, good-quality care, but it is now also attacking our teaching institutions. The Prince Henry and Prince of Wales complex has been earmarked by the Minister for Health for privatisation. I know, as a result of having sent patients to the complex and having worked there, of the high-quality service that has been developed by the medical teams. It should not be hived off to the private sector so that greed and profit can be part of the provision of health care services.

Mr Phillips: You are still living in the 1950s. When were you born?

Dr REFSHAUGE: The Minister does not understand - that much is very clear. It is a shame that he has no comprehension of what is going on. It is a major shame for the people of New South Wales and for the public health system. It is a shame that a Minister of the Crown cannot understand the problems that exist in the health care system and the tensions of the private sector involved in the planning of health care. It is a shame - and I say this sincerely - that the people of New South Wales have a health Minister who does not understand, as every other Liberal health Minister has understood, the tensions that can develop and do develop when the private sector becomes involved in health care. Federal and State Liberal and National Party health Ministers have confided in me on a regular basis about the problems

they envisage with the involvement of the private sector, private for profit sector, in the health care system.

As I have said, Mr Speaker, your hospital and your people should not be subjected to such ignorance. If the Minister cannot understand it, at least these issues should be brought to the Parliament where the representatives of the people can debate them on the floor of the Chamber. I will not allow this issue to rest. It is too important to me, to the Labor Party, and I believe to the Independents. I am sure that many of the Minister's colleagues are saying behind his back in the corridors, "Why don't they stop this madness? Why can't they see that we have a vital and strong public health system that needs to be built up, not smashed down and handed out to entrepreneurs?" We have seen the rigour with which the Government has handled this issue. It was highlighted today in a question asked of the Premier in respect of his own ministerial code of conduct. Was the former Premier given permission to apply to be a member of the board of Natwest, one of the developers involved in building the new public hospital at Port Macquarie? The Premier had no idea. The code of conduct was intended to bring clean government to New South Wales. If the Government cannot get it right with its own members and former members of Parliament, if it cannot get it right with former Premiers of its own party, how is it going to get it right when it hands the hospital over to people who have no relationship to the Government - except that they are trying to get their cut in the deal of health care and make profits out of illness.

This issue is vital to the people of New South Wales. The issue of privatisation will not go away, and I believe that at the next election the people of New South Wales will give a clear indication to the Government of what they want - and that will be the
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Labor Party. The people will say, "We want a public hospital system. We do not want privatisation". It is about time the Minister realised that his deals behind closed doors are not on. His deals behind closed doors with private developers and others to take over the public health system will not be tolerated by this Parliament. The people of New South Wales will recognise that the end result of his madness will be a move towards the American health care system, a system which should not be imported to Australia. In no way should the Government subject the people of New South Wales to that system.

Mr PHILLIPS (Miranda - Minister for Health) [3.35]: Honourable members have once again seen a wonderful display of scaremongering on the part of the Deputy Leader of the Opposition. He is endeavouring to create a climate of misinformation for the people of New South Wales about what is actually happening in the health system. He likes to use throw-away terms such as, "Americanisation of the health system". He uses such terms and says, "This is a disastrous thing to happen to Australia". The Government is not proposing to Americanise the Australian health system. The Australian health system is totally different from the American system. New South Wales has universal health coverage; the people have a choice; and everyone has the right of access to health care. A range of services are not available to people in America. In New South Wales, and in Australia generally, governments take seriously their responsibility to provide expanded, free public health services to the community. That is the Government's responsibility. The Government also takes seriously its role to ensure that people have a choice; it takes very seriously its responsibility to ensure the public health system remains strong; it takes very seriously the fact that the people of Port Macquarie, a major growth area, should have access to health care. They are not getting it. The Federal Government does not have the money to provide it, nor does the State Government have the money to provide it.

The Government has found a way to deliver expanded, free, high-quality public health services to the community by alternative means, financing its management. Is it the purpose of governments to be concerned about the number of edifices it builds that bear plaques carrying a Minister's name, or is it more about expanding high-quality public health care services to the people of New South Wales? My responsibility as Minister is to provide access to a high quality system of care at the right price, regardless of where people live in New South Wales, and to ensure that the management is accountable. That is my role. Whether I manage the hospital or build it, and whether it be the public system or the private system, I have to ensure all those things. That is what the Government will do. Honourable members have heard a lot of talk about Port Macquarie and Hawkesbury and about how those areas need a hospital. Labor

had 12 years in which to provide a hospital for the people of Hawkesbury but it failed to do so. The Deputy Leader of the Opposition knows, as I know, that capital expenditure for health has been allocated right up to 1995-96 and that the people of Hawkesbury have no chance of getting a new public hospital until some time towards the end of the decade, unless the Government finds an imaginative way of doing it. And that is exactly what it has done. The Government will take responsibility for the quality of care and will give the people of Port Macquarie expanded, free public health services. The Government will deliver that care and ensure that standards are maintained.

But those issues are really side issues. Let me get to the guts of what the motion is all about - which the Deputy Leader of the Opposition failed to do. I refer first to the term "privatisation". If we are to have a sensible debate in New South Wales about this issue, we really do need to get the terminology right. There is a difference between privatisation, joint sector developments and corporatisation, and it is a difference that people should understand. Even the Leader of the Opposition has difficulty in coming

to grips with the terminology. What the Government is doing in health is not privatisation. Even by the Leader of the Opposition's own definition it is not privatisation - which, as he pointed out, is selling an existing public asset. Privatisation is about selling off assets, getting out of the business, doing a GIO, doing a State Bank, doing a Commonwealth Bank - getting out of the business, getting rid of the responsibility. The Government is not doing that. The Government is fulfilling its responsibility to the provision of health care by trying to find a way of providing and expanding high-quality services with the use of private money and private management techniques.

This debate should be about how to ensure high quality health standards - the Port Macquarie option does that - accountability and ongoing accountability, monitoring, quality standards and those types of things. They are the issues we should be debating for Port Macquarie. We should be debating how to ensure that in 10 or 15 years the private developer of the Port Macquarie contract is continuing to do the right thing and not ripping off the system. That is what the debate should be all about, and it should be the same debate for the public system. That should be the real issue here. The Opposition's scaremongering tactics should cease in regard to this important issue to the people of New South Wales. This motion relates to a number of things. It is being used by the Opposition to try to drive a wedge between the honourable member for Manly and the Government to prevent our negotiations for proper accountability of the system.

It is interesting to note that this motion has been moved at a time when the Parliament has before it a bill introduced by the honourable member for South Coast. That bill was debated this morning, but how many Opposition members spoke to it? None, whereas perhaps six members on the Government benches participated in the debate. Opposition members should be prepared to put forward their views on that bill. That is the way in which they should address the issue. They know that the Government and the honourable member for Manly are negotiating proper accountability for these future projects. I am quite happy with that. I was a member of this Parliament during some of the 12 years of the former Labor Government's administration - 1984 to 1988 - and I saw the ruthless way its Executive Government worked. I am happy for governments to be properly accountable.

This motion is a cowardly way of trying to achieve what Opposition members cannot achieve through legislation. They know that their proposed legislation to change the way in which issues are dealt with in the Parliament will not succeed, so they use a motion on a matter of public importance to try to lock in the Government. The motion is not a bill - it cannot change anything. The correct way to try to change the law is through legislation, but Opposition members choose the cowardly way of trying to lock in the Government. By this motion the Opposition seeks to cast doubt on 500 years of the Westminster system, which has given stable government around the world. Under the Westminster system the executive arm of government has the responsibility to govern under the rules laid down by the Parliament. The Government is accountable to the Parliament. It is accountable through a whole range of avenues, including question time and motions of no confidence.

The motion seeks to overturn the Westminster system and put in place a system whereby it is the Parliament's responsibility to be the Executive Government - to decide these issues and to sign contracts. Opposition members do not want to have to change the law, because that would be a little too hard. They want to have these contracts presented to the Parliament for approval. It would be an interesting exercise if the Parliament were to set itself up with its own departments and legal services to duplicate
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the work of government departments. But that is a separate debate. If the Independents and the Opposition want to change the Westminster system, which has operated for hundreds of years, they should debate the issue separately. I would welcome that debate. The real issue in this debate is accountability. I was interested to hear the comments of the Deputy Leader of the Opposition that deals have been done behind closed doors. Honourable members should remember the deals done on the harbour tunnel and a whole range of other deals by the former Labor Government. There was no accountability to Parliament, no transparency or showing of hands.

I turn now to what is happening with the Port Macquarie contract. The contract has been exhibited for public scrutiny. It has been walked over by more people than any other contract of any government. The Public Accounts Committee has carried out a review into how the contract could be strengthened. Most of the recommendations of the bipartisan Public Accounts Committee have been accepted and adopted by the Government. I have given the trade union movement the opportunity to scrutinise the contract. Anyone who wants to examine the contract and put forward suggestions may do so. However, at the end of the day the Government has the responsibility. If the health system fails it is the Government that will be blamed by the people of New South Wales. I signed the contract, and it is my neck and the Government's neck that are on the block if things go wrong. That is the way it should be, but the Opposition wants the Parliament to make the decision and the Minister to take the responsibility. What sort of system is that? The Parliament is looking at certain parts of the health system only. If anything goes wrong, people will blame the Government and the Minister. They will not blame the Parliament for making a wrong decision.

This matter of public importance is confusing constitutional matters - matters that have been developed over a long time, and that should be debated separately in terms of honest progression. In moving this motion the Opposition is trying to gazump the bill of the honourable member for South Coast and the negotiations for proper accountability between the Government and the honourable member for Manly. The honourable member for South Coast prides himself on using the forms of this House and the Westminster system. I should hope that he would see this motion as a gutless, cowardly way of trying to achieve what cannot be achieved through legislation. That is what these types of motions are about. They are a bastardisation of the process, and I believe that the Parliament should determine how they should be handled in future.

Clearly, the Government is not doing deals behind closed doors. It has been very open about the Port Macquarie option and very transparent about the contents of the contract. The Government is more than happy to be accountable to the people and to this Parliament, and to explain its position, because ultimately it has the responsibility for its decisions. In relation to the Mona Vale Hospital, I do not know how many times I or the Premier have had to say this: we have four projects of great need. Port Macquarie is in desperate need of a hospital. The people need it now and we are going to build it now. The electorate of Hawkesbury is in desperate need of a hospital. The people need it now and we are going to build it now. And the Government, with the assistance of the private sector, will upgrade the Prince of Wales Hospital to a teaching hospital and provide expanded, free, high quality, public health care services. There are four projects on line. The Government has no other projects in mind and will entertain no other projects. They are the four projects that have been announced. Once they are up and running, people can judge whether they are good or bad, and in that process we will be accountable to the Parliament.

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Mr GIBSON (Londonderry) [3.50]: The Minister for Health spoke about credibility for 15 minutes.

What a joke! He would have to be the greatest hypocrite who ever walked so far as health care is concerned - the people of the Hawkesbury would agree. I feel sorry for you, Mr Speaker; you know only too well that the people of the Hawkesbury do not want privatisation at any cost. Seventy per cent of the people voted against privatisation at Port Macquarie. We had two public meetings in the Hawkesbury - 400 people attended one and 600 or 700 people attended the other. About 97 per cent of those people voted against privatisation. The last meeting, which took place in April, resolved that:

> This meeting deplore the Government's delaying of the building of our new Hawkesbury Hospital.
>
> We call on the Government to commence construction immediately using the public funds already allocated.

Those funds had been allocated in the last two budgets. It also resolved that:

> No private capital is acceptable in its funding in any shape or form.

The Minister spoke about credibility. We will go into the next election fighting on the issue of privatisation, particularly with respect to hospitals. As the Leader of the Opposition said yesterday, this time we will not be fighting in the supermarkets, we will be fighting in the car parks of the public hospitals of New South Wales. The people will react the same way. If the Government thinks privatisation is the way to go, it should call an election on it any day it likes and see how it fares.

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

Mr GIBSON: The *Hawkesbury Gazette* of 2nd November, 1991, stated:

> Hawkesbury MP, Mr Kevin Rozzoli, believes the idea of private involvement will not "get past first base".
>
> That is based on what Mr Phillips said during this visit to the hospital and the fact that there is not sufficient private health cover in this area to bring it into consideration.

The Minister for Health talks about credibility! The article continues by quoting Mr Phillips as saying:

> In terms of this project I am unaware of any private sector involvement or discussion. I am concerned with getting on with the job.

The Minister talks about credibility. He does not know anything about privatisation. It is going to be built through public funds and be a public hospital. The article continued:

> He dismissed the possibility of private funding being used because it would delay completion of the project.

Where is the Minister's credibility? In July I received a letter from the Minister for Health which stated:

> In my letter to you of 13 December, 1991, following your representations on behalf of the Hawkesbury City Council, I advise you that the Government fully recognised the need for a new Hawkesbury Hospital within the shortest possible time and in the most cost effective manner.

> This advice has to take account of private sector participation as outlined in the 1991/92 Budget Paper No. 2.

The last two budgets openly stated that there was funding for the hospital. What happened to that funding? The Government had enough money to put Eastern Creek into production - it wasted $86 million of taxpayers' money - but it does not have enough money for health care for the people of western Sydney. The Minister has no credibility. The Hawkesbury Hospital was opened by Governor Lachlan Macquarie in 1820 and has hardly changed since then. The Minister has said that that hospital is probably the most in need of being rebuilt in Australia. We do not have public money for it; we have to find private money. The Government can find enough money to build Eastern Creek and waste taxpayers' money, but when it comes to health care and people in the west, the money is put to one side. There is a 100-bed hospital out there serving 53,000 people. It is the second fastest growing area in New South Wales. [*Time expired*.]

Mr KERR (Cronulla) [3.55]: I am pleased to speak to this matter of public importance. The honourable member for Londonderry said that during the next election we will not be fighting in the supermarkets; those opposite will not be fighting in the supermarkets next time because they told lies last time about the consumption tax because they did not understand it. Next time they will be in the car parks, on the streets and on the beaches but they will find no one who believes them. This matter of public importance is Godzilla in Mother Hubbard's clothing; it shows no understanding of the role of Parliament or the Executive Government. Privatisation is embodied in this motion; it is an ideological term. Those opposite are seeking to hijack a legitimate public debate and the Parliament in a nonsense motion. An informed public debate is continuing. Privatisation is a pejorative term, an ideological term. We are seeking to provide private participation. Unions went to the honourable member for Manly and said, "Support the Port Macquarie proposal", because they wanted jobs. Those opposite are supposed to be on about jobs. There was a time when we were talking about jobs, hospitals and accessibility for ordinary people. There was a time when the Labor Party was supposed to be about jobs for workers, about public access to hospitals and about providing deliveries for ordinary people. These days, like Ninevah and Tyre, the Labor Party is not what it used to be. It is a pity that the Deputy Leader of the Opposition, who moved this motion, comes from the left of the Labor Party; if he had come from the right he would have had access to intellectuals such as Barrie Unsworth.

Mr Amery: He is the health spokesman.

Mr KERR: He may be the health spokesman; he is the only one you have left. If the Deputy Leader of the Opposition had come into contact with Barrie Unsworth and intellectuals like him, he would have had access to things such as Richard Crossman's diaries - which perhaps the honourable member for Manly has read. The House of Commons and the British Isles have produced better diarists than has this Parliament both in terms of literary merit and other merits - which I do not have time to go on with. In relation to the Parliament, Richard Crossman said, "Once the party leadership runs a modern machine and can discipline its MPs, government control of Parliament and its business becomes absolute". An example of it is the honourable member for Ashfield, who used to say, "I am going to move that the Standing Orders Committee meets once a week". His party was in government for 12 years. How many times has he shrugged his shoulders and said, "Circumstances change". If the Labor Party gets a majority next time, circumstances will change once again - of course they will.

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Those opposite are trying to hijack a debate of major importance. The Minister spoke about the Public Accounts Committee, question time and putting motions and legislation before the Parliament. Parliament is about representation and accountability. If those opposite get a majority they would use that transient majority to provide a facade, an imprimatur, on decisions which the party room will take. They will say, "It is the will of Parliament". The will of Parliament in Victoria was one thing one day and another the next. That is what is embodied here. Those opposite do not want the Westminster system, they want the Axe-minster system; they do not want a debate about the public health system, they do not want a debate about the delivery; they do not want a debate about introducing jobs in the public health sector or

the private health sector. The motion is a grave insult to the Parliament of New South Wales. The Opposition is trying to dress up something. It says one thing when it really means another. I ask the Independents to consider very seriously what is being proposed here and what is the real agenda. If they say, "That is the will of Parliament", we can forget about having informed debate and accountability.

Mr SPEAKER: Order! I call the honourable member for Londonderry to order. He has already made a contribution to the debate.

Dr MACDONALD (Manly) [4.0]: I feel discomfort in supporting some of the elements that have been debated today, because of the confusion that was apparent this morning. I do not have the ideological fix about privatisation that is shared by members of the Opposition, but this matter of public importance addresses the role of the Parliament. On the first issue, it is important that I comment on the credibility of the Deputy Leader of the Opposition. He showed today and a few days ago how the Opposition has managed to hijack the debate about privatisation. Today he spoke of his mistrust of the private sector in delivering public health service. It is a shame he made such a statement, because it is an indictment of many people working in the private system, which works very well. The Minister may not know about this - it may have been dealt with by some of his assistants - but I am aware that, for instance, the Commonwealth Government has allocated $10 million to New South Wales for the delivery of mammography services in this State.

[*Interruption*]

I stand corrected. I do not have the details correct. Currently, the Department of Health is looking at the best way of allocating those moneys to try to deliver a good mammography service. It is clear from my investigations that the private sector is able to deliver just as good a service for half the price of that delivered by the public sector. My investigations showed that existing private mammography services can carry out a screening for $60, whilst in the public sector it would probably cost twice as much. The suggestion that the private sector has no role in terms of ethics, efficiency or standards is patently unfair. Also the Deputy Leader of the Opposition has been commenting on laundry services. If we are to debate the matter, let us debate it seriously. If we can save money from the privatisation of laundry services and put that money into patient care, well and good.

I support the matter of public importance in the sense that it is a debate about the boundaries between Executive Government and the Parliament. The Executive Government has a clear role - we will all agree to disagree on this - in terms of policy and putting forward a legislative program. It has a role in terms of proposals for privatisation, tendering for contracts and so on, but I believe it should be subject to the will of the people, the will of the House and the will of Parliament. We are talking about

the boundary, about where the role of Parliament comes in. I believe the role of Parliament is to express the majority opinion. It is to express the will of the people and to scrutinise the Executive of the Parliament. The Government may feel uncomfortable with that. I can understand that because it is not a normal tradition - New South Wales has a minority government. The hospital issue has spearheaded this debate. The Minister asks why we have to have the debate in the context of the hospital issue and why it cannot be brought back in the context of debate about the way contracts are scrutinised by the Parliament. It so happens that this major public expenditure is going into the private sector and it is being spearheaded by the hospital issue. The debate is about where the Parliament's role overlaps that of the Minister's.

We need to learn from the lessons of the past, which have been mentioned previously. We have seen on both sides the excesses of Executive Government, for example, Lotto, Eastern Creek Raceway, WA Inc., and Victoria Inc. It is about public interests; it is about broad public concern; and it is about the safeguards that need to be endorsed by the Parliament. The debate about Port Macquarie Hospital has come down to whether the safeguards are there, whether the Public Accounts Committee is happy with them, and ultimately whether the Parliament will be happy. It is particularly important that where a traditional core service of government is involved, as is health, there should be that scrutiny. There is a

discomfort on the part of Minister because he is a member of a minority government. The Parliament is finely balanced and this will, in a sense, have an impact on the freedom of the Executive Government. The will of the Parliament can currently be expressed by censure. This goes further and seeks to allow the will of the Parliament to be expressed in the form of an endorsement by the House. I believe that is appropriate. I know other matters are currently being debated - the Hatton bill and the alternative government legislation - but this is all about accountability and the role of the Parliament in the approval process.

Mr KINROSS (Gordon) [4.5]: I wish to speak on this matter of public importance to show where the Opposition and some of the Independents have their priorities wrong. First, the attempt to seek further debate on a piece of legislation under the guise of a matter of public importance is an abuse of the parliamentary process. There has been ample opportunity to debate the bill. As the Minister for Health said earlier today, few members on the Opposition side of the House contributed to the debate. They have gazumped the negotiations that have taken place so far in dealing with the problems of the health system that all people want to solve, namely, health queues. This is one issue amongst many issues. People are interested in getting on with the job. Getting on with the job means reducing our State debt and reducing the hospital queues that have been with governments for far too long. How else do honourable members expect debt to be reduced other than by having some involvement by the private sector so it can take away the burden that already exists in the public system. The honourable member for South Coast, on the first day he brought in the Public Hospital Services (Control of Privatisation) Bill, said the following, which is recorded on page 5956 of *Hansard*:

> There is a conflict of interest between profit motive and preventive health. Where does a hospital for profit, controlling a community health program, fit in with preventive health . . .

He went on to quote various other programs. I rhetorically ask the honourable member for South Coast to explain how some of the best funding for research in this State, for women's services, for AIDS education, and cures have come from the private sector. The big myth, the big furphy, that the Opposition and some of the Independents perpetuate is that the public sector alone must be involved in health care. That there have

been deals done behind closed doors, as the Leader of the Opposition said earlier in the debate, is a complete furphy. The Public Accounts Committee system is one arm of this Parliament. It is a safeguard set up by the Parliament to deal with matters arising out of the administration of the various departments. I would have thought that was ample protection for the people.

As I said earlier, people are sick and tired of dealing with governments that have spoken about reducing hospital queues. One sure way to reduce hospital queues is through further funding and involvement of the private sector. The other big myth perpetuated by the Opposition and a few of the Independents is that privatisation involves a sale of hospitals that were previously part of the public hospital system. Other myths abound that suddenly the private sector will take over the running of all hospitals. The Minister for Health has given ample indications and statistics to show that that will not be the case. The whole system is not devolving to the private sector.

I expected better of the Opposition than its abuse of the parliamentary system in raising this issue in this manner today, debate on the bill having been adjourned. I hope the honourable member for South Coast continues to regard the honourable member for Manly as he did during his first contribution to debate on the privatisation bill, when he spoke of him as a man whose reasons were illogical, contradictory and disappointing. The only disappointing news for him is that the heartland of Labor is deserting the honourable member for South Coast. The people of this State do not want to stand in hospital queues as they have had to do for far too long in dole queues thanks to the policies of the Federal Labor Government.

Dr REFSHAUGE (Marrickville - Deputy Leader of the Opposition) [4.10], in reply: Mr Speaker, I

support your decision earlier today to allow this matter of public importance to be debated, a decision that has been so viciously attacked by members of your own party. Members opposite criticised the motion as a guise to pervert the workings of Parliament and suggested the issue should be dealt with by a bill or in some other manner. Unfortunately, changes to suspension of standing orders have reduced opportunities for debate in this House. Government members, in mounting an offensive attack on the legitimacy of debating this matter of public importance, have sullied the Chair's ruling. Members opposite offered nothing new in favour of privatisation. My earlier arguments against privatisation were not tackled at all. The Government remains silent and has failed to support the former Premier's reasoned view that the Port Macquarie project is the only option. Not one Government member supported the former Premier's analysis of reasons to proceed with that project. Not one member of the former Premier's own party is willing to publicly support the direction taken, commitments made and guarantees effectively given by him to the Parliament. His party may have forgotten him as soon as he left office but it allowed him to become a director of a company that is doing direct business with the Government on this contentious project. The Government is ignoring the much vaunted ministerial code of conduct and does not want to claim the former Premier as one of its own.

The honourable member for Gordon has strange views about the role of the Public Accounts Committee. That committee did not support or reject the Port Macquarie model. The honourable member should do some homework. I do not agree with his view that improvements in the public health system may be gained by funding the private sector. He believes that taxpayers' money that could have been spent on building schools, hospitals and roads and protecting the environment should be given to the private sector to provide health care. The honourable member described the Opposition's view that the public sector should be involved in health care as quaint. I am surprised that the honourable member for Gordon holds a contrary view - a view

which seems to conflict with that of his Minister and the honourable member for Cronulla. The honourable member for Gordon is still in his early days as a member of Parliament and has not yet learned to engage his brain and think before speaking.

The Minister said the Opposition should not have raised this matter of public importance but should seek to introduce its own bill or take some other course. Legislation is proceeding in relation not only to the four proposed projects but also other proposals. These matters must be debated. As the honourable member for Manly said, putting a brake on executive government is a good idea. The Minister obviously relishes a return to Stalinist times so that he can make decisions in the expectation that officers of qangos and departments, right down to the miserable backbenchers opposite, will have to toe the line. The Opposition values democracy and believes citizens should have a say in the running of this State. Health care is much more important than the ego of the Minister, who is obviously hurt to the quick to be told that his decisions are wrong and should be debated and put to the test in this House as a brake on some of his Stalinist policies.

Mr Phillips: The 1950s revisited! The honourable member should catch up and join the 1990s.

Dr REFSHAUGE: The Minister does not seem to be aware, as he interjects, that the wall has come down and that a democratic parliament welcomes motions such as the one being debated. Without doubt, privatisation is the wrong way to go. Privatisation is a disaster for three simple reasons. First, it costs more. For example, the Minister deemed that laundry facilities in the Hunter would be privatised but declared that certain tenders, including public sector tenders, would not be accepted. The Government talks about wanting a level playing field but will not accept public sector tenders! Second, the Government provided a watertight contract. If I were Brambles I would be backing up for a second contract. The Government claims that contract controls the private sector yet agreed to pay Brambles to do a minimum amount of laundering. Unfortunately, that minimum amount was not laundered. Taxpayers' money to the tune of half a million dollars was handed to Brambles because the Government wrote the contract badly. The Government, having failed in laundry contracting, wants to contract out the whole of health care and throw more taxpayers' money away.

This is a farce. Mr Speaker, first the Government has attacked you, and that is offensive. Second, it has decided that it does not want privatisation to be discussed. Third, it now claims it should not have any involvement in public health. The honourable member for Gordon ought to be told that there is a role for the public sector in health care. In fact, the Minister is trying to pull him back into line. I give this warning to the Minister: the old days of Stalin are over. It is about time he realised he cannot make executive decisions without having them looked at in the Parliament. This is what the question is about. Bring it to the people. [*Time expired*.]

Motion agreed to.

JOINT SELECT COMMITTEE UPON POLICE ADMINISTRATION

Motion, by leave, by Mr West agreed to:

(1) That the reporting time for the interim report of the Joint Select Committee upon Police Administration be extended until 11th December, 1992.

(2) That the committee make its final report by 31st March, 1993.

(3) That a message be sent acquainting the Legislative Council of the resolution.

CONSUMER CLAIMS TRIBUNALS ACT: DISALLOWANCE OF REGULATION

Mr AMERY (Mount Druitt) [4.22]: I move:

That this House disallows portions 2(d) and 2(j) of the regulation (relating to fees and other matters) made under the Consumer Claims Tribunals Act 1987 as set forth in the notice appearing in *Government Gazette* No. 93 of 31st July, 1992, and tabled in this House on 3rd September, 1992.

On 31st July the Minister for Consumer Affairs, and Assistant Minister for Education gazetted a regulation taking effect from 1st August which incorporated a number of amendments to the Consumer Claims Tribunals Regulation 1988. The Opposition has no problem with most of the details of the regulations. For example, the regulation defines authorised officer, officer and the Act. These are procedural matters. Paragraph (c) increases the jurisdictional limit of consumer claims tribunals from $6,000 to $10,000. The Opposition supports that change and hopes that in future the jurisdictional level of consumer claims tribunals will be increased. I would like the consumer claims tribunals to be able to deal with life insurance, for example. The section of the regulations that the Opposition does not approve of concerns the dramatic increase in the lodgment fee for a claim before the tribunals. This is the subject of the motion. Paragraph (d) provides that the fee will increase from $10 to $40. The Opposition seeks also to delete paragraph (j), which also refers to this matter.

Before arguing the points I state that the Opposition has no objection to the provisions under the heading "Waiver of Fees" in the *Government Gazette*, but a comment from the Minister on why it was necessary to introduce the cost change of obtaining official records of proceedings would be appreciated. The Opposition does not oppose the increase in the fee merely for the sake of opposition: it would support an increase in lodgment fees in some circumstances. The Opposition has two main objections. The first is that the increase in this government charge is 300 per cent, which is contrary to the Government's much stated and much ignored policy of containing government costs and charges in line with increases in the cost of living. I described this increase in a press release as an anti-consumer increase and expressed my disappointment that the increase was one of the first actions of the new Minister. In the estimates committee debates the Opposition sought more information, and in reply to a question by the honourable

member for Cabramatta the Minister defended the increase by stating that it was the first increase in 10 years, which is true. The implication was that because it was the first increase in 10 years the change was in line with movements in the consumer price index. In the past 10 years the consumer price index has increased by about 97 per cent, nowhere near 300 per cent.

The Commissioner for Consumer Affairs, Mr Holloway, stated that the increase would add $125,000 to revenue and he said that the fee was consistent with that charged by the Local Court. This brings me to my second objection: the increase is against the principle of consumer claims tribunals and it will deter small claims. Notwithstanding the waiver provisions in the regulations, which place an income test on the applicant, there can be no doubt that the fee of $40 will deter small claims. The argument by the commissioner that the fee is consistent with Local Court fees of $45 should not be accepted. The revenue gained by the increase is insignificant. In 1989 the Government commissioned a review of consumer claims tribunals. It was carried out by Peat Marwick Hungerfords, management consultants, and Clayton Utz, solicitors and attorneys. The report dated November 1989 and entitled "Review of the New South Wales Consumer Claims Tribunals" refers to lodgment fees at page 34, section 4.4. Referring to whether lodgment fees should cover costs, the report states:

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> The ideal situation would be an increment in fees to meet the costs incurred to achieve a breakeven point.

This is another issue. The report continues:

> However, there are problems with a straight fee increase in that you disadvantage some claimants and therefore do not meet the objectives of CCT.

The report recommended:

> Ideally, there should be a sliding level of fees therefore, the entire eligible claimant population would still be reached whilst recognising that where claims are large there is a greater propensity to pay higher fees. (The sliding scale for lodgement of fees is an approach that is adopted by the Local Court system).
>
> It is difficult to assess whether a breakeven point is attainable because there is no readily attainable statistical data on what dollar ranges the claims are in. Another difficulty is that the claimant must submit the fee and has no recourse to have the fee costs awarded as part of the order.
>
> Alternatively, a lodgement fee could be raised of $15-$20 ($4 pensioners). This does not achieve any great funding benefits but is considered appropriate as a mechanism for deterring frivolous claims.

The Opposition would accept a sliding scale of lodgment fees. Consumers should be able to lodge small claims - not exceeding $2,000 - for a nominal application fee of $10. However, accepting that the jurisdictional limit has steadily increased from $1,000 to $10,000 over past years, the Opposition would accept a reasonable sliding scale for claims above $2,000. For example, a lodgment fee for claims of up to $2,000 would be at the current rate of $10. Between $2,000 and $6,000, the previous jurisdictional limit, the charge could be $20. And a $40 fee would be acceptable for claims up to the new jurisdictional limit, between $6,000 and $10,000. As I said earlier, the Opposition supports the increase in the jurisdictional limit. In relation to the cost of lodging a claim, I refer honourable members to page 74 of the report. Exit polls taken by the consultants showed that 70 per cent of people opposed any increase in fees. Under the heading "Is there Resistance to an Increase in Lodgement Fees", the report reads:

> Obviously claimants are the ones lodging the claim and paying the fee, their opinion is

important. The gauge used for the level of resistance was $50.00. The feeling whilst conducting the interviews was that any increases should only be marginal otherwise there is a perception of trade-off, that is better service for an increase in fees. It would appear therefore that an increment of fees from $10 to $50, would increase revenues by $458,680, but there would be a corresponding increment in the cost necessary to deliver the service that would be expected.

The report then points out that increasing fees is against the principles of the Consumer Claims Tribunal in that people should not be discouraged from making small claims. For example, if negotiations between a consumer and a retailer are not successful in resolving a dispute about the purchase of clothing valued at, say, $80 or $100 - and many of those types of disputes are resolved by mediation - at the end of the day it should be said, "They are not going to bend on this matter, we are not going to resolve it and you may as well take your claim to the Consumer Claims Tribunal because you will have to pay half the amount of the purchase price to even lodge your application". That is why I have said to the Minister in a spirit of co-operation that if she introduced a $10 fee for claims of up to $2,000 and staggered the increases above that, the Opposition would be happy to support the regulation. However, I adhere to my previous statement that this increase is anti-consumer.

Mrs CHIKAROVSKI (Lane Cove - Minister for Consumer Affairs, and
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Assistant Minister for Education) [4.31]: I speak against the motion. I should first say that the honourable member for Mount Druitt is probably well aware that I am not anti-consumer. My record since becoming Minister for Consumer Affairs speaks for itself. The profile of the department has been raised considerably in the time I have been the Minister. The department is now far more focused and pro-active in its approach to consumer issues. Honourable members, including the honourable member for Mount Druitt, who had the benefit of attending estimates committees last week, would have heard about some of the department's initiatives that have been introduced in the time I have been the Minister.

I should set the background for this debate. As the honourable member for Mount Druitt has pointed out, on 31st July this year amendments to the Consumer Claims Tribunals regulations were published in the *Government Gazette*. Apart from effecting an increase in the fees for lodging claims, those amendments increased the jurisdiction of the tribunal from $6,000 to $10,000. I thank the honourable member for Mount Druitt for acknowledging that that was a good move on the part of the Government. It was a move which the Government, of course, was delighted to take. The amendments also introduced a greater measure of accountability by requiring the tribunal to give written reasons for its decisions. I point out to the honourable member for Mount Druitt that the fee referred to in the amendments is not an increase. It is in fact a new fee. Previously, there was no requirement for written reasons to be given by the tribunal. As that requirement has now been introduced, there is now a fee for that service of $25.

The honourable member for Mount Druitt has moved for disallowance of the regulation in so far as it relates to the increase in fees for filing to the tribunal. The motion relates specifically to clauses 2(d) and 2(j). His reason for moving the disallowance motion is that the new fee is a 300 per cent increase. He expresses concern that the tribunal will not be accessible to those with claims of less than $100. He claims that the increase will deter people from seeking redress from the Consumer Claims Tribunal. I point out to the honourable member that claims of less than $100 account for less than 10 per cent of the claims made to the tribunal. The honourable member for Mount Druitt has acknowledged that the Consumer Claims Tribunal is a measure of last resort for handling complaints. Last year the department, which offers a free advisory and mediation service, answered 289,000 consumer inquiries. That was an increase of 34 per cent on the previous year's figure. It mediated more than 21,000 formal complaints with a good rate of resolution, as will be shown in the annual report which I shall table in the not too distant future. The honourable member referred to the substantial number of complaints.

Last year 6,036 claims were made to the Consumer Claims Tribunal. A significant percentage of those claims were referred by the department. I acknowledge, as I am sure honourable members

opposite acknowledge, that the Consumer Claims Tribunal offers an informal and expeditious means of settling relatively small claims. There is no automatic right to legal representation in the tribunal. Most importantly, there is only a one-off cost, that is, the cost of making a claim. In most instances no further costs are incurred because of legal representation. The fee of $10 has not been adjusted since 1982. In 1982 it was increased by the then Government, members of which are now in Opposition, from $2 to $10. I point out to the honourable member for Mount Druitt, who is particularly concerned about percentage increases, that that was a 400 per cent increase.

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Since then the costs of handling claims has increased considerably. A study completed in November last year estimated the case cost at $150. Estimates of cost movements since then would have increased that figure to about $180. Although the Government accepts the principle that it is not the role of the tribunal to completely recover its costs, it argues that a $40 fee is not only reasonable but also appropriate, given the costs incurred by the tribunal in settling disputes. A number of factors were taken into account in deciding the new fees - the underlying costs of the tribunal's administration, variations in the consumer price index and, importantly, the likely effect any increase would have on the public. Clearly, as I have just said, full cost recovery was not an option. On the consumer price index variation alone, the fee should be at least $22 and not $10, as referred to by the honourable member for Mount Druitt. The Government then fixed the fee at $40 to reduce reliance on the Consolidated Fund for the costs of the tribunal's administration and to ensure that the increased cost is met by those most able to afford it.

The Government recognised that a fee of $40 would be beyond the reach of some people. That is why there is a concessional rate for the financially disadvantaged. People on pensions - whether aged, invalid or widow's - will pay only $5 to lodge a claim. That fee will apply also to people on unemployment or sickness benefits. Disadvantaged consumers accounted for 13 per cent of the claims lodged before the tribunal in 1991. The registrar of the tribunal has a discretion to waive the fee in circumstances where a consumer has limited means, where hardship would be caused by the fee or where, for any other reason, it would be unfair or unreasonable to require payment. As the honourable member for Mount Druitt has already acknowledged, the new fee is not disproportionate to those in other jurisdictions. For example, in the civil claims division of the Local Court, which has a $3,000 jurisdiction, the fee is $45. If a dispute involving $10,000 was brought to the general division of the Local Court the fee would be $60. Queensland has a scaled fee system. For claims between $1,000 and $5,000, the fee is $57. In Tasmania, which has a $2,000 jurisdiction, the fee is $30. In the Australian Capital Territory the fee is $55 for its jurisdiction over $2,000. It is not expected that the increase in fees will reduce the demand for the tribunal's services. Registry staff report that claims decreased slightly in the months following the introduction of the fee but have increased and levelled off since then. Tribunal staff say there has been virtually no adverse response to the $40 fee and the registrar has not received any requests to waive the fee.

As the honourable member for Mount Druitt pointed out, suggestions have been made for a scaled approach to fees to accommodate smaller claims. This approach has been adopted in other States, and was seriously considered for New South Wales but was rejected as impractical. The fact is that less than 10 per cent of claims are for amounts less than $100, as shown in the 1989 study. Registry staff believe that claims are now generally within the $1,000 to $2,000 range. Unlike some other jurisdictions, claims in New South Wales may be made at any of the 20 service centres operated by the Department of Consumer Affairs or at the office of any Local Court in the State. It was considered that the confusion in the past in relation to the appropriate fee for individual claims would be exacerbated with the scaled approach. The Government decided the more preferable option was to either waive the fee or offer concessional rates. Tribunal fees have been carefully considered. In all the circumstances the Government believes a fee of $40 is reasonable in the current economic climate. There are sufficient measures in place to ensure it does not affect those least able to afford it. I point out to the honourable member for Mount Druitt that he is not entitled today to move anything other than a disallowance, and he

cannot seek to introduce a scaled system. As he accepts that with regard to the higher jurisdictions in particular a fee of $40 is appropriate, the Government would argue that the whole regulation should be allowed to stand. I reject his motion outright.

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Mr CRITTENDEN (Wyong) [4.40]: I object to that part of the regulation that seeks to increase the cost of lodging a claim from $10 to $40. Basically, consumer affairs, and this matter in particular, comes down to power - the power to determine in favour of the trader versus the consumer. Before this Government came to office -

Mr SPEAKER: Order! Before the honourable member for Wyong becomes too eloquent on this particular matter, the question is that portion of the regulation be disallowed. He must confine his remarks to that particular matter. There is no scope for a broad debate on consumer claims and tribunal matters in general.

Mr CRITTENDEN: I defer to your wise counsel, Mr Speaker. The Minister said that only 10 per cent of disputes get to the Consumer Claims Tribunal. No one of sound mind would suggest that minor disputes involving, say, $80 would be taken to the Consumer Claims Tribunal if the $40 cost up-front was not refundable. Obviously this would deter people from taking matters - even those in relation to which a matter of principle is at stake - to the tribunal. Recently a constituent of mine expressed concern to me about a matter involving an amount of $120 that arose from a purchase conducted over the telephone. Had that person been required to pay $40 to lodge a claim, I am sure the issue would have been dropped and it would not have been taken to the Consumer Claims Tribunal. The Department of Consumer Affairs has been attempting to bring this increase in for some time. On coming to office the new Minister did the right thing by the bureaucrats and increased the fee.

Actual expenditure for 1990-91 for the Department of Consumer Affairs was $38.044 million. In 1991-92, $32.768 million was spent. It is obvious the department and the Minister are trying to recoup the massive funding loss of over $5 million that occurred between 1990-91 and 1991-92. Many battles have been fought in recent times over this very real problem. As recently as May this year the issue of written judgments arose, and it was thought that the Consumer Claims Tribunal was becoming too legalistic. The Minister at that time suggested that the measure was proposed merely to regularise the process. At that time legal representation was suggested - a poor situation from the consumer's point of view in this State. The Minister is very good at issuing press releases about thongs that do not work properly, and the like, but the fact remains that people will not take their disputes to the Consumer Claims Tribunal - which is their right. The object of this regulation is to push consumers aside and further erode their rights. I hope the Minister for Consumer Affairs does not follow the line of her predecessor, who tried to get legal representation back into consumer affairs matters.

Mr SMITH (Bega) [4.45]: I object to any proposal that seeks the disallowance of clauses 2(d) and 2(j). Much of the argument, particularly that advanced by the honourable member for Mount Druitt, revolved around precedent and exit polls. That is not necessarily the principle on which the department and the Minister have set the fees. The fees were never set with a view to full cost recovery. When first implemented, a fee of $2 was charged to lodge a consumer claim. Even if that amount were to be increased in accordance with the consumer price index, there would be minimal impact, obviously, because the base rate is too low. That fact was recognised by the then Opposition. When this Government came to office it realised that the base rate was not absorbing costs. It was not a matter of whether the fee paid for the service; the fact is, it was losing ground; costs were blowing out. The $2 fee to lodge a claim was at risk of being abandoned because the department was going backwards - it was costing the department more and more money.

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What did the Government do? It decided that the base rate was simply too low and increased it from $2 to $10 in one hit. Today Opposition members were critical of the decision to further increase the base rate from $10 to $40 in one hit - a 300 per cent increase. I remind the Opposition, however, that Labor increased the base rate by 400 per cent! The cost of lodging a claim with the tribunal has never been tied to the consumer price index; it has merely been a reasonable ambit cost compared with the cost of going to court. It costs $45 to lodge a claim in the small claims division of the Local Court, which has a $3,000 limit. Other costs would be incurred because most people would probably require the services of a solicitor at the court. Claimants would have to wait long periods before getting to court and as a result the claim would probably have to be discounted to pay for goods and services. To lodge a claim in the general division of the Local Court - which has a $10,000 jurisdiction, as does the Consumer Claims Tribunal - a fee of $60 is imposed. I wish to draw the attention of honourable members to a comparison of fees charged by the various States.

In Victoria the cost is $10 - as it is in New South Wales at the moment. Queensland has a sliding scale: for claims less than $500 the fee is $11; from $500 to $1,500 it is $34; from $1,501 to $5,000 the fee is $57. Tasmania has one rate, namely $30. In the Northern Territory there is no fee, unless a warrant is involved. In the Australian Capital Territory for claims up to $2,000 the fee is $25 and for claims over $2,000 it is $55. In Western Australia for a standard claim, as it is called in that State, the fee is $21; for the financially disadvantaged it is $5; and for a certificate copy order, whatever that may be, the fee is $10. In South Australia the charge is a straight $42. Obviously, the other States have realised that if they want to keep the service operating and bring as many people as possible before consumer claims tribunals, thereby preventing a clogging up of the court system, charges must be set at a reasonable rate. The 1989 report of the consultants, Peat Marwick Hungerfords, estimated that to recover costs a charge of $155 was required. The Government is not attempting to cover costs; it proposes to increase charges to protect the service. The department estimates that, today, the required cost to lodge a claim with the Consumer Claims Tribunal is approximately $180.

Prior to the claimants actually appearing before the tribunal, there is a consultation process. In addition to a decision from the Consumer Claims Tribunal, claimants are able to consult with a departmental officer. In my opinion, it could not be cheaper - and that is for the average person. In addition to the proposed increase from $10 to $40, the jurisdiction of the tribunal will also increase, from $6,000 to $10,000. Members of the Opposition assume that every person who lodges a claim with the tribunal will be obliged to pay the $40. That is not correct. The registrar of tribunals has the power to waive fees if the consumer is of small means. Consumers can approach the registrar and say, "I cannot afford this charge", and the registrar will give them a sympathetic hearing. The consumer can claim that hardship would be caused by the imposition of a fee. The fee can be waived also if, for any other reason, it would be unfair or unreasonable to require payment of the fee. Not only are there such provisions for consumers experiencing hardship; there is also a clause in the legislation specifically for disadvantaged people. It is automatic. That means that aged pensioners or persons on unemployment or sickness benefits do not need to approach the registrar; the fee is automatically set at $5. I should imagine that in special cases claimants could approach the registrar of tribunals to have even that charge waived. The Opposition is putting the service at risk. The prices were never aligned with the consumer price index. If the

prices are not increased, the people of New South Wales will lose the service in years to come. If I were to ask a person who had a meal at a restaurant what he or she thought about the price of a meal, I am sure that the answer would be that it was too expensive. It is ridiculous to ask whether or not a charge is too expensive. Members of the Opposition know, as I do, that it is all in the phrasing. [*Time expired*.]

Mr AMERY (Mount Druitt) [4.55], in reply: I wish to respond to some of the comments that have been made but I will endeavour to be brief. The Minister said that consumer claims tribunals are a measure of last resort. Of course, the Opposition agrees with that statement. She highlighted the fact that there are mechanisms within the Department of Consumer Affairs for mediation between the retailer and the consumer.

Mrs Chikarovski: That is free.

Mr AMERY: I am pleased to hear that. On more than one occasion in the past when asked to intervene in disputes, I have written to retailers to ascertain whether the disputes could be resolved. If a specific matter was not resolved, I wrote to the department. Often, the departmental officer could not get the retailer to agree - a recent case comes to mind, but I will not outline it at the moment. In such cases - in an effort to obtain a resolution - the retailer is told that if the case is not resolved it will go before the Consumer Claims Tribunal. If it is only a small claim of $100 or $120, obviously the retailer will say to the consumer, "It will cost you $40 to lodge a claim, anyway". I do not propose to comment on the reference to cost recovery. I do not believe that any fee to lodge a claim before the Consumer Claims Tribunal should be imposed for the purpose of cost recovery.

I am concerned about the comments of the Minister for Consumer Affairs and those of the honourable member for Bega in defence of their situation, to the effect that some people will not have to pay the fee. The honourable member for Bega referred to those categories already listed in the *Government Gazette* - people on pensions and so on. The Government, the Minister and the honourable member have missed the point. I do not believe that any person, when making a claim, should be required to declare his income. The claimant should not be obliged to say to an officer of the Department of Consumer Affairs, "I want an exemption because I believe I am a hardship case" or, "I am a person of small means. Can you waive the fee because I am a battler and on a low income". Fees imposed by other States are irrelevant. The Opposition does not object to an increase in the fees. We submit, however, that the lodgment fee should be relative to the claim. The Opposition suggests that a $10 fee should apply to claims up to $2,000. The Consumer Claims Tribunal deals with claims up to $10,000, and a fee structure should be implemented. The Minister is being conned by the department's suggestion that a scale fee, apart from being inadequate, would be difficult to implement. The Minister should say to the department, "Here is a scaling fee policy. Make it work". The Queensland Government has done just that.

I am concerned by the talk about how much revenue will be generated from cost recoveries and fees. I should like to close my comments by referring to one paragraph at page 36 of the report. Before Government members bag this report any further, I remind them that it is a 1989 report and was funded by the present Government. For Government members to give that report a serve and to refer to the exit polls is to miss the point. The exit polls were conducted by the Government's consultant in the government-funded report. This is not an Opposition survey. It is a government report. Page 36 of the report states:

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> Most Consumer Claim Tribunal complainants in the exit poll said that in some circumstances even a small claim was important. Common sentiments were that "the principle was important", or "that the supplier should not be able to get away with ripping people off", or "that justice needs to be done".

In a telephone conversation with me the Australian Consumers Association expressed concern that the $40 fee will deter people from making small claims. I am not arguing against an increase in lodgment fees. In fact, I believe that at the upper end of the scale they are overdue. We should have increased lodgment fees, but we should protect people and should not implement a system that will deter them from making claims before the Consumer Claims Tribunal for amounts of $100, $80 and so on. Amounts of $80 and $100, depending on one's income, may be regarded as a lot of money, though they may not be thought to be much by others. However, that right to lodge an application should be maintained.

Mrs Chikarovski: For $5.

Mr AMERY: The Minister says it can be lodged for $5, but that is only if the applicant declares that he or she is on a pension or under some form of hardship. I do not believe that that is the principle on which a person should go to the Consumer Claims Tribunal. I reject the argument about the comparison with the courts. In all government reports, and in speeches by former Ministers, it has been said that the Consumer Claims Tribunal is an alternative to the court system. We certainly should not bring in court procedures and court costs as a way of justifying an increase in tribunal fees.

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

Mr Amery: I said the ayes have it.

Mr SPEAKER: Order! I put the question and declared that the noes had it. However, I do not wish to deny to any member the right to divide the House, unlike a former Chairman of Committees of this House who set a firm example with regard to the recommittal of questions. I shall put the question again. The question is, That the motion be agreed to.

The House divided.

Ayes, 41

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

Mr Hunter
Mr Iemma
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr McBride
Mr McManus
Mr Martin
Mr Mills
Mr Moss
Mr J. H. Murray
Mr Neilly
Mr Newman
Ms Nori

Mr E. T. Page
Mr Price
Dr Refshauge

Mr Rogan
Mr Scully
Mr Shedden
Mr Sullivan
Mr Thompson
Mr Whelan
Mr Yeadon
Mr Ziolkowski
Tellers,
Mr Beckroge
Mr Davoren

Noes, 45

Mr Armstrong
Mr Blackmore
Mr Causley
Mrs Chikarovski
Mr Cochran
Mrs Cohen
Mr Collins
Mr Cruickshank
Mr Fraser
Mr Griffiths
Mr Hartcher
Mr Hatton
Mr Hazzard
Mr Humpherson
Mr Jeffery
Dr Kernohan

Mr Kerr
Mr Kinross
Mr Longley
Dr Macdonald
Ms Machin
Mr Merton
Ms Moore
Mr Morris
Mr W. T. J. Murray
Mr O'Doherty
Mr Packard
Mr D. L. Page
Mr Peacocke
Mr Petch
Mr Phillips
Mr Photios

Mr Rixon
Mr Schipp
Mr Schultz
Mr Smiles

Mr Smith
Mr Souris
Mr Turner
Mr West
Mr Windsor
Mr Yabsley
Mr Zammit

Tellers,
Mr Beck
Mr Downy

Pairs

Mr Carr
Mr Irwin
Mr Knight
Mr Markham
Mr Nagle
Mr Rumble

Mr Baird
Mr Chappell
Mr Fahey
Mr Glachan
Mr Small
Mr Tink

Question so resolved in the negative.

Motion negatived.

HUNTER WATER BOARD (CORPORATISATION) AMENDMENT BILL

Bill read a third time.

STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL (NO. 3)

STATUTE LAW (PENALTIES) BILL

Bills introduced and read a first time.

Second Reading

Mr WEST (Orange - Minister for Conservation and Land Management, and Minister for Energy), on behalf of Mr Fahey [5.10]: I move:

That these bills be now read a second time.

The Statute Law (Miscellaneous Provisions) Bill continues the well-established statute law revision program which commenced in 1984. The principal bill is the nineteenth bill to be introduced in the program and the third such bill to be introduced this year. The

statute law revision program is recognised by all members as a cost-effective and efficient method of dealing with amendments of the kind included in the principal bill. The form of the principal bill is similar to that of previous bills in the statute law revision program. Schedule 1 to the bill contains policy changes of a minor and non-controversial nature that the Minister responsible for the legislation to be amended considers to be too inconsequential to warrant the introduction of a separate amending bill. These amendments include: amendments to the Community Justice Centres Act 1983, dealing with a range of issues relating to the internal administration of community justice centres and the accreditation of mediators; amendments to the Mining Act 1992, which also deal with a variety of machinery matters and minor clarifications, and include provisions dealing with orders, warrants and procedures of wardens' courts; and amendments to the University of Western Sydney Act 1988, replacing the requirement that four of the appointed members of the university's board of governors be nominees of the Senate of the University of Sydney, with the requirement that four appointees be persons who have, in the Minister's opinion, expertise in an academic discipline taught by the university or who practise, or have practised, a profession or who have, in the Minister's view, other appropriate applications or experience.

Schedule 2 deals with matters of pure statute law revision consisting of minor technical changes to legislation that the Parliamentary Counsel considers appropriate for inclusion in the bill. Some amendments in schedule 2 update references to Acts and the titles of positions, some omit obsolete or unnecessary material, and some make changes for consistency with modern style or in consequence of amendments made by other Acts. Schedule 3 contains repeals of amending Acts that are no longer necessary because the amendments have been incorporated in reprints of the relevant principal Acts, and repeals of obsolete Acts. As well, more than 300 Acts have been repealed by the first two Statute Law (Miscellaneous Provisions) Acts passed this year. Only a small number of Acts are proposed for repeal on this occasion. Among the Acts repealed are the Australian Red Cross Society New South Wales Division Incorporation Act 1929 and a 1943 Act amending that Act. These Acts are unnecessary as the Australian Red Cross Society has been incorporated by royal charter.

Mr ACTING-SPEAKER (Mr Hazzard): Order! It being 5.15 p.m., pursuant to sessional orders the debate is interrupted.

PRIVATE MEMBERS' STATEMENTS

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ALLEGED FORGED ELECTORAL ENROLMENT FORMS

Mr PETCH (Gladesville) [5.15]: I speak on behalf of two of my constituents who have suffered injustice and are victims of either a conspiracy or growing negligence on behalf of the Australian Federal Police and or the Commonwealth Department of Public Prosecutions. In September 1991 Mrs Rosemary Lavery was elected an alderman of Ryde council. At that time she believed that she was on the electoral roll. Her election created considerable conjecture by many people as to whether she was eligible to be elected and whether her name was originally on the electoral roll. The question of whether she was on the electoral roll had some validity because two bogus electoral enrolment forms had been filled in, one for Mrs Rosemary Lavery and the other for Mr Desmond Lavery. Whoever filled in the bogus enrolment forms failed to realise that there was no such person as Mr Desmond Lavery. The husband of Mrs Lavery is Mr Desmond Fenelon. After a complaint was lodged with the electoral office, it was admitted by that office that Mrs Lavery had been inadvertently left off the electoral roll at some earlier stage, and that is why her name had not appeared on it. However, her name subsequently appeared on the roll through the lodgment of the bogus enrolment

forms.

The matter was passed to the Office of the Federal Minister for Justice. This alleged forgery involved two distinct offences under the Commonwealth Electoral Act 1908. One was the forging of an electoral paper and the other was the uttering of an electoral paper, knowing it to be forged. Each of

these offences has a penalty of $1,000, or imprisonment for six months, or both. Mrs Lavery contacted the Federal Minister for Justice, and the matter was investigated by the police. I have been advised that the police know who the culprits are. However, Senator Tate, in a letter to Mrs Lavery said, "Clearly there appear to have been some problems in the handling of this matter and as a consequence we have taken steps to have it properly investigated". A complaint was lodged on behalf of Mrs Lavery to the Federal Police. A letter from the Australian Federal Police to Mrs Lavery dated 29th September in part reads:

> I am in receipt of your complaint of 18th September, 1992 in which you make certain allegations in respect of a member of the Australian Federal Police (AFP).

In fact, Mrs Lavery did not make the complaint to the Australian Federal Police. The complaint was forwarded by the Federal Minister for Justice after considerable correspondence and Mrs Lavery wrote to the Australian Federal Police stating:

> As I have made no allegations against any member of the Australian Federal Police, I am a little bemused by this correspondence.

The Federal Ombudsman in a letter dated 2nd October said:

> The Australian Federal Police (AFP) has notified the Commonwealth Ombudsman of your complaint regarding the conduct of an AFP investigation.

As if that were not enough, the Australian Federal Police tried to give an explanation in a letter in which they said:

> Applying the principles addressed in this Policy it was clear on the evidence in this case that if charges were to be laid then the appropriate provision was that pursuant to the *Commonwealth Electoral Act.* A prosecution for an offence against section 344 of this Act must be commenced within 12 months of the date on which the offence allegedly occurred. In this case the expiration of that 12 month period was 27 July 1992 as the alleged offence had occurred on 27 July 1991.

There is not one offence but two. I believe the Office of the Federal Director of Public Prosecutions should be investigated. I do not know what mechanisms exist to investigate it but there has been a massive bungle and, as a result, the local newspaper, the local people, Mrs Lavery and Mr Fenelon have been done a gross injustice. They are suffering as a consequence. I hope that by raising this matter in the House it will be brought into the public forum once again. I hope that justice will prevail and that these people will be recompensed. [*Time expired*.]

F4 FREEWAY TOLL

Mr ZIOLKOWSKI (Parramatta) [5.20]: This House would be aware of my ongoing opposition to the toll the Government has allowed a private company, Statewide Roads Limited, to impose on motorists using what was formerly known as the F4 Freeway - a private toll now imposed on a section of road that my constituents' taxes paid for almost a decade ago. It could be said that I have made it my mission to take every opportunity possible to raise some of the concerns regarding this toll. This evening I want to draw the attention of the House to yet another problem about which I became

aware only recently. I am concerned that, despite assurances from the Deputy Premier, Minister for Public Works, and Minister for Roads, motorists are forced against their will to use the tollway and contribute to the substantial profits of Statewide Roads Limited. This Government has argued that all the Opposition's criticisms of the toll are invalid because motorists have freedom of choice, that motorists are not compelled to use the tollway. That is simply not the case because that road is a central piece of western Sydney's roads network.

The F4 was built almost a decade ago by the Wran Government because the existing roads - primarily Parramatta Road and Victoria Road - could not deal adequately with the volume of traffic. It should be obvious that 10 years later those other roads are even less capable of handling this high volume of commuter traffic. Further, what were once six-lane highways have been recently reduced to four lanes, offering motorists an even less attractive alternative. Today many motorists from western Sydney do not have any realistic alternative to the tollway. However, on at least two occasions of which I am aware since the toll was imposed earlier this year, motorists have been denied a choice. On 15th July the Silverwater Road offramp, located east of the toll plaza at Auburn, was closed to traffic due to a tragic and fatal motor accident. All traffic was forced to continue along the motorway westbound and pay the $1.50 toll before they could exit at James Ruse Drive. Many motorists who wanted to use the Silverwater Road exit were caught unawares by the enforced detour.

To their credit, not one motorist has objected to me that he was forced to drive up to 10 kilometres out of his way, realising it was necessary to allow the emergency services to attend, unhindered, the accident scene. However, motorists have objected to being forced to pay the toll against their will. If that made them angry, when some of them complained to the toll booth operators they were almost unbelievably told to keep a receipt and lodge a claim against the insurer of the vehicle at fault. There is an appalling contrast between the emergency crews on the one hand, scrambling in an attempt to save human life, and just up the road Statewide Roads Limited scrambling to add a few more dollars to this year's profits. I am almost tempted to ask whether the Ambulance Service was charged for the trip down the tollway. These are some of the people with whom in recent times the former Premier threw in his lot. He must really be wondering whether they are an improvement on the people with whom he used to deal.

Last Saturday a burst water main on Parramatta Road made that road impassable for vehicular traffic for eight hours between 7 a.m and 3 p.m. Police were compelled to direct traffic on to the motorway. Once again motorists were forced to pay the toll whether they had intended to use the motorway or not. It is obscene for Statewide Roads Limited to profit from human tragedy and emergency situations. I ask the Minister whether he will abolish the toll altogether or at least put in place some provision to waive the toll during such periods of emergency. Further, I call on Statewide Roads Limited to display some of the public spirit that we in western Sydney expect from private companies in our area and donate any additional profit it may have collected on that day to one of the many worthwhile charities in western Sydney.

PORT MACQUARIE POLICE STAFFING

Ms MACHIN (Port Macquarie) [5.25]: The Port Macquarie police station has recently been brought to my attention again by some events which occurred not so long ago in the Bellbowrie Park portion of the industrial estate at Port Macquarie. Mr Ron Birch sent a fax to me, understandably quite angry that his premises had been broken

into. On that particular night in August there were three break-ins. I checked with the local police in Port Macquarie who advised me they were aware of these break-ins, but one car was out on a chase and all their men were committed around the district. The patrol takes in not only the town of Port Macquarie, which in normal times has a population of about 36,000, burgeoning by about a factor of four at least in the tourist season, but also the towns of Wauchope, Kew, Kendall, Laurieton and Comboyne. They are all geographically quite close but very busy areas with some out-of-the-way roads that need to be patrolled. As well, the Pacific Highway runs right through the area. It is a very busy part of the mid North Coast, as I know the Minister for Police is well aware, as are all members of the House.

Currently there are 47 police in the town of Port Macquarie, 23 on general duties and the balance involved in the highway patrol. The patrol has 55 police, which includes those in the towns of Comboyne, Wauchope, Kew, Kendall and Laurieton. The patrol is maintained with a bit of difficulty given the numbers, according to the chief inspector. In the past few years when the Government increased the number of people going though the Goulburn Police Academy, Port Macquarie was able to use a number

of probationary constables. I think the same holds true for the town of Kempsey, represented by my colleague the honourable member for Oxley, who has also been working on this issue. Because the units at Port Macquarie were regarded as overstrength when those probationary constables were promoted they were not replaced. At that time Port Macquarie had been operational as a 24-hour station, but it is not designated officially as a 24-hour station.

Mr Jeffery: It is the same at Kempsey.

Ms MACHIN: As my colleague says, it is the same in Kempsey. Kempsey, which is also on the Pacific Highway and has a growing population, has its own problems. I appeal to the Minister to consider making Port Macquarie a 24-hour police station. I am told it does not require a huge number of additional resources. About four or five additional general duties policemen would be of great assistance. I am sure that is easier said than done. The highway patrol and what we fondly locally call the beaters - beat police - are doing a tremendous job. They have been trying to help with general duties and have been switched between the two to cover all bases. I have written to the Minister about this and we have had discussions. I was not quite as quick off the mark as the honourable member for Ermington, who got to the Minister within seven minutes, but I spoke to him a while ago and extended to him an invitation to come to Port Macquarie and meet with the local police. I know they are keen to meet with him and keen to accept any help he might be able to provide. Port Macquarie, given its size and dynamic nature - and the fact that many outsiders visit it all the time, particularly during the warmer months when the tourist season is at its peak - needs a 24-hour police station. I was surprised when I learned some time ago that it was not a 24-hour station; because the town is so big and varied I assumed that that would be the case. I appeal to the Minister to assist us, if he can. I am sure that constituents such as Mr Birch would be happy if this proposal were implemented. We would be living in a fool's paradise if we thought that four or five general duties police officers would solve all of the break-ins in Port Macquarie. However, the response time would be decreased. I know that would be greatly appreciated by the people of my electorate.

Mr GRIFFITHS (Georges River - Minister for Police) [5.30]: I thank the honourable member for Port Macquarie for raising these very real concerns. I indicate to this House and to the honourable member that I will be delighted to accept her invitation to visit Port Macquarie. I look forward to meeting the officers and seeing the problems firsthand. When I return from that visit I will raise those concerns with the Commissioner of Police, Mr Lauer, to see what can be done to assist in overcoming the

problems in Port Macquarie.

NOWRA YOUTH REFUGE

Mr HARRISON (Kiama) [5.31]: I grieve on behalf of two of my constituents, a husband and wife residing in the southern part of my electorate, whose 14-year-old daughter has, by her own choice, left the family home and found accommodation in a refuge conducted by the Department of Community Services in Park Road, Nowra. On 4th August the girl's mother arranged for an interview with a female officer of the Department of Community Services and was informed that her daughter had no intention of ever going home and that the department would be sending her to a refuge at Park Road, Nowra. My constituent was advised that although her daughter would be under the department's care she was still her parents' responsibility. The departmental officer was told by my constituent that the girl was loved and welcome to return home but that she must realise that her responsibility was to accept direction and supervision by her parents. Subsequently, the girl's father telephoned the refuge at Park Road, Nowra, and spoke to the person in charge who informed him of the rules which apply to the refuge, one being a 10 p.m. curfew. My constituent expressed disapproval at a 14-year-old girl being allowed to stay out until 10 p.m., but was assured that his daughter would be supervised at all times and would be given money only for personal items.

After taking up residence in the Nowra refuge, my constituent's daughter broke curfew on more

than one occasion, was frequently truant from school and became a heavy smoker. On 1st September this year my constituents were contacted by the Department of Community Services and informed that their daughter had been removed from the refuge because she had broken curfew again and a young person of another gender had been found in her bedroom. That afternoon the girl's mother contacted the refuge and spoke to the person in charge who revealed that the girl had returned home late on Saturday, 29th August, heavily intoxicated by alcohol; the bedroom incident reportedly happened on Monday, 31st August, when she and a male juvenile resident of the refuge were discovered in bed together at 2.30 a.m. My constituents assure me that they have given full co-operation to the Department of Community Services but feel that they have been denied their rights as parents. If their daughter had been required to return home, instead of being placed in a refuge, she would have been under family supervision and not exposed to the type of moral danger associated with drinking binges or sleeping with a young adolescent male.

I am advised that the present situation is that my constituents' daughter has been placed in accommodation somewhere else in Nowra and her parents are being denied advice as to her whereabouts. Those two constituents strike me as being decent family people and have provided me with references from prominent citizens in their local community. It makes me wonder what the Department of Community Services is on about when it assists a young girl in her desire to leave home and escape from parental discipline, only to have her placed in a refuge which, seemingly, is unable to exert any meaningful control over her activities. I ask that the Minister for Community Services, and Assistant Minister for Health fully investigate this complaint. I undertake to make available to the Minister a copy of a sworn statement by my constituents, whose names I have declined to mention today in deference to their position as respectable citizens, as well as references from other prominent citizens in their local community.

I also ask that the operations of the youth refuge in Park Road, Nowra, be investigated to determine whether young people who are placed there by the department are being put in moral jeopardy. If so, the Minister should take all appropriate actions

to correct what is clearly a totally undesirable situation. Unfortunately, this is not an isolated incident. I hear more and more complaints about officers of the Department of Community Services being quick to advise young people of their rights to leave home and get away from parental control. That is very well if the young people have been abused in any way, but it seems to me that it is no longer possible for parents to exert any meaningful influence over their children. These days if parents give their children a clip in the ear they can be taken to court for assault. That was not the case when I was growing up. It was accepted that if I did the wrong thing my mother would tell my father about it when he got home and I would be disciplined. I do not regret any of the discipline I received; I think I am a better person for it. It is totally unacceptable that young people are given their heads in this way. [*Time expired*.]

Mr LONGLEY (Pittwater - Minister for Community Services, and Assistant Minister for Health) [5.36]: I thank the honourable member for Kiama for raising this matter which is obviously one of great importance to him and all members of this House. In this day and age we need to emphasise the importance of the family and family values. The honourable member has demonstrated his genuine concern for those issues. He should be commended for that. Based on the information that has been provided, I will ask my department to investigate and report back to me with respect to the issues the honourable member has raised. I will be pleased to accept the information he has offered to assist in those inquiries. This is a difficult issue; it is personal, as are all matters relating to families and relationships between parents and children. It is important that we do everything in our power, as members of this Parliament, to encourage families to work through difficult times and to provide the support that is necessary during times of crisis. I will arrange for those things to be done, as the honourable member has requested. I will respond to him in the appropriate fashion at the appropriate time.

MAITLAND HOSPITAL REDEVELOPMENT

Mr BLACKMORE (Maitland) [5.38]: Earlier today during question time I asked a question of the

Minister for Health about the progress of the redevelopment of Maitland Hospital. I listened to the answer given by the Minister with great pleasure. Prior to that the announcement was made that the development application had been lodged for the redevelopment of a public facility - I emphasise that it is a public facility - for the provision of health services in Maitland. That is appropriate as this year the Maitland Hospital is celebrating the one hundred and fiftieth anniversary of its operation.

Mr Jeffery: Sesquicentenary celebration.

Mr BLACKMORE: That hospital has provided public health care to the people of Maitland and the lower Hunter Valley for 150 years. As the Minister stated, the development application has been submitted to council. The development will provide for a new public entrance to the hospital and the refurbishment of the most important heritage building on the site - a building which is 150 years old. The redevelopment application takes into account the heritage value of the site. Maitland prides itself on the historic value of this site. While the old nurses' quarters are not regarded as having any historic value, the building, which was constructed in the 1930s, is to be demolished in the first half of next year. At that time the dream which the people of Maitland have been waiting for will become a reality. Over the past 12 years many empty promises were made by the former Government.

The Maitland and Dungog hospitals in my electorate have received three-year accreditation. I express appreciation for the work carried out by the Chief Executive
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Officer of Maitland Hospital, Mr Ron Pickett, the Director of Nursing, Matron Margaret McMillon, and all staff at that hospital. I am pleased to be able to say that the staff of Maitland Hospital did not participate in yesterday's stopwork meeting. In July a value management study was commenced for the redevelopment of Maitland Hospital. It will be exciting to witness the progression of those works. I have been a patient at that hospital and, unfortunately, my wife was admitted as a patient four weeks ago. Over the years governments can provide facilities, buildings and equipment but they cannot provide care. That care is provided by staff. The dedicated staff at Maitland Hospital have worked hard to provide such care. I express appreciation also for the work carried out by the hospital auxiliary under the presidency of Freda Bailey. This year Maitland Hospital auxiliary won the 1992 Sir Norman Nock Rosebowl and last year it won the Matron Shaw Cup for its efforts in raising funds for the hospital. That fundraising culminated in the building of a chapel and the installation of air-conditioning in E ward. The only ward that now requires air-conditioning is F ward. This year 9,544 auxiliary workers in New South Wales raised in excess of $3 million for their hospitals. Many public hospital systems in New South Wales would be the poorer if that sort of fundraising was not carried out. I thank the Minister for Health for the answer he gave me today.

Mr SCHIPP (Wagga Wagga - Minister for Sport, Recreation and Racing) [5.43]: It is worth reiterating the comments made earlier today by the Minister for Health. He thanked the honourable member for Maitland for his assistance in the development of this project. I am sure that the honourable member for Maitland will have a great sense of pride when he is present at the laying of the foundation stone for this large-scale project. The Minister for Health said today that $34 million had been allocated for this project. The honourable member for Maitland extolled the virtues of the Maitland Hospital auxiliary and staff. The same could be said for the staff and auxiliary at the hospital in my electorate. The hospital in my electorate is also an accredited hospital. When the former Labor Government was in office I fought for 12 long years to get this project under way in my electorate. The first stage of that project has been completed at a cost of $15 million or $16 million. The final stage of the project will cost about the same as the Maitland Hospital project. I am sure that, in this sesquicentenary year, all honourable members will wish Maitland Hospital well. I hope the celebrations will be enjoyed by the whole community. They will be able to show the same pride in that hospital as has been exhibited this evening by the hard working, loyal and well-regarded honourable member for Maitland.

HILL END SEWAGE POLLUTION

Mr CLOUGH (Bathurst) [5.45]: A small township in my electorate, Hill End, which has fewer than 100 people, attracts more attention from its local member than the rest of the electorate. Hill End is a unique place. In the early nineteenth century that mining settlement had a large Chinese population. Today it is far from a happy place. There are divisions between residents, the National Parks and Wildlife Service, the Heritage Commission, the National Trust, Evans Shire Council and just about everyone else. Tonight I want to refer to an unfortunate occurrence in that district. Sewage leaking from a septic system is causing pollution problems. I ask the Minister for Sport, Recreation and Racing to convey to his colleague the Minister for the Environment - with whom I had a conference yesterday about another matter affecting Hill End - the need to resolve this problem speedily. I am not interested in finding out who is to blame or what is the cause of the apparent pollution; I am interested only in getting the problem fixed.
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Hill End relies upon the ground water-table for its water supply. Any threat of pollution must be taken seriously. A fair bit of publicity has been given to this matter locally in the past week or so following a complaint by Neal Griffiths. From my observation of the matter I believe that complaint is well founded. However, the local government body for the area is Evans Shire Council. I would have expected Evans Shire Council to have taken the necessary steps to get an inspector out there quickly to determine the problem and to clean up the area.

Other State government agencies in the district have shown a degree of concern about the matter. Dr Richard White of the Environment Protection Authority has had a look at the problem. There is some doubt about the origin of the sewage but it is there for all to see and, unless people have something wrong with their noses, it can be smelled from a considerable distance. I ask the Minister for Sport, Recreation and Racing to inform his ministerial colleague of the concern of the people of Hill End and to determine whether necessary steps can be taken, first, to locate from whence the sewage is coming and, second, to see whether a quick solution to the problem can be found. One of the tragedies of Hill End is that so many people are involved in the management of the township. It is difficult to take any course of action without a great deal of animosity developing between various sectors of the township. When I visit that area next Wednesday to deal with another matter I will make a point of looking at this outfall to determine what the problem is. I would like the National Parks and Wildlife Service to liaise with Evans Shire Council - and, if necessary, the Environment Protection Authority - to have a joint inspection of the area, find out what is causing the problem, and fix it up.

Mr SCHIPP (Wagga Wagga - Minister for Sport, Recreation and Racing) [5.49]: I will respond to the honourable member's request that I take up this matter with the Minister. I shall draw the honourable member's remarks to his attention and ensure that the problem is looked into on the basis that members on both sides of the Parliament are anxious to ensure that environmental problems are sorted out as best they can be in a non-political way. This Government has been pretty forthright in dealing with these issues. The matter will be taken up, and I will see what can be done to sort out that problem. Hill End is an area known to all of us because of its historical attraction.

CHAIN LETTERS

Mr JEFFERY (Oxley) [5.50]: I wish to raise a matter tonight in the Parliament regarding a scheme which could not be called anything but a try to get rich scheme. First, I congratulate and thank the Minister for Consumer Affairs, and Assistant Minister for Education for the very prompt way in which she responded to the concerns I raised. Recently an office-bearer in the senior citizens' club at Wauchope on the mid North Coast came to see me when I was interviewing constituents at Wauchope. I hope that honourable members from both sides of the House will warn their constituents to stay clear of an illegal scheme which promises participants thousands of dollars from an outlay of only $140. That sounds too good to be true, particularly in these hard economic times brought about by the Federal Labor Government - the Prime Minister and former Treasurer, Mr Keating. Many people are suffering from hardships. The chain letter being circulated claims that the scheme is a "self-help program", where people in financial difficulties can "assist one another for their mutual benefit". It has been claimed that those who joined the scheme could make up to half a million dollars after an

investment of $140. As the Minister has shown, this self-help co-operation program is nothing more than a scam.

Constituents of my electorate and of nearby electorates - innocent people - are being caught by the promise of riches. The scheme preys on people who are unemployed. There is a very large unemployment problem on the mid North Coast and the North Coast in general. The scheme also preys on the elderly, who can get a little confused. A lot of elderly people in my area unfortunately also face serious financial difficulties at times. These consumers are being sent unsolicited invitations through the post to join the program. It is nothing more than a chain letter. The letter has been shown to me. Other matters are of concern as well. Prospective participants are sent details outlining the program's principles. They are invited to join by depositing $50 in a given bank account. Participants then add their names, addresses and bank account numbers - this is a very dangerous practice indeed - and send out a revised edition of the program to another 100 people. The emphasis of the scheme is not on the sale of a product or service but on the recruitment of people into the system. The promoters of the project claim that it is entirely legal. The Minister has advised me that that is not the case at all. In fact, the scheme is totally illegal and contravenes the pyramid sales provisions of both the New South Wales Fair Trading Act and the Commonwealth Trade Practices Act.

Promoters of such illegal schemes, as well as participants, must be made aware that they face maximum penalties of up to $100,000 for companies and $20,000 for individuals if they persist. All honourable members must let their constituents know about this scheme. It is most unfortunate that schemes such as these surface when times are tough and when people can least afford to throw good money after bad. The people who think up these sorts of schemes are parasites and leeches. Again I congratulate the Minister for Consumer Affairs and her department on the full investigation that has been carried out. Its advice to those participating, or those who may be thinking of participating, in the scheme is to cease immediately. Any money that they may have received should be returned. Promoters of the scheme have been warned by the department and the Minister that the scheme is illegal and that prosecution may follow if they continue with that activity. Participants in the scheme not only face prosecution but also risk other serious problems. As I said, one very serious problem is that an unknown number of people are provided with details of people's personal bank accounts. It is a very dangerous situation indeed. Unfortunately, some people have been duped and sucked in. They have succumbed to the scheme. I only hope that through the Parliament this message will be spread throughout New South Wales so that more people are not sucked in by this type of illegal pyramid selling through chain letters.

Mrs CHIKAROVSKI (Lane Cove - Minister for Consumer Affairs, and Assistant Minister for Education) [5.54]: I thank the honourable member for Oxley for raising this matter in the Parliament tonight. It is a matter of great concern both to my department and to me that in times of recession such as we are facing now people are, to quote him, "sucked in" by these sorts of schemes. These insidious schemes suggest that people will get rich quick, when all they really do is get ripped off faster. I thank the honourable member for bringing this matter to the attention of honourable members. I have issued a public warning about this scheme, known as the mutual financial assistance program or the self-help co-operation program. I have issued releases to the public on the matter. The more information we can get out about the scheme, the better. People are still receiving letters and being asked to send off their $50. These people are only being ripped off. I congratulate the honourable member on bringing the matter to the attention of the Parliament. I urge other honourable members to do what he has done

and bring this matter to the attention of their constituents. In that way we will ensure that we stop these people who, unfortunately, are preying on those who can least afford to be preyed on.

LICENSING POLICE

Mr FACE (Charlestown) [5.56]: I wish to speak about the role of licensing police in New South Wales. Suffice to say the liquor industry in the State is most concerned at the lack of direction, leadership

and support from police generally. The devolution of responsibility within police ranks has, since the introduction of regionalisation, created enormous difficulties for and placed constraints upon district commanders, police patrols and, most importantly, licensees and club secretary-managers. At the time that licensing responsibilities were to be regionalised, the Chief Secretary's Department indicated in discussions with the Police Service that arrangements were at hand for the State licensing command to initiate a range of training programs to be conducted throughout the State to assist patrol commanders and local police with the reporting and enforcement process necessary in respect of licensed premises within their responsibility. Unfortunately, the State licensing command has experienced several changes in commanding officers, resulting in an ad hoc flow of information and possible training resources to patrol commanders.

Specifically, the main problem relates to lack of support by the police for the liquor industry with respect to the enforcement of the provisions of the Summary Offences Act in relation to persons committing offences in and around licensed premises; a lack of support by police of the alcohol-free zone legislation; and a lack of support by police in the enforcement of provisions in relation to the operation of licensed premises, specifically restaurants and bars - which I mentioned in the Parliament this week by way of a question - and, unfortunately, the open-door policy of clubs. This is a minor problem, and it will be fixed in legislation soon to be introduced by the Chief Secretary. In respect of the open door policy of clubs and licensed premises generally, on various breaches there is a lack of support by police in their detection; the continued surveillance of those premises which have been the subject of a breach and which might continue to carry on illegal trading activities pending the hearing of the breach; and the lack of training by police in enforcement with respect to complaint breaches after four or more breaches have occurred with respect to the same licensed premises.

Also of concern is the lack of statistical analysis. In effect, the change over to regionalisation in police licensing has, instead of improving the relationship between police and the licensing industry, degenerated it to an alarming level. Rather than avoiding or minimising the possibility of corruption, the concept of regionalisation has assisted unprofessional operators, particularly operators of restaurants that have no support from the Restaurant and Caterers Association of New South Wales, in carrying on regardless without any real possibility of being charged with breaches by police. The Minister for Police, who is at the table, has an in-depth knowledge of the licensing industry both at a club and hotel level. If he peruses the 1990 debate of the relevant legislation, he will see that what was said by me and many others at the time about problems that would emerge has come to pass. Not one section of the industry at that time supported the legislation change.

I am not going to deliver a tirade to the previous Minister or previous Premier, but they held strong views on this matter which I believe were unwarranted. It was like throwing the baby out with the bath water. The situation needs to be reviewed. There have been problems of consistency in interpretation. It is a specialist field. The Liquor

Act is complex. Many police removed from the licensing area are now on general duties. If they still operate in that area, it is because their commanders know it is the only way in which they will get proper service from them. Unfortunately, these people are being promoted. The consequence of that is a further breakdown. Some say that the problem cannot be overcome; I believe it can be. The Australian Hotels Association, the Registered Clubs Association of New South Wales, Liquor Stores Association and the Restaurant and Caterers Association - everybody in the licensing area - are consistently concerned about the problems associated with licensing police and their restoration.

I realise there is probably no way of bringing back the superintendent of licences. I have said that if the Opposition were in government, licensing police would be restored in some form or other. There is a need for consistency of interpretation; there is a need for education programs for police. I worked for a short time in the police licensing area, and I know that the Act is very complex. All sorts of hiccups are experienced by young constables trying to come to terms with it. I am not attributing blame to anyone, but the assurances given by the Chief Secretary in regard to the Liquor (Amendment) Bill, the Registered

Clubs (Amendment) Bill and the Local Government (Liquor) Amendment Bill have never eventuated. I know that the Minister has an in-depth knowledge of the Registered Clubs Association, through contacts with a person in the executive of that association and a hotelier on the executive of the Australian Hotels Association. The police have indicated that the legislation has not been a success, and we have to try to fix it up. Licensees have been very responsible in recent years in trying to clean up underage drinking. I am sure that something can be done to alleviate this problem. [*Time expired*.]

Mr GRIFFITHS (Georges River - Minister for Police) [6.1]: I thank the honourable member for Charlestown for expressing his very real concerns with regard to licensing policing. I have been concerned with this issue for several years. In fact, soon after I became the Minister, Mr Colin Ritchie, a senior member of the Australian Hotels Association and a very active and articulate man, raised concerns on behalf of the liquor industry. His argument was very effective and persuasive. This matter has also been raised with me by the Chief Secretary, and I have informed the commissioner that I wish to convene a meeting with him and the Chief Secretary to discuss my concerns. I have also spoken to two patrol commanders and some publicans about their concerns. I assure the honourable member for Charlestown that I will be looking very closely at this issue and will be discussing it in depth with the commissioner.

RACETRACK NOISE POLLUTION

Mr SMILES (North Shore) [6.3]: On behalf of a number of my constituents who are involved in the sport of motor racing I raise the issue of racetrack noise pollution and getting the most out of our motor racing industry. I do so with some trepidation, given my well-known connection with an issue associated with a certain racetrack to the west of Sydney. The issue is the rigid across-the-board application by the Environment Protection Authority - EPA - of noise pollution rules. This rigidity impacts on all our major New South Wales motor racing tracks and manifests itself in a number of adverse ways. First, at Eastern Creek a significant potential revenue source is derived from renting the circuit for the testing of cars by European and Japanese manufacturers during the northern winter. However, our arbitrary requirement that noise at 30 metres from the track be kept below 95 dBA is one that these cars in their home countries are not necessarily required to meet. Any modifications required to the cars to meet our standards then invalidate their testing, as muffling, and so on, can change both the

performance and reliability of the vehicles and distort attempts to meet measurement requirements in their home nation. As a result of this rigid across-the-board application of rules which seem somewhat difficult to justify, Eastern Creek Raceway is missing out on rental revenues of up to $3,500 per day.

Second, I refer to Oran Park and Amaroo Park. It would appear that EPA noise measuring systems and equipment have been found to be unreliable and flawed. There have been numerous instances of cars being two or three dBA under the requirement on one lap, and two or three dBA over on the next lap, according to the measuring equipment; and of cars being within limits one day and going over on the second day, without any adjustments or changes having been made to the vehicle in the meantime. This unpredictability makes New South Wales racing tracks increasingly undesirable venues for motor racing. Accusations of punctiliousness and regimentation directed at the EPA have come from motoring journalists, racing teams, and the racetracks themselves. Rationalisation by the EPA of its often bureaucratic behaviour includes the statement that it is acting on behalf of aggrieved residents or in protection of the ears of the race-going public. However, it seems that in many cases EPA surveillance is not conducted in concert with a resident's complaint. As for the latter case, this smacks of taking paternalism to a degree which our society would find difficult to tolerate were it applied across the board.

Measurement of the level of noise emitted by racing cars can be affected also by weather conditions and the topography of the area, and it is contentious that the EPA measuring guidelines take no account of these external factors. For example, on a clear day noise dissipates very well, but on a cloudy day the clouds will act as a sealing blanket, causing a higher registration of noise than is the actuality. Thus, if a car starts racing on a clear day at around 95 dBA and the skies cloud over, there is a considerable chance that that car will then exceed the noise limit and will be penalised. There appears to

be little flexibility granted by the EPA in situations such as this. Noise from two or three cars merging and being measured as if the noise came from one car can occur where the track design and or the topography means that EPA measuring devices, frequently badly positioned, will pick up noise from more than one car. This occurs particularly with the merging of the noise of a near car with the noise of a car on the other side and directly opposite the track or loop. I understand that this can be a particular problem at Amaroo Park.

I want to see the important sport of motor racing flourish in this State. It is potentially a huge overseas currency generator, and offers direct and indirect employment to several thousand people in New South Wales. I would like to see all government facilities earning as much revenue as is reasonably possible, as this will ultimately benefit all New South Wales people. Perceptions that the EPA is coming down unnecessarily heavily simply on a "rules are rules" basis are widespread, both within New South Wales and among the international motor racing fraternity. The result is the under-utilisation of significant government and privately owned resources, and undue interference and harassment of motor sports participants. I believe that the concerns I have outlined should be considered at the earliest possible time.

Mr SCHIPP (Wagga Wagga - Minister for Sport, Recreation and Racing) [6.8]: Although the matter raised by the honourable member for North Shore in regard to the environmental noise problem is primarily the responsibility of the Minister for the Environment, the whole issue directly impacts on my portfolio as I am responsible for motor racing. I have been giving some attention to this matter since becoming Minister for Sport, Recreation and Racing only three months ago. This is an important area of

sporting activity in the State, drawing large crowds, and obviously having large investments involved. Therefore, we need to get it right. I have some good news for honourable members in the Chamber, those listening and those who may read *Hansard.* The Eastern Creek motor racing grand prix held about Easter was voted by the motor cycle grand prix riders as the second best grand prix held in the world in 1992. That is a great accolade and it is a tribute to the facility. I am conscious also of the opportunity to generate large revenue for the State, an economic boost at a time when it is well and truly needed. Consideration is being given to formula one racing cars trialling at Eastern Creek. Recently an overseas team of group C cars was at Eastern Creek, and that generated $380,000 in nine days, most of which went into the economies of Blacktown and Parramatta. That is the sort of thing the Government is considering. It is complex and contentious and is a matter that I have already raised with the Minister for Planning, and Minister for Housing in regard to providing buffers around the raceways. Following the resolution of some problems in this regard, that can be discussed with the Minister for the Environment.

CANDELA LASER TREATMENT

Ms NORI (Port Jackson) [6.10]: I wish to speak about the lack of availability of Candela laser treatment. A Candela laser facility is located in the heart of the dermatology section of Royal Prince Alfred Hospital but is not available to treat paediatric patients, who require anaesthesia to undergo laser treatment. In 1990, when the Federal Government made funds available for purchase of the Candela laser, Camperdown Children's Hospital did not want the facility as only children would be treated and adults would miss out. At that time it seemed more logical to place the Candela laser in a hospital for adults which could also provide for paediatric patients. But that course has not proved a success, especially for children needing removal of port wine stains. Parents of these children are faced with three options. They can let their children grow up with the port wine stains, and all that that entails. They can take their children to the Royal Children's Hospital in Melbourne for several treatments, possibly six treatments, three months apart, and pay for the cost of travel to Melbourne and accommodation there. Or they can attend a private clinic which offers another type of treatment that is less effective than the Candela laser. Each private treatment costs about $700, of which Medicare refunds about a quarter.

New South Wales has one Candela laser facility. It does an excellent job but children cannot gain access to it because Royal Prince Alfred Hospital does not have paediatric facilities. This matter was drawn to my attention by a constituent whose 18-month old daughter, Tessa, has a disfiguring stain on her

face. She requires six treatments, three months apart. Her mother will have to take her to Melbourne for those treatments, taking time off work and paying all the costs that that involves. She cannot afford to fly, so she must travel down by train or bus, sitting up all night. That is unacceptable. The Candela laser is the best technology that can be used to treat children under the age of five. It is important that these children receive treatment before the port wine stain darkens and before the children have to suffer slings from other children and, in later life, from adults - because unfortunately our society does not tolerate imperfections. Port wine stains should be reduced and removed before they get too dark, so that a cosmetically good result can be achieved to assist the psychological wellbeing and self-esteem of these children.

Essentially, three options are available. One is to upgrade facilities at Royal Prince Alfred Hospital at a cost of $100,000 - that is not cheap, but adults could also be treated. Or, the Candela laser could be moved to the Prince of Wales children's unit,

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which is adjacent to the adult hospital. Or, looking to the future, the facility could be moved to Westmead hospital, where there is a children's unit and where the Royal Alexandra Children's Hospital will be moving to in the next couple of years. This wonderful technology would then be available to adults and children. However, none of those options is being pursued. Money is not being made available for upgrading Prince Alfred Hospital. Removal of the Candela laser from Prince Alfred Hospital would cost $2,000 to $3,000, and the machine would have to be demounted - with the risk of its being damaged - and recalibrated. With expenditure of a little extra money this wonderful technology could be made available to children who need it. I know of 60 children who have been assessed as needing the treatment but who cannot be treated. Their parents have had to take the private treatment option or travel to Melbourne. Many other children are affected. Dermatologists know that the treatment is not available in New South Wales, and do not bother to refer children to Prince Alfred Hospital for assessment. The Government has given that hospital about $100,000 over the past two years to upgrade its paediatric and anaesthetic facilities so that the MRI scanner could be used on children. Precedent exists for supplying adult hospitals with facilities to allow treatment of children, rather than services being duplicated in adults' and children's hospitals. I ask the Government to think about those three reasonable options that ought to be pursued.

Mr SCHIPP (Wagga Wagga - Minister for Sport, Recreation and Racing) [6.15]: On behalf of the Minister for Health I thank the honourable member for Port Jackson for raising this matter. The Minister has supplied me with a statement dealing with the issues raised by the honourable member. There is one Candela laser in the public hospital system in New South Wales. This is located at Royal Prince Alfred Hospital, a hospital which does not provide services for children. Children require an anaesthetic because of the discomfort and the need to remain still during the procedure. Royal Prince Alfred Hospital does not have the facilities or the staffing structure to provide this anaesthesia and associated care. The Department of Health is currently evaluating comparable laser services offered in other centres in Australia. This will give an indication of appropriate technology which may prove to be less expensive to purchase and operate. The evaluation will soon be complete. The results will assist in deciding the most cost-effective way of providing this service at either Westmead or Prince of Wales hospitals, both of which have facilities for anaesthetising paediatric patients. Options under consideration include the relocation of existing technology from Royal Prince Alfred Hospital, or purchasing new technology. I hope the honourable member accepts that the department and the Minister are working on this particular problem, and we all hope for a favourable resolution.

Private members' statements noted.

[*Mr Acting-Speaker (Mr Chappell) left the chair at 6.17 p.m. The House resumed at 7.30 p.m.*]

STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL (NO. 3)

STATUTE LAW (PENALTIES) BILL

Second Reading

Debate resumed from an earlier hour.

Mr WEST (Orange - Minister for Conservation and Land Management, and
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Minister for Energy) [7.30]: Schedule 4 to the bill contains provisions dealing with the effect of amendments on amending Acts, saving clauses for the repealed Acts, transitional provisions as regards approved forms and the repeal of legislation relating to the incorporation of the New South Wales division of the Australian Red Cross Society, and a power to make regulations for transitional matters, if necessary. The various amendments are explained in detail in explanatory notes set out beneath the amendments to each of the Acts concerned. Rather than repeat the information contained in these notes, I invite honourable members to examine the various amendments and accompanying explanatory material and, if any concern or need for clarification arises, to approach me regarding the matter. If necessary, I will arrange for government officers to provide additional information on the matters raised. If any particular matter of concern cannot be resolved and is likely to delay the passage of the principal bill, the Government is prepared to consider, as has previously been the case, withdrawing the matter from the bill.

The Statute Law (Penalties) Bill is cognate with the principal Statute Law (Miscellaneous Provisions) Bill. The object of the penalties bill is to facilitate the adoption of the penalty unit system by amending references to penalties of actual amounts in various principal Acts that were generally enacted before the penalty unit system was introduced. A few words on the history of the penalty unit system may be of assistance. The system was introduced in this State with the commencement of the Interpretation Act 1987. Section 56 of that Act provides that a reference in an Act or statutory rule to a number of penalty units is to be read as a reference to an amount of money equal to the amount obtained by multiplying $100 by that number of penalty units. The use of penalty units is of assistance in ensuring that the relative values of penalties as between various offences remain constant. The levels of all penalties for all offences for which penalty units are specified can be changed by an amendment to section 56 of the Interpretation Act that alters the value of a penalty unit. Alternatively, if an individual penalty only is to be varied, the number of penalty units for the offence can be amended.

Acts enacted since the commencement of the Interpretation Act, and statutory rules made under those Acts, have generally expressed a pecuniary penalty for an offence in penalty units in accordance with section 56 of that Act. The penalties bill deals with more than 200 Acts, generally enacted before the commencement of the Interpretation Act, in which pecuniary penalties for offences are expressed in monetary amounts. It is envisaged that any remaining Acts in which penalties of actual amounts appear may be amended on a progressive basis as part of the regular statute law revision program. The penalties bill does not provide for any significant penalty increases, but merely converts existing penalties to the nearest equivalent level of penalty units. To promote consistency, the range of penalty units proposed is limited, as far as possible, to avoid unnecessary diversity. A table of the penalty unit levels proposed is set out in the explanatory note to the penalties bill. Generally speaking, if a current maximum penalty falls between levels on the proposed penalty unit table, the provision is proposed to be amended by fixing the maximum penalty at the next higher penalty unit level on the table.

An exception to this practice is proposed in the cases of pecuniary penalties currently set above $100,000 - the top level shown on the penalty unit table - and of other substantial monetary penalties that have no equivalent on the table and where a rounding up would involve a significant penalty increase. In these cases a straight conversion of the money amount to the equivalent in penalty units calculated at $100 per unit in accordance with section 56 of the Interpretation Act has been adopted. The penalties set out in the Acts are the maximum that may be imposed. Courts are therefore able to tailor the penalty to the particular offence. The opportunity has been taken also in the penalties bill to remove any minimum pecuniary penalty when expressing the maximum penalty in terms of penalty units. In recent years only maximum penalties have been imposed

for offences. The discretion of courts as to the appropriate level of penalty is not now limited by an obligation to impose a specific minimum penalty irrespective of the circumstances of the case. I commend the bills.

Debate adjourned on motion by Mr Beckroge.

FIRST STATE SUPERANNUATION BILL

STATE AUTHORITIES SUPERANNUATION (SCHEME CLOSURE) AMENDMENT BILL

SUPERANNUATION LEGISLATION (SUPERANNUATION GUARANTEE CHARGE) AMENDMENT BILL

Bills introduced and read a first time.

Second Reading

Mr SOURIS (Upper Hunter - Minister for Finance, Assistant Treasurer, and Minister for Ethnic Affairs) [7.38]: I move:

That these bills be now read a second time.

The First State Superannuation Bill and cognate bills implement for New South Wales public sector employees the Commonwealth employer-funded superannuation guarantee charge. I would like to emphasise that in formulating the proposals the Government's concern has been to both protect as far as possible the entitlements of existing employees, while taking the necessarily hard decision - imposed by the Commonwealth's unilateral action - to provide future superannuation cover in a financially responsible manner. Accompanying the introduction of the First State Super scheme is the legislation confirming the closure of the State authorities superannuation scheme - SASS.

This legislation is about fiscal responsibility at a time when the State continues to be faced with the most serious financial consequences if it relaxes for one minute its firm grip on controlling and reducing its long-term liabilities. As will become evident when I detail the background to the Government's decisions relating to the future superannuation coverage of public sector employees, the necessity to close the SASS might have been unavoidable even in the short term. But the ill-timed and unjustified introduction of the compulsory superannuation guarantee charge, or SGC, by the Commonwealth at a time of the worst economic recession since the 1930s made it a certainty at the earliest possible moment. This action was taken, I might add, despite the months of pleading by all States, not just New South Wales, to delay the SGC until recovery was under way - despite the overwhelming evidence of the massive superannuation cost blowout it represented for all States, and despite the severe impact it would have on a record level of unemployment across Australia. The decision was taken although the Commonwealth could not demonstrate that the SGC would reduce future reliance on the age pension; nor could it cite evidence to show that compulsion would achieve the necessary savings for future retirement that could not be achieved in other ways.

Instead the Commonwealth introduced its legislation, the Superannuation Guarantee Charge Act and the Superannuation Guarantee (Administration) Act, with provisions demonstrating that it had virtually ignored all of the representations put to it

by the States. This was preceded by the report of the Senate committee of inquiry into superannuation. In that report the Commonwealth had the amazing cynicism and effrontery to attack the States for their unfunded liabilities in public sector superannuation when almost half of that total liability of $80 billion is the Commonwealth's, built up in just four decades. And what is the Commonwealth doing about its unfunded

superannuation liabilities? I can tell honourable members in just two words: absolutely nothing. The taxpayers of Australia will continue to pay just as before. And in that context I put it to honourable members that Senator Sherry's attack upon the States in delivering the select committee's report is nothing short of contemptible. For these reasons this Government was forced to take the actions underlying the bills before the House, but it makes no apologies for those actions which are essentially the outcome of Commonwealth irresponsibility. This Government, on the other hand, has taken the hard decisions about reining in the unfunded superannuation liability. It has done this by closing the ongoing public sector scheme, the State authorities superannuation scheme, which was an optional scheme, so that the SGC level of cover could be provided to all employees - and at a cost that will be sustainable in the longer term on a fully funded basis. The SGC level of cover will be provided for all employees not currently in a contributory scheme and for new employees via the new First State Super scheme.

I will explain the nature of the SGC and the issues of funding more fully so that it will be clearly demonstrated to the House what are the reasons underlying the Government's decisions. For some time, in fact well before coming to power, the Government has been concerned with the growing unfunded liability in the State's public sector employee superannuation schemes. Originally the schemes, except for that of the police, were all fully funded. But in the Great Depression the then Government not only determined to make the ongoing scheme, the State Superannuation Fund, a pay as you go scheme, but actually seized back several million dollars of the employer funding that had been made. The position never recovered from there. By 1987, when the present SASS was brought in as the universal scheme for all public sector employees, the unfunded liability was estimated to be just over $10 billion. The Government of the day quite intentionally brought in an optional scheme knowing full well that it was merely a means of not having to meet the full cost that would have applied to all employees. On coming to power this Government responsibly took stock of the State's assets and liabilities, and these were fully reported in the 1988 Curran report. Prominently featured in that report was the calculation of the unfunded public sector superannuation liability at just under $10 billion in March 1988. Today that estimate has ballooned to over $14 billion, and is growing at the rate of $1.2 billion a year. In budget terms $14 billion represents a significant element of the State's total liability position, which in turn is a critical factor in securing the State's recently confirmed triple-A credit rating. If the unfunded superannuation liabilities were unaddressed, their present growth rate alone would in time threaten this position. The catalyst for action was the impact of the SGC on the unfunded liability position.

Before I go on to demonstrate what effect the SGC would have on this position I should explain just what is an unfunded liability in superannuation terms. In superannuation it is sought, over a period of years, usually a working life, to put aside funds to provide for a future retirement benefit. If the benefit is fully funded, an amount is calculated and set aside each year to meet a "defined benefit" at retirement. In some schemes, called accumulation schemes, the benefit is simply the sum of those contributions and earnings at the time of retirement. In a defined benefit scheme, if no money is put aside, it must be paid by the employer in one sum at the end. This is how the unfunded liability arises. And the amount of the liability can be estimated by an actuary as the difference between the expected future payout of benefit - accrued to the

particular point in time - less the available assets. It is not that the liability is an immediate one, but it is one that must be met at some time in the future - a contingent liability. Most New South Wales public sector schemes are partly funded; some are fully funded. But it will be evident that in effect the extent of the liability represents a mortgage on future State revenues. The main share of unfunded liability is in the closed State Superannuation Fund, SSF, which is partly funded, and the police scheme, which is not funded at all. The "open" scheme, the State authorities superannuation scheme, since its commencement in 1988 has built up an unfunded liability approaching $3 billion, and because it was the only open scheme this is where the greatest future growth was expected to occur.

I turn now to the background and impact of the SGC. Members will recall that in 1986 and 1987 national wage case decisions put in place the so-called "productivity" award based superannuation. This provided to all employees a basic 3 per cent of salary as employer contribution. The intention of the

Commonwealth was ultimately to provide a universal coverage to replace the age pension. By 1990-91 the Australian Council of Trade Unions, which had been the driving force behind the award superannuation, and the Commonwealth Government had realised that the push for universal award superannuation coverage had not succeeded. Some 30 per cent of employees remained uncovered and there was increasing employer resistance to any extension, in a severe economic climate, beyond 3 per cent of wages, as the quantum of existing award coverage.

Accordingly, the then Commonwealth Treasurer announced in the 1991-92 Budget the Commonwealth's intention to legislate to enforce the award superannuation provisions. The Commonwealth's proposals were to be in the form of a levy that would be made on payrolls if employers failed to meet a standard level of superannuation provision rising from a proposed 5 per cent of salary by 1st July, 1992, to a proposed 9 per cent of salary or wages by the year 2000. The concern of the States, apart from the impact of the levy on all employers, was that, particularly where they operated optional schemes, such as SASS, there would be a massive blowout in costs. This was estimated to cost all State governments of the order of $5.3 billion added to existing costs by the end of the decade. Accordingly, this State in conjunction with all other State governments undertook to make representations to the Commonwealth on the proposals.

From September 1991 this State, under the auspices of the then Minister for Industrial Relations, Employment Training and Further Education, the Hon. John Fahey, M.P., led the State governments' opposition to the Commonwealth's proposals. New South Wales, and all of the States jointly, made several submissions to the Commonwealth on the issue and to the Senate select committee on superannuation, before which State's representatives also gave oral evidence. The States' concerns were not addressed and the SGC legislation consisting of two principal bills was introduced by the Commonwealth in the autumn session - the Superannuation Guarantee Charge Bill and the Superannuation Guarantee Charge (Administration) Bill. The former was assented to on 30 June, 1992. Due to a procedural problem the second bill had to be resubmitted to the Parliament, and was assented to on 21st August, 1992.

The charge will be levied from 1st July, 1992, as a non-deductible percentage of salary payable to the Commonwealth by employers on behalf of each employee. Employers are exempt if they can show that the prescribed minimum level has been paid into a scheme for each employee. The level increases each year until the year 2002-03 rising from 4 per cent - 5 per cent from 1st January, 1993, subject to parliamentary approval - to 9 per cent in the year 2002-03. The prescribed level of support is linked

to the size of the employer's payroll. Under the Commonwealth legislation there are exemptions for employees under 18 who work part-time and in respect of employees below a threshold level of earnings. There is also a cap of $80,000 - indexed - on earnings subject to SGC. For employers having payroll of less than $1 million per annum the rate of charge is less in the earlier years. Although the SGC is not additive to existing cover, the real problem for New South Wales - and for other States having an optional coverage - is that SGC compulsorily applies to all employees. This meant that 100,000 or so employees not currently in a scheme - apart from the 3 per cent scheme - because they had chosen not to join, now had to be covered. Additionally, a further 150,000 casual employees not previously eligible for cover also had to be covered. One option was to put them all in SASS. The estimated cost to the Government to do this was in excess of $30 million a year on average for each 10,000 new members while they remained members.

The State was placed in a totally invidious position. The choice was to add to the increasingly unsustainable funding position of the existing schemes or close the SASS and introduce a new scheme to provide the SGC level of coverage for the future. With the assistance of consulting actuaries, Mercer William M. Campbell Cook and Knight Pty. Limited, the Government carefully analysed and costed these and other options. The conclusion was reached that the closure of SASS, no matter how painful, had to be done to contain the ballooning unfunded liability and to enable the introduction of a scheme to provide the new universal level of coverage. The Government simply could not afford to permit the 100,000

people who had not opted for SASS suddenly to join up. As well, there would be the extra SGC cost for the 150,000 casuals. The closure of SASS was announced on 16th August, 1992, by the Attorney General, and Minister for Industrial Relations, the Hon. John Hannaford. On 24th August, 1992, an order was made effecting the closure. This order has subsequently been found to be invalid by the Supreme Court, but that decision is being appealed against in the Court of Appeal. The cognate State Authorities Superannuation (Scheme Closure) Amendment Bill confirms the closure on 16th August, 1992. There are, however, special provisions for persons who have lodged elections to contribute on or after that date. And this is a point I want to emphasise: there is no closure of the scheme before the date of the original announcement, as publicised at the time.

The effect of the Supreme Court decision was that the closure was invalid from the beginning - those applications submitted up to the date of commencement of the legislation are of legal effect and the legislation reflects this. Their benefits accrual in SASS will, however, be frozen as at the commencement of the legislation following its passage, and preserved in the scheme. Those persons will then be entitled to cover in First State Superannuation. Apart from this special group of people the legislation confirms the closure of SASS on 16th August. The legislation takes benefit accrual at the increased rate from 1st July, 1992, to meet the SGC, but there is no earlier effect of closure before the announced date. In that respect I want to trace the actions of the Government in announcing the scheme closure and state very clearly for the benefit of all honourable members that the Government is not taking the SASS closure back beyond its original announced date of closure, 16th August, 1992. On that date the Attorney General, and Minister for Industrial Relations made a public announcement to which wide media coverage was given stating that the scheme's closure would take place on that day and announcing the new scheme to replace SASS. Members of the media were very carefully and fully briefed as to the Government's intentions following this. In addition, full-page advertisements were placed in the morning circulations of 17th August, 1992, of the *Sydney Morning Herald* and the *Daily Telegraph Mirror* stating very clearly the actions being taken by the Government.

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On 17th August, 1992, a letter was sent to the chief executive officers of all government departments and instrumentalities by the State Superannuation Investment and Management Corporation - SSMIC - informing them of the Government's decisions and the Attorney's announcement on 16th August, 1992. Special allowance was made to make sure that applications lodged to join SASS before 16th August, 1992, were dealt with. On 28th August, 1992, the Premier, and Treasurer, the Hon. John Fahey, M.P. wrote to all employees of the Government through chief executive officers explaining the Government's decisions and informing them of the effect on their future superannuation entitlements of the SGC and the Government's closure of SASS. It is clear that the Government, faced with the dilemma that confronted it, had to act quickly. It is equally clear that the widest possible publicity was given to the closure of the State authorities superannuation scheme on 16th August, 1992. There can be no doubt that the intention was to close the scheme on that day. The legislation before the House merely confirms the date of closure already announced. In no way does it take the date back beyond that date. As I have pointed out, special provisions allow in the persons who have since applied for membership. Accordingly, I submit that this legislation does not act retrospectively to take away rights. If anything it acts to create new rights in a new superannuation scheme to which I now turn.

The First State Superannuation Bill introduces the new scheme under the State Authorities Superannuation Board as trustee. Initially, the board will contract scheme administration and fund management with the State Superannuation Investment and Management Corporation, but later competitive tender for these functions is provided for in the legislation. The competitive tendering is subject to a ministerial discretion for deferral. The scheme will cover all new employees and all employees having 3 per cent cover only at this time, including some 150,000 casuals. The Government considered several options for the new SGC arrangements. These included total freedom of choice for individual employees and trust deed governed schemes. The Government accepted the view that it had a duty to its employees to take some measures to protect them against imprudent choices that, without

guidance or a safety net, they may be prone to make in the open market-place. Hence the FSS scheme will operate as a default scheme, with individual employees having the option to direct their employer SGC contributions instead to an external scheme of their choice. In this way individual employees may make an informed comparison and choice and, if external options are unsuitable, they can fall back on FSS. This is a more suitable arrangement than forcing all employees simply to choose a fund.

It was decided to introduce a legislated scheme contracted to the SSIMC because this offered the best opportunity for a rapid start up, considered essential to provide cover for persons who do not have access to cover other than the 3 per cent scheme. SSIMC, having established systems and a government employer and employee database, offered obvious advantages. Against this the Government considered the recent downturn in SSIMC investment returns and its administrative performance. The SSIMC over the last two years has written down by some $1.5 billion its property portfolio, which is overloaded with central business district holdings. Its overall investment returns as a consequence have been little above zero for that period. The Government does not attempt to hide these facts, and is acutely aware that in a scheme like FSS, which is an accumulation scheme, investment returns are vital for the future growth of members' benefits. It is satisfied, however, that this fund, although pooled for various purposes with other scheme funds under management, will be quarantined by SSIMC. The board will be responsible for ensuring that the new fund will operate under an entirely independently set asset allocation to achieve that objective. Additionally, there are

provisions, as I have said, for competitive tendering for both scheme administration and funds management by 30th June, 1996, and 30th June, 1994, respectively. These dates are subject to a discretion for deferral by the Minister. The 1991 restructure of the board and SSIMC is now well advanced and by that time it is expected to bear fruit in terms of greater effectiveness and efficiency.

I turn now to the new scheme itself. As so often in the past, it is believed that New South Wales, with the new FSS, will set the standard for public sector schemes of the future. FSS is a modern accumulation-style scheme which, although constrained by the compulsory element of the SGC, will provide a number of important options for its members. These embrace the ability for members to opt for SGC contributions to go to an alternative private scheme, which I have already mentioned. Members will be able to opt for additional employer contributions by salary sacrifice or by other arrangement with the employer. This is entirely consistent with the Government's strong support for enterprise bargaining. They will also be able to opt for additional personal contributions. Optional additional death and invalidity cover will be available over and above a standard basic death and invalidity component. At a later time after the scheme is established it is expected that members will be given the opportunity to select the investment pool in which contributions will be invested on their behalf.

The benefits in the scheme in all contingencies will be the member's account balance together with, where applicable, their death or invalidity benefit. Payment or preservation of the benefit will be in accordance with the Commonwealth occupational superannuation standards regulations. Provisions are being made to permit portability of benefit to other complying superannuation schemes, a rollover fund or purchase of a deferred annuity. An innovative series of provisions will enable the board to make rules of a machinery nature to give effect to the legislation. Such rules would be subject to disallowance by the Minister. The purpose of empowering the board in this way is to enable a more rapid response in the governance of the scheme in a regulatory and competitive environment that is constantly and swiftly changing. I need hardly draw the attention of honourable members to the fact that this legislation represents the third time in just a year that quite massive changes have had to be made to the superannuation legislation. Substantial elements of that legislation are of a machinery character for compliance with Commonwealth legislation. In addition, constant statute law amendments have had to be made to this legislation. Hopefully the innovations I have described in these bills will make the legislation a great deal more amenable to adaptation. The board's power to make rules will not enable it to affect the level of contributions required from employers.

It has been necessary to make amendments to a number of Acts to deal with the provision for

SGC in other schemes. This may be surprising to honourable members, but in some circumstances in the SASS and the old SSF, as well as the police scheme, particularly on resignation, a benefit may fall below the SGC level. The shortfall must be provided for. In addition, because the SGC is being applied from 1st July, 1992, for those who had only the 3 per cent cover, the cover in that scheme from that date will be grossed up to the SGC level and transferred to the FSS. Cognate amendments are also being made to the Superannuation Administration Act 1991 to provide more flexibility to the trustee board, enabling it to employ its own administrative staff, and enabling further delegation of powers to its contractors where appropriate. In turning now to the overall question of costs, I hope that my description of the nature of the legislation has been reasonably comprehensive.

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As I have said, the Government was, on the introduction of SGC, faced with a totally invidious situation. There was an unfunded liability of $14.15 billion which, unaddressed, is growing at the rate of $1.2 billion each year. To leave the ongoing scheme open would add in excess of $30 million per annum for each 10,000 extra contributors. There were 100,000 eligible for cover who had not joined and another potential 150,000 who would have to be covered under the SGC legislation. To provide the SGC for all employees, over and above existing commitments, would add a cumulative $2.4 billion to New South Wales superannuation costs by the year 2002-03. The Government believes it had no choice but to close the SASS scheme. Even the admission for the limited period from 16th August, 1992, to the date the legislation commences of some 5,600 persons who had by 28th October, 1992, lodged applications could have cost the Government around $18 million in their first year. Even by freezing their accruals on commencement of this legislation, it will cost an extra $3.6 million approximately.

The option chosen of closing SASS and introducing FSS will increase costs initially because the SGC covers a great many more employees than are currently covered under the contributory schemes. The employees who will be covered will also be covered for an increased and increasing employer level of support, rising from 4 per cent of salary to 9 per cent of salary by the year 2002. The Government's decision means that the costs of the present schemes, covering only some employees, have been curtailed so as to provide cover for all employees. If the SASS scheme were left open, and the SGC provided for non-contributing employees as well as improving the benefits of all contributors to SGC standard, the extra cost to New South Wales State and local government employers would be $6.6 billion in 1992 present value terms.

By contrast, the decision to close SASS, yet still provide at least the SGC level of cover for all employees, will contain the cost and, over time, bring the unfunded liability under control. It is estimated that the unfunded liability, even under this scenario, will continue to grow until around 2010, when it will begin to level off, and will decline over the decades from 2015 onwards. Over the very long term up to 2040, and on the unrealistic assumption of no additional employer-provided superannuation, there would be an estimated saving over pre-SGC arrangements of some $500 million in 1992 present value terms. It can be clearly seen that there is a difference of more than $7 billion in 1992 present value terms between the two options outlined above. In these stark terms, it is easy to see why the Government made its decision. It is now imperative to move to ensure that those who will no longer have access to contributory superannuation coverage in SASS are afforded the earliest opportunity to enjoy the new cover to be provided under the FSS. I return to my remarks at the outset in introducing the bills. The Commonwealth's actions in bringing down the SGC legislation at a time of great economic hardship and pressure on States' budgets can only be condemned. It has led to this State at least, probably to be followed by others, to make some very painful and unpalatable, but fiscally responsible, decisions. I commend the bills.

Debate adjourned on motion by Mr J. H. Murray.

BUSINESS OF THE HOUSE

Bills: Suspension of Standing Orders

Motion, by leave, by Mr West agreed to:

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That so much of the standing and sessional orders be suspended as would preclude the following bills being brought in and proceeded with up to and including the Ministers' second reading speeches:

Coal and Oil Shale Mine Workers (Superannuation) Amendment Bill
Coal Mining Industry Long Service Leave (Repeal) Bill

COAL MINING INDUSTRY LONG SERVICE LEAVE (REPEAL) BILL

Bill introduced and read a first time.

Second Reading

Mr WEST (Orange - Minister for Conservation and Land Management, and Minister for Energy), on behalf of Mr Collins [8.8]: I move:

That this bill be now read a second time.

The bill before the House will aid reorganisation of administrative arrangements for long service leave in the coalmining industry. Currently this benefit is administered through a combination of Commonwealth and State legislation. This bill will repeal existing New South Wales legislation and so return full control of administration to the Commonwealth Government. The Commonwealth has had overall responsibility for coalmining industry long service leave since this entitlement was introduced in 1949. Administration of the benefit, however, was devolved to the State governments, with the Commonwealth retaining control of funding and broad administrative matters. This proposed legislation is to be enacted at the request of the Commonwealth Government. The repeal of the New South Wales Coal Mining Industry Long Service Leave Act 1950 will support establishment of a new national, industry-run scheme under Commonwealth legislative authority. This scheme aims to ensure funding and administration of long service leave for the industry is carried out with equity and efficiency. Industry control of the scheme will support achievement of these aims by providing a management more sensitive to the concerns and constraints of the workplace. The Commonwealth's move to minimise government involvement in this area is supported by the New South Wales Government.

The proposed bill will achieve two purposes. First, it will repeal the New South Wales Act from a date to be proclaimed. A package of Commonwealth legislation will then take over to establish the new national scheme arrangements. Second, the bill will provide transitional provisions to authorise the current New South Wales administration to effect the transfer of administrative operations back to the Commonwealth. Currently, the process for long service leave payments requires employers to seek reimbursement from the State administration for amounts paid to employees. The State administration is then reimbursed by the Commonwealth for both leave payments and for administration costs associated with the operation of the scheme. To date, funding for leave payments has been collected by the Commonwealth from employers by means of a levy on coal produced. All administrative costs of the scheme have been met by the Commonwealth Government. These same arrangements also operate in the black coalmining industries in Queensland, Western Australia and Tasmania.

A review of these funding and administrative arrangements was commissioned by the Commonwealth Minister for Industrial Relations, Senator Peter Cook, in August 1990. Known as the Willett inquiry, this review found that funding arrangements were sufficient for current long service leave liabilities

but two longer term problems were identified. First, funding derived from an excise on coal produced was inequitable.
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Highly mechanised mining operations, able to produce large yields, subsidised the low- yielding labour-intensive operations. For an employment-related benefit this situation was clearly not acceptable. The second problem was a net accrued unfunded liability for untaken long service leave estimated as at 30th June, 1990, at $250.2 million Australia-wide. The new scheme for administration and funding of coalmining industry long service leave is contained in four pieces of Commonwealth legislation which received royal assent on 26th June. These Acts are: the Coal Mining Industry (Long Service Leave Funding) Act 1992; the Coal Mining Industry (Long Service Leave) Payroll Levy Act 1992; the Coal Mining Industry (Long Service Leave) Payroll Levy Collection Act 1992; and the States Grants (Coal Mining Industry Long Service Leave) Amendment Act 1992.

This package of legislation will establish a national industry scheme to fully fund, on an accrual basis, long service leave entitlements. The principal changes to current arrangements will be that a single national scheme under Commonwealth legislation will be established and the management of the scheme will be the responsibility of a board of directors, made up of employer and employee representatives. Funding for long service leave will be from a payroll levy rather than an excise on coal produced. Funding rates will be set with the twofold purpose of achieving full funding of future liabilities and of extinguishing the unfunded liability within 10 years if possible. It was originally intended that the new scheme arrangements would commence on or soon after 1st January, 1993. The Commonwealth now advises 1st March, 1993, is the anticipated commencement date. A sunset provision in the Commonwealth legislation means the new arrangements must commence by 26th June, 1993. The repeal of the New South Wales legislation, along with similar action in Queensland, Western Australia and Tasmania, will enable the new Commonwealth arrangements to take full effect.

The New South Wales Act to be repealed by this bill contains provisions which give administrative effect to the operation of the scheme. The Act provides for the establishment of an account in the New South Wales Treasury to hold funds, and details the scheme administrator's functions and the procedures to be followed to provide reimbursement to employers. After repeal of the New South Wales Act these matters will be carried out under the new arrangements by the Commonwealth Statutory Corporation, the Coal Mining Industry (Long Service Leave Funding) Corporation, established under section 6 of the Coal Mining Industry (Long Service Leave Funding) Act 1992. I would emphasise here that neither the existing State Act nor the new Commonwealth legislative arrangements create any entitlement to long service leave. The legislative framework provides only the funding and administrative arrangements for entitlements contained in agreements and awards covering coalmining employment. The proposed changes therefore simply effect a reorganisation of the funding and administration of these benefits.

The second purpose of the bill is to enact transitional provisions to allow the current New South Wales scheme administrator to finalise existing New South Wales operations once the repeal is effected These provisions are necessary to authorise functions such as the transfer of data to the new Commonwealth scheme and the return of Commonwealth advance funds. Once the scheme is fully transferred these transitional provisions will cease to have effect. As I stated earlier, administration costs incurred by the New South Wales Government in the operation of the scheme have at all times been met by the Commonwealth Government. The reimbursement of costs associated with the transfer of arrangements back to the Commonwealth is currently being negotiated. The Commonwealth has indicated that the new statutory corporation may either administer the new arrangements itself, or contract out the operation to an agency. It is not yet
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determined whether the current New South Wales administrators will be involved in the ongoing operation of the scheme.

The possibility of tendering for an ongoing role will depend on the terms to be put forward by the Commonwealth statutory corporation. However, any such arrangement would be on a purely private

contractual basis, rather than on a legislative basis. These matters will be addressed at an administrative level over the next few months. The proposed bill supports the Commonwealth Government's moves to return the administration of long service leave to the industry itself. The New South Wales Government joins with the coalmining industry in giving general support for the new arrangements and welcomes these reforms as a move towards greater efficiency and equity. I commend the bill to the House.

Debate adjourned on motion by Mr Markham.

COAL AND OIL SHALE MINE WORKERS (SUPERANNUATION) AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr WEST (Orange - Minister for Conservation and Land Management, and Minister for Energy), on behalf of Mr Collins [8.16]: I move:

That this bill be now read a second time.

This bill introduces major changes to the coal and oil shale mineworkers superannuation scheme. The scheme is an industry scheme, and this legislation is the culmination of negotiations and discussions between the industry parties, that is, the unions and the employers, over a period of two years with the involvement of both the Commonwealth and State governments. A major objective of the bill is to reduce the period at present required for funding the unfunded liability of the statutory superannuation scheme, the present actuarial forecast for full funding being the year 2011. New arrangements for contributions and restructured benefits will reduce this funding period by 10 years to fully fund the statutory scheme by around the year 2001. The changes to the scheme are a result of earnest negotiations between the coalmining unions, the principal one being the United Mineworkers Union, and the New South Wales Coal Association, representing the coalmining employers. Those negotiations resulted in a formal agreement being struck between the unions and the employers, being the parties, and that agreement is the basis of the amendments before the House today.

I will briefly outline the background to these amendments and then the changes included in the legislation. The parties have been concerned for a number of years over the unfunded liability of the coal and oil shale mineworkers superannuation scheme, amounting to approximately $465.6 million as at 30th June, 1991. The latest actuarial prediction is that it will take until the year 2011 to be fully funded under present funding arrangements. The parties put their concerns to the Commonwealth Government in mid-1990 and discussions followed between the then Commonwealth Minister for Primary Industry, Mr Kerin, and the Premier, who was then Minister for Industrial Relations.

A working party was established, comprising the parties and representatives of the Commonwealth and State governments. The major discussions, however, took place

outside the working party forum and resulted in the agreement which encapsulates the method by which the funding of the scheme will be accelerated to 2000. The proposed changes have full worker support. Unfunded liability stems from two major characteristics that are unique to this scheme. They, together with a number of economic factors, have had a major impact on the scheme. The first factor is the early funding arrangements. Employers in this scheme do not pay specifically for the accruing benefits of their own employees but are liable only for contributions as required by the Act. Any unfunded liability for payment of benefits is then met from future contributions of companies in the industry when those benefits accrue. The second major factor was the introduction of lump sum benefits into the statutory scheme in 1978. This, in allowing existing members a lump sum benefit instead of a pension, meant that the benefits already accrued up to 1978 were to be paid out in the form of a considerably more generous lump sum immediately they crystallised. Under the previous pension arrangement that same accrued benefit

would have been paid for over a number of years as a pension. The impact on the scheme was an immediate increase to the unfunded liability. The future benefit accrual of lump sum benefits was, however, fully funded from that time. These factors, together with our dismal economic climate of recent times, have led to the state of the unfunded liability being as it is today.

An attempt to address the matter was made in 1978 when the employer contributions were increased from 7.5 per cent to 13 per cent of the benchmark industry pay rate - currently $505 per week. Actuarial advice at the time from Noble Lowndes, the Colliery Proprietors Association's actuarial consultant, was that this arrangement would expunge the debt in 20 years. Subsequent actuarial investigations, however, have found that steps taken were inadequate. Additional factors since that time have also caused growth in the liability, and consequent extension of the time over which it would be wiped off. Benefit improvements and continued wage inflation during the 1980s has meant that the unfunded liability did not start to recede in dollar terms until recently, following further legislative intervention and the investment growth of the fund. These benefit improvements and wage inflation had a direct and major impact on the fund and put upward pressure on the unfunded liability. Further steps were taken in 1988 to again address the unfunded liability, which at that time had grown to $531 million. On that occasion the employees' rate of contribution was increased from 2.5 per cent to 4.25 per cent. It was desired that full funding be achieved by 2011.

The changes being introduced today are the result of some patient and persistent negotiation that has taken place principally at the initiative of the parties concerned. This is an initiative which is commended by this Government as a sensible approach in a volatile industry during these difficult economic times. The superannuation element of coalminers' conditions of service is vital for the assured security of the industry itself, and of the miners' families. The legislative changes being introduced by the bill before the House are intended primarily to accelerate the funding of the scheme. This will be achieved by the combination of two approaches. The first is the closure of the existing statutory scheme to new employees to industry from 3rd January, 1993. The statutory scheme will, however, continue to provide benefits in respect of services up to 2nd January, 1993, for existing members. These benefits will be in the form of a lump sum, along the same lines as is presently provided by the statutory scheme. Benefits in respect of service from 3rd January, 1993, will be an accumulation benefit provided from the Coal and Oil Shale Mining Industry (Superannuation) Accumulation Fund, COSAF. That accumulation scheme has been privately operated by the industry for some four years now.

There are safety net provisions included in the new benefit structure to ensure

that, with the combined benefits from the statutory scheme and COSAF, an existing member will not be any worse off than he would otherwise have been had the statutory scheme continued. Benefits for new employees in the industry, although not part of the amendments in today's bill, will be provided by COSAF or another industry accumulation scheme. Although those benefits will be basically an accumulation benefit, death and invalidity benefits will be provided through a COSAF insurance scheme for members of that scheme. Honourable members will note that the new superannuation benefits from 3rd January, 1993, will be an accumulation benefit. The current trend in superannuation benefit design is to move away from a defined benefit to an accumulation-style scheme. This reform is being forced upon defined benefit schemes such as the statutory coal mineworkers superannuation scheme by the poor economic climate of the early 1990s, the uncertain recovery from the recession, and lowered interest rates, which thus cast a greater burden on employers to meet the defined benefit liabilities. In addition, we have the intervention of the Commonwealth Government in introducing the superannuation guarantee charge at a time of economic difficulty despite the entreaties of all State governments and employers.

Honourable members will recall the recent response of this Government to the introduction of the charge in relation to its public sector schemes. The Government, as an employer, cannot afford to maintain its generous defined benefit schemes and, at the same time, accord with the Commonwealth Government's requirements with the superannuation guarantee charge. Hence the progressive closure over recent years of all the present defined benefit public sector superannuation schemes to new

members. This culminated with the closure of the remaining open scheme - the State authorities superannuation scheme, SASS. The coalmining industry in this State has taken the initiative in this arena and has, through this negotiated agreement, decided that an accumulation scheme is the only way that the industry can afford to pay for adequate superannuation for its employees. The second aspect to the changes being introduced today is the altered funding arrangements which will directly address the statutory scheme's unfunded liability. The unfunded liability is to be attacked from two fronts. One will deal with the fortnightly pensioner liability, and the other will meet the lump sum liability.

The pension unfunded liability amounted to $87.3 million as at 30th June, 1991. Part of the negotiations undertaken by the industry included special negotiations with the Joint Coal Board. The Joint Coal Board, of course, is responsible for industrial relations and the health and welfare of mineworkers in this State. The workers' compensation insurance scheme, administered by the Joint Coal Board, has surplus funds which will be accessed to fund the pensioner unfunded liability of the statutory superannuation scheme. The Coal Industry Act provides access to the funds of this scheme with the joint approval of the State and Commonwealth governments. I am pleased to say that the Commonwealth Minister for Primary Industries and Energy, the Hon. Simon Crean, has given his full support to this funding arrangement. The honourable Minister and the Attorney General in another place, as State Minister responsible for the Joint Coal Board, will be issuing a joint direction in accordance with the Coal Industry Act to specifically allow the Joint Coal Board to fund the pension unfunded liability of the statutory scheme.

The funding from the Joint Coal Board will be undertaken with an initial $10 million payment and subsequent top-up payments, from which the fortnightly pensions will be paid. Provision for commutation of pensions to lump sums is also included in the bill, and the funding of those payments will also be met by the Joint Coal Board

arrangements. The impact of this arrangement on the Joint Coal Board compensation insurance scheme will be fully disclosed in the Joint Coal Board's audit and reporting obligations. This method of funding, rather than a once off payment of the total unfunded pension debt of $87.3 million, will ensure that the ability of the compensation scheme to meet its responsibilities will not be adversely affected. These arrangements will take effect from 1st July, 1992.

I turn now to the lump sum liability. This amounted to $378.3 million as at 30th June, 1991, as assessed by the Government Actuary in his triennial report in January 1992. It is proposed in the bill before the House that contributions currently made by employers and employees be altered in order to fully fund the liability by the year 2001. The new arrangements will mean that employees will cease to make superannuation contributions and the equivalent amount of those contributions will be made by the employers under a salary sacrifice arrangement. This will entail the employer paying contributions from pre-tax salaries and will increase to 21 per cent the total existing employee and employer contributions of 17.25 per cent. Employees, however, will still end up with the same take home net salary. Half the contributions will be deposited with the statutory scheme, to fund the lump sum liability, and the other half will be paid to COSAF or another industry fund, forming the basis of the benefit accumulation for all employees in the industry who join that scheme.

The final impact of the arrangements for the Joint Coal Board to fund the pension liability, and the salary sacrifice funding the lump sum liability, together with the closure of the statutory scheme to new members from 3rd January, 1993, should see the total unfunded liability fully funded by the year 2001. This has been independently assessed by privately retained actuarial consultants to the parties, Coopers and Lybrand, advising the Coal Association, and Mr Don Steel, a consulting actuary, advising the United Mineworkers Federation of Australia. The earlier discharge of the liability is an improved time scale of around 10 years, compared with the previous forecasts based on the existing funding arrangements of the scheme. Also included in the bill is provision to enhance the administrative cost-effectiveness of the statutory scheme. The tribunal will have the power to determine its own administrative arrangements, including the power of entering contractual arrangements. This comes about as a result of the concern felt by the parties over the cost of administration of the statutory fund over the past three years. As

honourable members would be aware, the administration of the statutory scheme is conducted by the Government. It is entirely appropriate that this essentially private sector scheme be freed up in a way that will permit it to be conducted by private enterprise.

Finally, as a result of the major impact on the superannuation industry of the Commonwealth Government's policies at regular intervals, there is provision in the bill for the agreement between the parties to be renegotiated in certain stipulated circumstances. Occurrences which would require a renegotiation of the agreement include actions by the Commonwealth Government affecting the taxation environment, or by this Government, or by decisions of bodies such as courts, which would make the terms of the parties' agreement significantly less effective, or if there was a reduction in employment in the New South Wales coalmining industry to less than 12,000 employees. The bill includes a regulation-making power to cater for this contingency should it become necessary to renegotiate the agreement and consequently amend the Act at short notice. Honourable members can see that the amendments to be made to the Coal and Oil Shale Mine Workers (Superannuation) Act 1941 are substantial and quite complex.

This is putting into place an agreement settled by the parties. It is an industry scheme and the changes have been negotiated by the industry, for the industry. For this reason my colleague in the other place, the Minister for Industrial Relations, has taken the liberty of allowing those parties to view the proposed bill. Honourable members will agree that it is essential that the bill meet their needs. That exercise was a worthwhile one and the bill before the House is one that satisfies the needs of the parties and the industry.

In their support for this industry initiative governments of the Commonwealth and this State have forgone income tax and payroll tax respectively, to enable the salary sacrifice arrangements. The amount of lost payroll tax for the current financial year is $1.2 million, and the Commonwealth's loss I believe to be of the order of $7 million in the current financial year. There are, however, no direct costs to the Government in relation to the introduction of these changes. The changes proposed are entirely consistent with the Government's overall policy initiative to tackle the State's public sector unfunded superannuation liability. Both this Government and the Commonwealth Government therefore believe the revenue loss is a worthwhile sacrifice. In return, we will indirectly gain greater protection for jobs in this volatile industry, which provides one of Australia's vital exports, by achieving accelerated full funding of the coal industry's statutory superannuation scheme. I commend the bill.

Debate adjourned on motion by Mr Markham.

STATE REVENUE LEGISLATION (FURTHER AMENDMENT) BILL

Bill introduced and read a first time.

Second Reading

Mr SOURIS (Upper Hunter - Minister for Finance, Assistant Treasurer, and Minister for Ethnic Affairs) [8.34]: I move:

That this bill be now read a second time.

This Government has an ongoing commitment to the improvement and simplification of the New South Wales tax system. This, of course, benefits the people of New South Wales by reducing administrative costs for both the Government and the taxpaying public. The commitment to equity and simplicity is reflected in the consultation processes used to determine the most appropriate measures for reform. In addition to the Government's role in the consultation process, the Office of State Revenue is involved in ongoing liaison with peak industry and professional groups. Many of the changes proposed in the bill are the outcome of these processes. Let me now turn to the bill itself. This bill deals with a number of amendments relating to stamp duties, debits tax, business franchise licences, health insurance levies and

payroll tax. I will deal with these separately. Since the inception of loan security duty, numerous requests have been made for uniform legislation between the various jurisdictions imposing this duty. New South Wales produced a discussion paper outlining the proposed method of calculating duty which has been circulated to the other jurisdictions, the legal profession and other interested professional groups. Considerable discussion and negotiation has taken place between State and Territory tax offices which impose loan security duty, and in principle agreement has been given to the proposed amendments by other jurisdictions, the New South Wales Law Society, the Victorian Law Institute and the Australian Bankers' Association.

The proposed method of calculating duty would provide certainty, simplicity and equity, as well as reduce compliance and collection costs. The first home purchase scheme provides that purchasers meeting the requirements of the scheme may receive a 30 per cent discount on the payment of duty or pay it by five equal instalments. The bill increases the income limit for single persons from $27,000 to $33,000 in line with an increase in the limit for low interest loans administered by the Department of Housing. Representations have been received requesting an exemption from stamp duty on grants agreements between the Commonwealth and organisations providing aged care services under the Aged or Disabled Persons Care Act 1954. As persons entering into these agreements provide accommodation for financially disabled and aged persons, a variation to statute was signed on 16th June, 1992, exempting the agreements from stamp duty. The bill amends the Stamp Duties Act to validate this variation to statute.

Representations have been received from a number of members of Parliament and the Secretary of the Rural Lands Protection Boards Association of New South Wales seeking an exemption from stamp duty on motor vehicle certificates of registration issued to rural lands protection boards. Given the nature of the services provided by the boards, it is appropriate that an exemption from stamp duty which is currently provided to local councils should also be provided to the boards in respect of the issue of motor vehicle certificates of registration. Following submissions from industry and the Australian Stock Exchange it is proposed to grant an exemption from marketable securities duty in respect of trading by futures brokers, where such trading is done as a hedge against a futures contract. The bill will also extend the current provisions which grant an exemption from marketable securities duty to registered options traders to clearing members who perform an informal market making role in the options market. These proposals will have a negative effect on revenue to the extent of approximately $1 million for the balance of this financial year. This loss of revenue will become less relevant as the phasing out of marketable securities duty commences.

For some time, the Office of State Revenue has been having discussions with the Australian Merchant Bankers Association and the Australian Bankers Association regarding the treatment of FID relating to Treasury products. The term "Treasury product" is a generic description referring to products such as currency swaps, interest rate swaps, forward rate agreements or forward interest rate agreements. These products will either provide an opportunity for corporations to hedge their financial arrangements or provide a market for speculation in currency or interest rate movements. The advice of industry is that at present no FID is being paid on many of these transactions. Indeed if there were an attempt to impose FID through existing legislation or by amendment, it is most likely the transactions, which are international and extremely portable, would be moved out of the jurisdiction. This is because the financial institutions charged with the duty could not compete with other financial institutions that were not liable to FID on those transactions. Obviously, it is undesirable to deter industry from carrying on its business in New South Wales and consequently, by press release of 2nd June, 1992, the then Premier and Treasurer, Mr Greiner, announced that receipts relating to Treasury products transactions, such as currency and interest rate agreements, were to be exempted from FID. For the sake of clarity and as a protection against abuse of the exemption the amendment nominates transactions to be afforded relief from FID.

The Stamp Duties Act presently contains an exemption from loan security duty for off-shore banking units in respect of loan securities which would not have been liable to duty if they had been executed outside New South Wales. The Federal Government has recently introduced legislation into Parliament providing for the concessional treatment for OBUs. Coinciding with the Federal Government's action, the Sydney financial centre task force has recently recommended an exemption from FID in relation

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to all qualifying OBU activities. This was necessary because of the highly competitive nature of the business. There would be virtually no loss of revenue if this concession were given, as it would primarily relate to business not currently undertaken in this country. It is proposed that receipts of money generated from pure OBU activities be exempted from FID. For the purposes of the Stamp Duties Act, an OBU would be restricted to mean an OBU as defined in the Income Tax Assessment Act. This amendment will commence on a date to be proclaimed, as the Commonwealth legislation to which it will relate has not yet been passed.

The bill makes other minor stamp duties amendments. Debits tax is payable on debits to accounts with banks or other financial institutions on which a cheque can be drawn. Where a bank or financial institution debits a customer's account to pay or recover FID there is a liability to pay debits tax on that debit. The result is that debits tax is paid on amounts deducted to pay or recover FID. It is considered that this situation is inequitable, and therefore the bill provides for debits to an account to pay or recover FID to be exempt from the payment of debits tax. The other jurisdictions have indicated that they are in agreement with the exemption. It is proposed that this amendment should commence at a date to be proclaimed so that other jurisdictions may also introduce similar amendments to their legislation.

As I indicated earlier, the Commonwealth Government has introduced legislation providing concessional treatment for off-shore banking units. Consistent with the concession provided in relation to FID, it is proposed that any debits to accounts from pure OBU activities be exempted from debits tax. Again, an OBU would be restricted to mean an OBU within the meaning of the Income Tax Assessment Act. These amendments are largely aimed at minimising avoidance and evasion, particularly in regard to the illicit sale of product imported from other jurisdictions which impose lower rates of licence fees. This bill will substantially increase the cost of breaching the New South Wales legislation by increasing some penalties by up to 1,000 per cent, with higher penalties for corporations, and by providing for a licence to be cancelled if a licensee is convicted of an offence under the Acts.

As announced by the Premier and Treasurer in the Budget Speech, the bill provides for a modified diesel fuel exemption scheme to be introduced from 1st July, 1993. The legislation currently provides an exemption from fees in respect of diesel sold for off-road use and is administered by means of exemption certificates. The bill makes provision for the modified scheme. Introduction of a flat fee anomaly has been identified with the health insurance levy formula which results in the average weekly levy per contributor varying between funds, depending on the range of premiums and benefits offered. To prevent this loss of revenue, and to restore equity between funds, the bill will amend the method of calculating the monthly levy by applying a flat fee per contributor per week. The change in the formula will take effect from 1st February, 1993. The current prescribed rate of 53c per single contributor per week will not change, except under the existing indexation provisions in the Act. The current exemption in respect of various types of pensioners will also be retained by appropriate changes to the regulations.

Another potential avoidance issue has been identified as a result of having the calculation of the levy based on revenue received by a fund during the month occurring three months prior to the period in which the fee is paid to the Government. The bill introduces a termination fee to overcome this. The bill modifies or extends some existing payroll tax exemptions in relation to: exempt benefits under the Commonwealth Fringe Benefits Tax Assessment Act; employer contributions to an eligible superannuation fund

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under section 267 of the Income Tax Assessment Act; the community development employment project,

which is a scheme administered by the Commonwealth Aboriginal and Torres Strait Islander Commission; wages paid in New South Wales for services performed outside Australia beyond six months; and the value of relevant contracts at which they become automatically exempt - increased from $500,000 to $800,000.

There are uniform provisions in all State and Territory payroll tax Acts which ensure that payroll tax on any wages is paid only in one jurisdiction, thus avoiding double taxation. The bill seeks to make it clear that the relevant period in which services must be provided wholly outside New South Wales before the wages are exempt even if paid in New South Wales is one month. Since the introduction of a single marginal payroll tax rate of 7 per cent on wages exceeding a threshold of $500,000 from 1st October, 1990, some complaints have been received from grouped employers about difficulties in determining their tax liability. This difficulty arises because the allocation of the exemption threshold to each group member depends on each member's proportion of total group wages. In order to simplify administration, the bill proposes to reintroduce the designated group employer system which applied prior to 1990. It is also proposed to allow two or more members of a group to lodge a single return, with the approval of the Chief Commissioner. A group's total liability for payroll tax is unaffected by these changes. The bill contains other minor payroll tax amendments which are in the nature of statute law revision. The reforms contained in this bill will contribute to the Government's ongoing obligation to simplify the tax system and provide greater certainty for the taxpaying public of New South Wales. I table detailed explanations of the bill for assistance of honourable members. I commend this bill to the House.

Debate adjourned on motion by Mr J. H. Murray.

BANK INTEGRATION BILL

Second Reading

Debate resumed from 15th October.

Mr J. H. MURRAY (Drummoyne) [8.47]: This bill is complementary to the Commonwealth Bank Integration Act 1991, and at the outset I indicate that the Opposition supports the bill. Honourable members will be aware that the Commonwealth decided to remove the distinction for regulatory purposes between savings banks and trading banks, which allowed greater flexibility in servicing customers, and it simplified accounting and Reserve Bank prudential supervision. The Commonwealth Bank Integration Act facilitated the transfer of assets between savings banks' subsidiaries and their parent trading banks. The Commonwealth Act required complementary State legislation to operate in the State where a banking organisation is established before it could come into effect. For New South Wales the only relevant banks are the Westpac Banking Corporation and its subsidiary, the Westpac Savings Bank Limited. The bill provides that, on the succession day fixed by the Commonwealth Treasurer, the Westpac Savings Bank Limited be dissolved and the Westpac Banking Corporation become its successor in law. I understand that the former Victorian Government had already enacted such legislation. The legislation also makes clear that the terms and conditions of employees of the Westpac Savings Bank Limited will be unaffected by the integration of the banks. I support the bill.

Mr SOURIS (Upper Hunter - Minister for Finance, Assistant Treasurer, and Minister for Ethnic Affairs) [8.49], in reply: I should like to conclude the debate by thanking the honourable member for Drummoyne for supporting this bill on behalf of the Opposition. I am sure it will be very welcomed and very well received by Westpac Savings Bank Limited and Westpac Banking Corporation.

Motion agreed to.

Bill read a second time and passed through remaining stages.

LAND TAX MANAGEMENT (AMENDMENT) BILL

Second Reading

Debate resumed from 24th September.

Mr J. H. MURRAY (Drummoyne) [8.50]: I lead for the Opposition in this debate. The white paper from which recommendations contained in this bill have been considered is really a lightweight affair which offers no real reform to the existing system but only tinkers with some of the more controversial aspects of the land tax problem. But it also must be noted that despite two formal government reviews of the land tax system, land tax has increased by 99.85 per cent since the present Government came to office. There is really nothing in the white paper that guarantees a fall in the land tax burden or protects land tax payers from extreme property market volatility; although I note that one of the objectives of the Land Tax Management (Amendment) Bill is the provision for land tax valuations to be undertaken to reflect: the impact of interim orders under the Heritage Act; heritage classifications under local government planning instruments; and protected tenancies under the Landlord and Tenant (Amendment) Act 1948 on rent charged. I congratulate the Government upon its initiative in looking at these matters because, as honourable members would understand, in my electorate of Drummoyne a number of large properties have been affected deleteriously by land tax, and it is hoped that these provisions will overcome those difficulties.

Land tax, as the House will know, is one of the oldest taxes in Australia. It is imposed in New South Wales on the unimproved value of land and it is, in effect, a tax on capital; yet the proposed bill does not go far enough to be of real benefit to the land tax payers of New South Wales. Basically, the changes are superficial. The reduction in yearly revenue is due more to market depression than to the reforms of this bill. For the interest of honourable members and the Minister for Finance, Assistant Treasurer, and Minister for Ethnic Affairs, who is from another party, I state that Sir John Cramer, a founder of the Liberal Party and a former member for North Sydney, has spoken out against land tax, saying it was impeding the State's development. He said:

> It is one of the most punitive taxes used in Australia. It does irrevocable damage to the welfare, growth and employment of Australia. It is an easy way of getting revenue but Government are not stopping to see the damage they are doing to the welfare of the country. To get jobs, you have to be doing something that creates employment. Land tax discourages it. If you cancelled land tax you would increase employment.

Maybe there is a message there for the Government. Sir John also said that the tax caused high rents and encouraged people to invest in more profitable areas, which are not necessarily beneficial to Australia. So why does this Government not commit itself to go further and make some real changes, instead of tinkering superficially with this bill? Mr Bob Hunt, the President of the Real Estate Institute of New South Wales, is obviously

concerned that investors have reviewed other investment options as a result of increased land tax assessments by this Government. He said:

> As investors, landlords responded to a recent survey indicating that they had either reduced their property portfolio or were actively reviewing alternative investments.

From the results of the survey undertaken by the Real Estate Institute it was clear that many people thought that increases in land tax would discourage investment, which in turn would lead to a decrease in rental stock in the medium term, and resultant rent increases as the market tightens. So, these two influential people see the obvious side-effects of a land tax. Why then does this Government persist in its shallow and frivolous dabbling, and not recommend reforms that would literally improve the situation for

the land tax payers of New South Wales? The answer is that the Government is weak; it is not strong enough to resist the lure of land tax moneys, which have an enormous impact on the State Budget. Last year land tax revenue was $100 million above budget projections, providing a windfall for the Government.

In his second reading speech the Minister who has carriage of this bill admitted that, depending on individual land valuations, some tax bills might drop by 5 per cent while others could be reduced by 45 per cent; and that in a small number of cases bills might be larger than they were last year. Not all taxpayers will benefit from these weightless and middling reforms. One thing that seems to have been overlooked in this debate is the impact on tenants. According to a council survey in the municipality of Waverley, about one-fifth of rental housing stock has disappeared in the past 10 years. Land tax is considered to be a major reason for that decline. In the past a landlord might have bought a block of flats to lease to tenants, but huge land tax bills have forced owners to subdivide and sell units or flats which once housed low-income tenants. These flats are now sold off to owner-occupiers.

As the amount of rental stock declines, rents are forced up. Land taxes are an unmanageable burden on commercial properties. The consumer price index rose 36 per cent in the five financial years to 1989-90, yet in the same period land tax revenue rose 104 per cent. The Government should be doing more by way of making adjustment for land taxes. Although the Opposition supports this bill, it is disappointed with the Government's inability to bring about real, substantial changes which would be advantageous to the people of New South Wales, unlike these fairy floss type reforms.

Mr SMILES (North Shore) [8.57]: I am delighted to acknowledge the support of the honourable member for Drummoyne on behalf of the Opposition on this very important legislation. I am grateful for that support because it really indicates a recognition throughout the State of this Government's determination to make considerable change and considerable amendment to State taxation as time, money and economic circumstances permit. Land tax is an issue of considerable concern to me, and for three years has dominated my thoughts in the course of my duties, both as the honourable member for North Shore and, for a time, as Assistant Treasurer. This legislation is yet again evidence of the commitment of this Government - a Government of which I am proud to belong - to analyse and reform State taxation.

As many honourable members would be aware, the passage of the Land Tax Management (Amendment) Bill will provide an average 30-odd per cent reduction in land tax next year and following. Certainly it will be welcomed by those involved in a business that incorporates ownership of properties. This legislation is a brave initiative by the State Government because it will involve a diminution of the contribution of

income by way of land tax that the Government will enjoy next year and thereafter. The Government expects land tax, as a source of revenue, to fall from $747 million this year to $528 million next year. That lesser figure will be replicated in the years that follow.

It should be recognised that the major benefit of the white paper which lies behind the introduction of the Land Tax Management (Amendment) Bill is the abolition of the equalisation factor system introduced in 1986 by the Labor Government. I am mindful that, above all else, the issue of equalisation has to be seen as the most abhorrent and unacceptable aspect of land tax in this State, particularly in the electorate of North Shore, which I am proud to represent in this Parliament. With the changes proposed in this bill, all taxable properties will be revalued each year and there will be a reduction in the timelag between the date of valuation and the tax year from 18 months to six months - surely one of the most welcome reforms this State Government has implemented or offered for implementation with respect to land tax.

Annual valuations will be of great benefit to landowners who are my constituents. As a result of the introduction of these valuations landowners will be able to object to unrealistic valuations each and every year. I welcome the opportunity for objection; it provides a chance for my constituents, and constituents

of all members of this House, to have a fairer and more just opportunity to express their concern in the leadup to contributing to the State coffers by way of land tax. In the eastern and northern suburbs, which have received the brunt of excessive valuations as a result of the current equalisation factor system, the average reduction in land tax may be more than 30 per cent. That will be welcomed by my constituents. Local government areas where average values will fall between 30 per cent and 53 per cent include the Mosman municipality, which in considerable part I have the honour of representing. Residential properties in the Mosman municipality will enjoy some 30 per cent to 40 per cent reduction in average value.

I am mindful also that average values will fall for business properties in the North Sydney municipality. That is important to me, given that North Sydney is the third largest commercial district in Australia and lies in the heart of my electorate. In individual cases where properties have been grossly overvalued as a result of the equalisation factors, values could fall by more than 60 per cent. I will be grateful should any of my constituents enjoy such advantage. In addition, I am informed that more than 3,000 taxpayers will cease to be liable for tax altogether because their land holdings will fall below the threshold of $160,000, at which tax becomes payable. I regard that reform as particularly useful because a number of my constituents who have approached me and expressed concern with respect to this bill are smaller taxpayers.

The white paper recommendation that private valuers be allowed to tender for the annual valuation of specified local government areas has been deferred until 1994 because there is insufficient time to make the necessary arrangements for the calling and letting of tenders. I do not believe that that should be seen by this House as being of significant concern. We should acknowledge that from 1994 the private sector will be able to participate in a meaningful and worthwhile way in the process of valuation. I acknowledge that the success of private valuers in tendering will very much depend on their ability to compete with the Valuer-General. I am encouraged by a number of private valuers living within my electorate who have indicated a keen and determined commercial motivation to challenge the Valuer-General in cost, efficiency and effectiveness in the provision of their services.

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With respect to measures to reduce the cost of appeals, the Government has directed the Valuer-General to seek to mediate valuation disputes in the Land and Environment Court whenever appropriate. Mediation was first introduced to the court in May 1991 and has proved to be a success in terms of saving court sitting time as well as costs for the parties concerned in the majority of cases. When I was involved with the Public Accounts Committee I had the opportunity to look closely at the concept of mediation. I am delighted that the Government has acknowledged the significance and appropriateness of such dispute resolution in recognising that constituents in my electorate and elsewhere may need such assistance in land tax and valuation disputes.

Land tax revenue reaped $825 million in 1991-92, which was $88 million higher than the budget estimate of $737 million. However, the $184 million generated from the assessments of 1991 and earlier years was $56 million higher than the budget estimate, with revenue from 1992 assessments totalling $641 million, which was $32 million above the budget estimate. I acknowledge that this has been a worthwhile contribution to State revenue. Nevertheless, one must equally acknowledge the significance of this Government being prepared to accept lower revenue yields by way of land tax as a reflection of its concern for equity and justice for land tax payers. The higher than expected revenue collections in 1991-92 were received because of improved productivity resulting from enhancements to the computerised assessing system used by the Office of State Revenue, a successful debt recovery program, and the introduction of an interest free instalment payment system which resulted in a significant fall in overdue debts. As Assistant Treasurer I was involved with the Office of State Revenue during some of the time that such decisions and recommendations were being considered. I am delighted to be able to acknowledge the impact of those decisions.

Another factor was the collection of $48 million from State and Commonwealth business authorities, including more than $10 million from Commonwealth authorities, which only recently became liable for land tax. One has to acknowledge the importance of some sense of equality - often referred to as a level playing field. The State Government should be congratulated upon its ability to negotiate with the Commonwealth Government to include Commonwealth authorities within the net of land tax in this State. The introduction of interest free instalments from all taxpayers in 1992 was one of a number of relief measures provided by the Government in the last three years. As honourable members would know, other substantial concessions have included a reduction in the tax rate from 2 per cent to 1.5 per cent in 1990, along with an increase in the tax- free threshold from $135,000 to $160,000. I refer to that substantial concession because of my personal involvement in discussions with the then Premier and Treasurer, Mr Nick Greiner, concerning such matters. I was delighted that he and the Government as a whole were prepared to consider the argument behind such a reduction.

Other substantial concessions include an exemption for boarding-houses providing low-cost, longer-term accommodation. That exemption is important for the electorate of North Shore. There are several boarding-houses in the Kirribilli area which provide such accommodation. Of great significance is the fact that most, if not all, of the clients of such boarding-houses are people at the lowest level of economic sustenance, frequently people who have recently completed gaol sentences. Unless we as a Government are prepared to acknowledge the importance of providing accommodation for people coming out of gaol and attempting to establish a new life - hopefully crime free - we are socially irresponsible.

Another substantial concession was the setting of a uniform 17 per cent increase in taxable land values for the 1991 tax year and the freezing of resulting values for the

1992 tax year. As a result of the land price spiral in the late 1980s the majority of taxpayers avoided even greater increases. Several of my constituents, through this measure alone, saved several hundred thousand dollars each. I believe those savings were warranted, as were the tens of thousands of dollars in savings enjoyed by many constituents with smaller property holdings. Another concession enabled owners of residential company title units each to claim a general exemption threshold of $160,000. That is certainly a fair and equitable introductory measure. Extending an exemption for commercial nursing homes and retirement villages is important for our ageing population. It is important also for constituents in the electorate of North Shore, where 17.5 per cent of my constituents are 65 years of age or older.

The Government has been wise and generous in doubling the exemption threshold from $160,000 to $320,000 for residential properties which exceed the area threshold applying to the exemption for a principal place of residence. This has particular significance for constituents of mine and constituents of other members of Parliament who reside in important heritage buildings where the landholding extends over a number of blocks. I mention that because those buildings are part of this State's heritage, history and cultural value bank. It would have been sad if we had continued to discourage the maintenance of these heritage buildings on these large blocks of land. All the measures I have referred to have introduced greater equity. I am sure honourable members would acknowledge that the measures before the House tonight will also introduce greater equity. In summary, I believe that the implementation of the recommendations in the white paper will meet the concerns of land tax payers and their tenants and result in a more equitable system for all concerned. [*Time expired*.]

Mr SOURIS (Upper Hunter - Minister for Finance, Assistant Treasurer, and Minister for Ethnic Affairs) [9.13], in reply: I thank the honourable member for Drummoyne, who led for the Opposition, for his support of this bill. I thank also the honourable member for North Shore, who gave a comprehensive description of the measures of the bill and provided many examples of how the legislation will apply in his electorate. The essence of the bill is the move to current valuations and the abolition of equalisation factors. That in itself will produce a current valuation regime and bring to account the considerable decline in values that has occurred in recent years as a result of the recession. It has been estimated that there will be an overall reduction of 24 per cent in total land tax collections which will occur as a result of relative movements in land valuations.

It is quite conceivable that some land tax payers will experience a higher reduction in land tax; some will experience a lower reduction in land tax; and some will experience an increase in land tax. Overall, there will be a 24 per cent reduction in land tax receipts, which will be represented by an average decline of the order of 30 per cent in individual land tax assessments, bearing in mind that there will be fluctuations above and below that figure. It is important for this legislation to pass through this House relatively early because of the considerable amount of work that will be required in moving to current valuations. That work will have to be performed rapidly by the New South Wales Valuer-General as the land tax assessment year will be based on land values as at 1st July, 1992. I commend the bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

INDUSTRIAL RELATIONS (SICK LEAVE) AMENDMENT BILL

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Second Reading

Mr COLLINS (Willoughby - Minister for State Development, and Minister for Arts) [9.16]: I move:

That this bill be now read a second time.

The Industrial Relations (Sick Leave) Amendment Bill has as its aim the prohibition of the practice whereby an employee may receive a payment for untaken sick leave under State awards and certain legislative-based agreements either at the time of his or her termination of employment or at any other time. This payment is commonly termed a cashing in by an employee of accumulated sick leave entitlements. The history of sick leave legislation enacted by this Parliament is marked by a concern of governments, of whatever political persuasion, to ensure that a sense of fair play and social justice permeates the relationship between employer and employee. In that vein honourable members may be reminded that, in 1951, the McGirr Labor Government introduced legislation to facilitate a minimum award requirement of one week's annual paid sick leave for employees. Moreover, honourable members may well recall that, in 1968, the Askin coalition Government enshrined in legislation the ability of employees under awards to accumulate unused sick leave for a minimum period of three years. I might add that those protections were faithfully carried over by the present Government in its Industrial Relations Act 1991. I refer honourable members to section 97 of that landmark legislation.

The recognition behind all these legislative measures is that a person will invariably experience sickness at some time in his or her working life and should not be prima facie penalised by a loss of wages for otherwise meritorious service with an employer. Moreover, it was, and is, accepted that hardship experienced through a worker's long-term illness should be alleviated by the ability of a conscientious employee to draw on certain unused entitlements. This Government fully appreciates the need for sick leave entitlements. I can recall my grandfather, who was a shearer, telling me that much earlier in this century he nearly cut his hand off. For five weeks he lay in a shearer's hut while his hand got better. At that time he received no pay and no sick leave entitlement. All he received were handouts from some of his mates who were also shearing on that property. Let there be no doubt that this Government understands the need for sick leave entitlements. This Government is fully committed to sick leave entitlements. It is abundantly clear to Government members that the practice of cashing in is totally inconsistent with the equitable principle that sick leave entitlements are meant to cater for genuine illness. The Government is firmly of the view that, simply put, sick leave entitlements should not be used to reward financially someone for being fit and healthy during a term of employment. The objection of the Government to cashing in is succinctly summarised by the former Australian Conciliation and Arbitration Commission, whose Full Bench strongly stated in the 1984 technological change and redundancy test

case the following:

> Numerous decisions of this Commission and other industrial tribunals make it clear that sick leave should be regarded as a contingent right analogous to insurance. It is meant to provide for periods when the worker is ill and it would be wrong in principle to determine that this accumulated safeguard against loss of wages during an employee's working life should be turned into a cash payment on termination of employment.

That concisely stated view typifies the approach taken by industrial tribunals throughout
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Australia. Indeed, the Full Bench of the Queensland Industrial Commission, in a 1972 test case, rejected a claim for the payment of a cash equivalent of untaken sick leave by emphasising that sick leave must be distinguished from other forms of paid leave, such as annual leave. Under the New South Wales industrial relations system, it is generally the case that provisions for the payment of accumulated sick leave have been the result of consent awards and agreements. There are very few arbitrated decisions in relation to cashing in of accumulated sick leave entitlements. In one of the few cases that have proceeded to arbitration, Conciliation Commissioner Mills in 1978, in rejecting a union's claim for an award variation seeking payment for untaken sick leave, said:

> If there is to be a consideration of the treatment over a total period of service, which there seems to be in the consideration of rewarding someone for being fit during his period of service, then that should be looked at in the light of the original reason behind the provision for sick leave. That was to endeavour to ameliorate the difficulties which a worker may have when stricken by sickness which prevented him from earning his livelihood.

Research undertaken in 1987 by the New South Wales Department of Industrial Relations and Employment - as it was then known - discloses that the practice is not widespread but nevertheless concentrated. This is to say, provisions for the payment of accrued sick leave exist in approximately only 16 per cent of surveyed State awards and industrial agreements. However, one-third of those occurrences relate to local government and county council workers. Indeed, over 50 per cent of local government employees and 80 per cent of county council employees have access to some form of cashing in of accrued sick leave. Cashing in is a significant problem because of the heavy financial burden it places on the organisations which are liable for payment of the due amounts. Of course, whilst accumulated sick leave may date from early periods of an employee's service history, it is usually paid out at the employee's final termination salary level.

Let me cite an example of this financial burden for the benefit of honourable members. It is reportedly the case that the liability of the Wollongong City Council for untaken sick leave as at the end of 1991 was approximately $10.1 million and that this figure is increasing at the rate of $1 million per year. Indeed, it is instructive for honourable members to note that that council is taking steps to change accrued sick leave payment provisions as they and other generous employment provisions add $100 to ratepayers' bills each year. Obviously, such payout figures place huge burdens on local councils at a time when most find it very difficult to maintain services to the public, including road construction and maintenance, water drainage, libraries and numerous other accepted and needed services. The development of cashing-in provisions over the last 50 years was designed to compensate particular workers for relatively low remuneration and superannuation entitlements. The practice served to assist in the recruitment and retention of staff in prosperous economic times, times long since ended. Clearly, those conditions do not prevail today in the Australian economy, particularly in the case of superannuation entitlements which have been significantly enhanced over the years.

The practice of cashing in essentially also penalises employees unfortunate enough to fall ill. It can be argued that the current practice disadvantages those employees with physical impairments who may be more likely to take sick leave than their able-bodied work colleagues. By removing the cashing-in provisions, the bill seeks to level the playing field. Those who have maintained good health during their

working life will no longer be able to turn this to their financial advantage. Likewise, those who have been unfortunate enough to fall ill regularly while working and employees with physical impairments who use their sick leave provision extensively will no longer feel

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that they have been financially disadvantaged in comparison with their healthier work mates. Any assertion that the availability of cashing-in benefits may have a significant effect on curbing relatively high absenteeism rates is an absolute furphy. There is no empirical evidence to back up such a claim. Research studies rather highlight the fact that more cost-effective methods of controlling abuse of sick leave entitlements stem from employer monitoring and counselling procedures.

Having expounded what this Government believes to be a compelling argument based on principle, equity and cost considerations for prohibiting cashing in of accumulated sick leave, let me now turn to the actual provisions of the bill. It is to be noted at the outset that the bill now before this House was the subject of six successful amendments moved by the Opposition in the other place. The Government is firm in its resolve that those amendments are totally unacceptable and that I shall be seeking in the committee stage of debate in the House to have the original wording of the bill restored. Proposed new section 99A to be inserted into the Industrial Relations Act 1991 will prohibit State awards, former industrial agreements and related public sector agreements from authorising the cashing in of accumulated sick leave on the termination of employment or at any earlier time.

It is the Government's belief that enterprise agreements should also not be a vehicle for the authorisation of this cashing in practice. To this end, the original intention of the bill will be asserted by the Government's proposal of four related amendments to undo the damage inflicted on the bill in the other place. While I shall address the specifics of this issue at a later appropriate time, it is incumbent on me to raise two issues relating to enterprise agreements and sick leave cashing in at this point in time. Firstly, it needs to be clearly stated that it is simply nonsensical and hypocritical for honourable members opposite to believe that the practice of cashing in is unwarranted and yet allow for its continuance in single issue enterprise agreements seemingly involving employer capitulation to union demands on the matter. Secondly, it is in any event arguable that the series of amendments of the Legislative Council supposedly empowering enterprise agreements to include cashing-in provisions may well prove futile. It is all very well to in effect delete references to enterprise agreements throughout proposed section 99A, but section 121(1)(b) of the Industrial Relations Act may nevertheless come into play to still render the area as off limits to enterprise agreements. Section 121(1)(b) requires that:

> . . . an enterprise agreement must include provisions . . . fixing conditions of employment of a kind capable of being fixed by State awards.

If sick leave cashing-in provisions are prohibited for State awards under proposed section 99A, then they could well be outlawed in enterprise agreements by virtue of section 121. This would particularly be the case with single issue enterprise agreements, being agreements which solely relate to payments for untaken sick leave at a particular enterprise. The Opposition may well have been found out. Its haste in attempting to frustrate the Government's legislative aims may in reality have been thwarted. Returning to the overall policy of the bill, existing cashing-in provisions in awards and specified agreements will have no effect from the date of commencement of the proposed Act, except for the savings provision in the proposed section 99A(5). Certainly, the Government recognises that employees currently eligible for cashing in benefits would naturally have based their future financial and retirement plans upon their anticipated termination rights.

The bill, as it was introduced by my colleague the Minister for Industrial Relations, in the other place, will preserve those cashing-in termination rights. But it was intended by the original working of proposed section 99A(5) that any sick leave taken by those employees after the proposed Act's commencement date was to be deducted from

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the total of unused accrued sick days able to be cashed in. That balance would be the amount of sick

leave able to be cashed in upon the employee's eventual termination. It is considered by the Government that the application of this formula in respect of continuing employees would produce a result which strikes a proper balance between previously acquired rights and the correct rationale for the taking of sick leave. However, the bill, as it is received by this House, has been amended in a material respect in the other place. Though the cashing-in entitlement of continuing employees at the proposed Act's commencement date will still represent a maximum figure for eventual payment on employment termination, the effect of the carried amendment is that an employee's future sick days will firstly come off the employee's latest grant of sick leave credits.

As presently drafted subclause (5) effectively means that the stock of cashing-in days will only be used, and accordingly reduced for final payment purposes, once serious illness has forced an employee to exhaust all of his or her latest annual sick leave credits. I signal the Government's intention in Committee to restore proposed section 99A(5) to its original form. I shall elaborate further on this provision at that stage. Finally, the attention of honourable members is directed to subclause (6) of the intended new section 99A whereby employer-employee agreements may be struck allowing existing cashing-in entitlements to be bought out as part of ongoing reform at the enterprise level. The bill will restore the notion that sick leave should in all cases be limited to being a benefit available only to genuinely ill employees. With the reservation that the Government will be moving amendments to achieve its overall legislative aims, I commend the bill for its promotion of a necessary and timely reform.

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

AUCTIONEERS AND AGENTS (AMENDMENT) BILL (No. 2)

Second Reading

Debate resumed from 28th October.

Mr JEFFERY (Oxley) [9.33]: I am pleased to speak in favour of the bill. I congratulate the Minister for Planning, and Minister for Housing for his conciliatory action in reviewing the proposed licensing reforms, especially having regard to the submissions that were received, some of which came from my own electorate. I have had lengthy discussions with my constituents and with stock and station agents in my electorate. I have a deep affection for stock and station agents in New South Wales. I had dealings with stock and station agents in New South Wales in my former occupation as a farmer and share farmer about cattle, sheep, pigs, calves, and property transactions. They have always provided excellent service. I welcome the decision to withdraw the original bill, which was redrafted to retain the stock and station agent licence and business agent licence. The revised bill is more acceptable and better reflects the community's demands.

The main purpose of the bill is to rationalise substantially the licensing schemes administered by the Real Estate Services Council. When the council was formed in June 1990 it was invited to review the need to regulate suppliers of services to the real estate industry and to advise the Minister on future policy directions. This was done as part of the Government's business licence reduction program, which was aimed at removing unnecessary government interference in business - red tape. In tackling this large task the council adopted a staged approach. The council reviewed all categories of licences

and certificates of registration to assess whether any licence had become redundant or could be extended, and whether administration procedures associated with licensing could be streamlined or improved. The proposals in the bill were formulated following detailed consultations with real estate industry groups, individual licensees, consumer organisations and other bodies likely to be affected by the legislation.

Regulatory impact statements detailing the council's proposals to issue licensing certificates were released for public comment in June 1991. At that time 110 submissions were received in response to the statements. The council's proposals were reconsidered in the light of those submissions. The bill will

give effect to a number of comprehensive licensing reforms to remove unnecessary red tape. The number of licensing categories will be reduced from 10 to six, and the number of certificate categories will be reduced from five to one. The outmoded registration category will be abolished, which is good news. Schedule 1 to the bill provides for the termination of categories of licences and registration which have become redundant, ineffective or unnecessary: stock buyers licences; the business agents licence; the auctioneers general licence; the auctioneers primary products licence; and the chattel auctioneers licence. Initially, general auctioneers will become known as auctioneers and will be the only persons authorised to auction land or livestock. Other forms of auctioneering will be deregulated.

Schedule 2 to the bill provides for further licensing reforms. The real estate agent licence will cover the sale, purchase, exchange, letting or leasing of land, excluding land greater than an area of two and a half hectares that is used only for agricultural and pastoral purposes. A real estate agent will be authorised to auction land without the need to hold a separate auctioneer's licence. I have had a great deal to do with ordinary real estate agents in relation to the sale and purchase of blocks of land. I have used the services of real estate agents on many occasions but have not always made money on those deals.

Mrs Grusovin: But you have always been happy.

Mr JEFFERY: I have always been happy. The greatest lesson in life is learned through the pocket, and I learned that early in my life. The only real estate agent who had a bit of a lend of me was one in Victoria, not in New South Wales, when I sold a block of land at Euroa.

Mr Price: We know what those Mexicans are like.

Mr JEFFERY: I was born in Mexico, south of the border, but was exported to New South Wales, and this State and Parliament are the better for it. The stock and station agent licence will authorise its holder to sell agricultural land and livestock by private treaty or at auction. Under schedule 2 the auctioneer licence will be abolished and real estate agents and stock and station agents will be authorised to auction land or livestock. My long association with the industry caused me to have reservations about the earlier version of the bill. I spoke to the Minister and expressed strong views about it.. The earlier version, introduced during the autumn session, proposed to modify the real estate agent licence to a real property agent licence, and the stock and station agent licence to a livestock agent licence. The current bill does not contain those measures. The Government considered that the earlier proposed reforms could disrupt agency services in rural areas - areas that I have lived in all my life - in a way that would exacerbate existing financial hardship. Though there may be logic in introducing a licence to cover all transactions, it is also logical to retain the stock and station agent licence for the sale of rural land.

Agents selling rural land need detailed knowledge of soils, climate, pastures, crops, livestock, commodity markets and carrying capacity of land. Stock and station agents have special expertise and build up depth of knowledge over many years. Some of the younger agents learn quickly out in the real world of rural New South Wales and rural Australia. The Real Estate Institute is on record as saying that the main thrust of regulatory reform of real estate services in New South Wales has not been compromised by the decision to retain licences for stock and station agents and real estate agents. Also, the Real Estate Services Council will ensure that the public is informed about these proposed reforms and their effect. The honourable member for Heffron referred to Jonathan Chancellor's "Title Deeds", the excellent column in the *Sydney Morning Herald* each Saturday. I never miss it; it is one of my favourites. I love looking through all the real estate columns; I suppose that is one of my hobbies. When I visit a country town the first place I visit is a real estate agency to look in the window at all the properties for sale and the prices being asked.

The bill introduces only one new licence, the on-site residential manager licence, to be held by

those who purchase managing rights for holiday units. That form of accommodation is significant in the Oxley electorate and along the coast at Port Macquarie, Coffs Harbour, on the mid North Coast and North Coast, at Nambucca Heads, South West Rocks and elsewhere. That type of management has become prevalent in holiday destinations on the North Coast and South Coast. Though the climate in the south is a little colder, it is a beautiful area to visit during the summer. The proposed new licence will allow holders to collect bonds, deposits, rents and fees for premises let for holiday accommodation for a period less than two months. These reforms will legalise the position of unit managers in holiday locations and ensure those managers have adequate training to handle the responsibilities of the licence. Only one category of certificate of registration is proposed rather than the present five categories. Currently an employee who wishes to retain all five licences must hold a certificate of registration in each class for two years. That means that many employees have to hold multiple certificates. The proposed reduction to one category of certificate of registration is a cost-saving efficiency measure that will facilitate career development for employees in the industry without diminishing the level of protection for consumers dealing with employees rather than licensed agents.

The bill aims to increase professionalism in the industry and enhance consumer protection by introducing educational requirements for salespersons and trainee managing agents. A 39-hour course will be introduced and developed by the council and it is hoped that will be available next year. I congratulate the council for that wonderful initiative. Schedule 3 recommends that the licence renewal period be extended from one to three years. That proposed reform has widespread industry support. The provision will be phased in over a three-year period to avoid unnecessary financial hardship. Current agents will have the option of paying licence fees in three annual instalments. The bill provides also for power to make regulations requiring agents to publicise their fees and commissions.

Between 1979 and 1989 successive governments have deregulated agents' fees and commissions other than those solely for residential property transactions. It is intended that these fees will be deregulated but not until regulations have been put in place requiring agents to publicly display their fees and commissions and also provide consumers with an estimate of total remuneration at the time an agency agreement is effected. These reforms will enable those selling their homes to compare fees and services in a competitive market climate. However, it should be noted that the power of the council to review whether fees and commissions charged are reasonable for services

provided will be retained. The bill encompasses a comprehensive package of licensing reforms and will go a long way towards streamlining regulation of the real estate service sector while ensuring protection of the public in New South Wales. I congratulate the Minister for Planning, and Minister for Housing on introducing the Auctioneers and Agents (Amendment) Bill (No. 2), which is a great improvement on the original version. I support the bill.

Mr PRICE (Waratah) [9.50]: I support the amendment moved by the honourable member for Heffron. This is a redrafted bill which ignores several basic proposals put forward by the Prices Surveillance Authority, in particular the inquiry proposed by that authority. A Federal agency was willing to undertake an exhaustive and extensive inquiry into the industry in all States, but especially in New South Wales having in mind the present legislation. For some reason the Government has seen fit to disregard that offer. One must ask why. Where did all of this start? Was it a consumer motivated action or was it motivated by a review of regulations? Was it an initiative of the Real Estate Services Council? What prompted the Government to go down this path? There have been some interesting occurrences between the first draft and the second draft of the bill. It is worth while to quote what the Minister said in the other place when the legislation was proposed in September this year. He said:

> The bill also proposes to abolish the business agent licence and the business salesman's certificate. When it was established, the Real Estate Services Council was asked to examine as a priority the necessity for this licence. The licence has already been the subject of extensive review, and its termination was first canvassed in 1987. Abolition of the licence will increase the range of services to the public. Accountants and merchant bankers who cannot meet the experience

requirements for the business agent licence, but who are licensed securities dealers under Australian Corporations Law, will be able to handle business sales brought about by the transfer of shares in a corporation. Those purchasing businesses can continue to rely on other legal remedies and, in practice, the loss of access to the council's compensation fund will have a negligible impact. The bill requires that the sale of freehold or the assignment of a lease in connection with a business must be dealt with in future by a licensed real estate agent. As 98 per cent of current business agents will be eligible for this licence, deregulation will be achieved with minimum hardship to industry or the public.

I draw the attention of the House to comments made by the Minister for State Development, and Minister for Arts in his second reading speech, in particular to a paragraph in *Hansard* of 28th October:

> The bill preserves the business agent licence and the requirement for business salespersons to hold a certificate of registration. The licensing system appears to have been successful in keeping unscrupulous agents out of the industry and minimising claims for compensation arising from the fraudulent misappropriation of trust moneys by business agents. To achieve the council's objective of reducing entry barriers to the occupation, the Auctioneers and Agents (Amendment) Bill 1992 (No. 2), first print, was amended in the Legislative Council to provide that certain accountants need not comply with the requirement to complete an approved educational course or to hold a certificate of registration for two years to qualify for a licence.

There has been a significant turnaround, particularly in regard to the maintenance of a trust fund and the need for safeguarding the public with a form of consumer protection. To protect consumers there must be access to a compensation fund if there is misappropriation or fraudulent action by those in the industry. I am sure that the industry would be far more comfortable if those protections were available by way of legislation so that the industry could demonstrate its bona fides, good faith and standing in the business community and indeed within the general community. I am concerned that the turnaround was seen to be necessary. A mass of evidence has been available on this matter since 1989. I refer to an article in the *Australian Financial Review* of Wednesday, 24th May, 1989, entitled "Action Still Pending on Accountants":

> The controversy over accountants illegally muscling their way into the New South Wales business brokerage industry is set to flare again after the completion of a report for the State Government which addresses this sensitive area.
>
> In 1985, the surge in the number of chartered accountants handling the sale of businesses in New South Wales prompted the State Government to issue a warning that such action was illegal unless the accountant was a licensed business agent.
>
> But almost four years later Sydney newspapers are still littered with advertisements placed by accountants selling businesses.

That practice continues. I return to the quotation:

> Despite many complaints, the government body which oversees the area - the Council of Auctioneers and Agents - has yet to successfully prosecute an accountant for acting illegally as a business broker.

A number of controversial and grey, if not black, areas associated with the legislation have not been fully covered by this bill. I have had experience with unscrupulous dealers - not personally but through consultations with constituents. I am aware of reports in the newspapers from time to time of a number of examples of unscrupulous trade - for instance, traders selling in areas that are not zoned for the purpose they propose. North Arm Cove received a great deal of publicity in the real estate columns of the newspapers, especially those circulating in the Hunter and northern regions. The local council objected

most strongly to rural land being subdivided as though it were residential land and being sold off to people, with a vague promise that it may eventually become available for residential use, though it was known full well that council zoning would not permit that to occur for many years. Those types of dealings would be rampant if controls were not available to the industry or were not required by this or another government. Honourable members have a deep and abiding obligation to their constituents to keep people as honest as possible, even if people cannot help themselves. They must also protect those unsuspecting people who are not knowledgeable in the ways of the law or do not understand business practices and therefore put their complete trust in agents and expect to be treated properly. From time to time in this industry, as with other professions that are not subject to regulation, people find that all is not well and they have been dealt a fairly nasty body blow - usually at about the hip-pocket level.

I am concerned that a number of other changes are being made to suit the traders and not the purchasers. I should address briefly the changes that will be made to the auctioneer licence requirements, for instance, the abolition of the chattel auctioneer licence. The reason for this change seems to be that items in this category are not real property and therefore should not come under the responsibility of the Real Estate Services Council. Perhaps that is a reason, but it is not a good excuse for deregulating that part of the auctioneering industry. If protection were not available under the present licensing arrangements, people who attend auctions, especially for the sale of deceased estates, small collections of bric-a-brac and antiques, which abound in the community, would have no guarantee that the products for sale were what they were claimed to be. Purchasers would have no redress, and the person selling the goods would not have any protection. I do not believe that the Government would knowingly want to create that type of situation. The way the bill is framed leads me to believe that will happen. Complaints to the Consumer Claims Tribunal will be a continuing problem for the Government.

I hope the Government will think carefully about the amendment proposed by the honourable member for Heffron and defer the second reading of the bill for at least four months. Unless that action is taken and advantage is taken of the offer made by the

Prices Surveillance Authority, the Government will be doing the people of New South Wales a disservice. What will be the effect in this State of the deregulation of fees? At present maximum fees are prescribed. Theoretically a person wishing to sell real estate can negotiate with a real estate agent to obtain a more satisfactory fee level. There is little evidence that this occurs in practice. Fees are rigidly adhered to and no room is allowed for negotiation. I have not heard of people calling tenders for selling agents in the real estate industry. Yet in a fully deregulated environment it would be quite proper to call such tenders. I cannot see the industry complying voluntarily, particularly in cartel operations.

Deregulation in New Zealand occurred some years ago. Fees did not just stabilise; they jumped. In a period in which the consumer price index increased by about 52 per cent fees almost trebled, disadvantaging the community and distorting the cost of property transactions. In view of our international situation, with finance difficult to obtain and prices static, it is unreasonable to risk a quick and significant increase in present fees by introducing deregulation. That would hurt little people just as much as it would hurt big people. I speak particularly of those wishing to purchase. I am surprised that the industry is seeking to increase depressed incomes by hitting people who wish to purchase. It seems to me contradictory to reduce sales opportunities by increasing fees to maintain the same level of income with fewer sales. I would think that the reverse would be the case and that people would be encouraged to purchase, but experience elsewhere is that that is not so. I turn to security dealers. They are represented by 600 organisations in this State employing 9,000 people, as the honourable member for Heffron stated in leading for the Opposition in this debate. Very few have had experience in selling businesses: they do not know what is required of a competent business agent. This brings us back to the educational requirements for agents. I cannot understand why the Government would allow the situation to deteriorate. In view of the well-documented disasters, the legislation should reflect control, not liberalisation. Some people who operate as security dealers are now residing overseas because of current court action. [*Time expired*.]

Mr SMITH (Bega) [10.5]: I commend the Minister for State Development, and Minister for Arts on the reduction in licensing generally and the introduction of a new class of licence necessary for on-site residential property managers. I shall confine my remarks to that aspect of the Auctioneers and Agents (Amendment) Bill. The rest of the bill has been ably covered by the honourable member for Oxley in his 15-minute speech. In the electorate of Bega and in other holiday areas such as the North Coast on-site managers have operated illegally, perhaps unknowingly, for years. As I remember it, on-site management started in Merimbula in the Bega electorate in about 1980, at about the time that strata title units started in the area. One unit in a complex would be larger than the other units and this would be for an on-site manager to live in while managing the complex on behalf of the other unit owners. The system worked extremely well. In 1987 this form of management was challenged by a unit holder from Narooma who was upset with the manager of a complex in the area.

The then Minister for Consumer Affairs was asked to grant an amnesty against prosecution to such on-site managers. No legislative action was taken to correct the situation until the former Minister for Housing introduced an amending auctioneers and agents bill last year. Merimbula is a major holiday destination in my electorate. It has more than 1,000 self-contained holiday apartments which, generally, are managed by resident on-site managers. At least 60 complexes are managed in that way in the town, and other holiday areas such at Batemans Bay and Narooma have similar arrangements. The sizes of the complexes range up to 30 units. Usually they have a high occupancy

rate - up to 90 per cent. Holiday-makers staying in the units like to be able to contact an on-site manager if there is a problem that needs to be rectified. Unit owners who do not live in the towns in which the units are situated promote the units to people for holidays. After investing in the units they become salespeople for the complex.

I should like to emphasise that real estate agents, who one would have expected to be opposed to the legislation because it removes part of their monopoly on these units, in fact are in favour of it. Previously on-site managers were not licensed and were illegally renting out units. Real estate agents are in favour of the legislation for several reasons. One reason relates to the occupancy rate. If a unit in the complex is offered for sale they can point to an average occupancy rate of, say, 90 per cent. They also have the right to sell the management rights. Until now these practices, though illegal, have been accepted. This bill simply legislates in respect of current practice. The former Labor Government created an amnesty, but year after year did nothing to rectify the situation. The bill introduces a new licence, which is probably contrary to the deregulation philosophies of this Government. The bill also abolishes certain licences. However, it recognises the need for an on-site residential property manager's licence. Approximately 200 persons are acting in the capacity of resident managers on the North Coast, South Coast and Central Coast involving more than 2,000 units. Rental funds raised are estimated to be in excess of $20 million per annum, so this is an extremely large area to market.

Rental income from on-site managed holiday units in Merimbula alone is estimated to be between $5 million and $6 million. The necessity for such funds to be protected by trust accounts is all too apparent when one considers the amounts involved. The previous Labor Government recognised the extent of unlicensed management in holiday locations, but simply declared an amnesty; it did not do anything about the problem but buried its head in the sand. As my colleague the honourable member for Oxley said, considerable consultation took place with community groups: various groups visited my area. The Council of Auctioneers and Agents, now part of the Real Estate Services Council, visited the area and released an impact statement which was widely circulated in the community. Much of what was gained from that consultation has been incorporated in the present legislation. Clients of licensed on-site residential property management will have the protection of the compensation fund of the Real Estate Services Council in the event of someone defrauding the trust account. That important measure is contained in this bill. I have covered generally the pertinent points in this legislation and I support the bill.

Mr COLLINS (Willoughby - Minister for State Development, and Minister for Arts) [10.15], in reply: I wish to reply to a number of points made by the honourable member for Heffron. Last night she began

by complaining about the time spent on the bill to date, yet she has moved by way of an amendment that the passage of the bill be postponed for a further four months. In defence of this position three matters were raised. First, she said that the Minister for Planning, and Minister for Housing, the Hon. Robert Webster, had foreshadowed in his second reading speech in the other place that a further review of the Act and regulations was necessary in stages two and three of the council's regulatory review program. Stage two of the council's review program involves an assessment of the extent to which the industry can move towards co-regulation. This is not a valid reason to defer action on this bill which represents the culmination of stage one of the council's review program, namely, the licence reduction program. Until the council's licensing structure is settled, it cannot move on to the next stage of its review.

The honourable member notes that the Government has revised twice the terms

of the bill. The Government makes no apology for being prepared to reconsider important policy issues following representations from a range of industry associations affected by the proposal. Members of all parties and the Independents have been fully briefed on the effect of the amendments introduced in the other place. The second reason given for deferring action on this matter is the recent release of a report by the Prices Surveillance Authority following its inquiry into real estate agents' fees. The honourable member for Heffron suggested that neither the Minister nor the council was familiar with the terms of the report. This is not the case. My colleague the Minister for Planning, and Minister for Housing received a detailed briefing on the report two days after its release, providing a comprehensive assessment of the recommendations and their relationship to existing government policy. Mr Webster has asked the council to assess all of the recommendations as a matter of urgency and to determine what action should be taken on them. At the council meeting on 27th October the council formed a subcommittee to undertake this work for report back to the November council meeting. Certainly no action will be taken to implement fee deregulation until this report has been assessed thoroughly.

The honourable member for Heffron spoke about the PSA inquiry on consumer awareness. I shall comment on some specific matters raised in the PSA report. Anyone would think the bill before the House was all about fee deregulation - it is not. Deregulation of fees could be done tomorrow by regulation. However, the Government does not propose to move on fee deregulation until regulations have been put in place requiring agents to display publicly their fees and commissions. The bill gives the power to make these regulations. The Government's proposals to raise consumer awareness about their right to negotiate fees are totally consistent with the PSA's proposals. In fact, the PSA's proposals are so close to those outlined by this Government one would almost gain the impression it borrowed them from us. The PSA report says there should be compulsory requirements on agents to provide written information to prospective vendors prior to signing an agency agreement regarding the fact that these are negotiable; the amount of fees in dollars and percentage terms proposed by the agent; the details of services provided for in the proposed fee; and the availability of an independent body to review complaints about fees.

The Government proposes that an agent must display a guide to his or her fees, commissions and expenses in a public area of the office. The guide must state that the fees are negotiable. Agents must give the parties to an agency agreement a brochure or information sheet about their fees policy at the time the agreement is completed. They are perfectly reasonable steps. The agency agreement is to state the rate, the method of calculating fees, the amount in dollar terms in relation to the recommended selling price, and the sum total of expenses requiring reimbursement. The council will continue to review charges to determine whether they were reasonable for the services provided. At present this service is provided at no cost to clients.

Much was made by the honourable member for Heffron of the New Zealand experience. The PSA also made reference to the New Zealand experience. The PSA claims that agents' fees increased by 136 per cent when the Real Estate Institute in New Zealand abolished its maximum fee scale. I am not sure what happened in New Zealand. In the *Sydney Morning Herald* on 24th October the chairman of the PSA was quoted as saying that fees in New Zealand increased by only 100 per cent. That is a nice round

figure. The Real Estate Services Council has checked the facts with the New Zealand Real Estate Agents Licensing Board and the president of the New Zealand Real Estate Institute at the time, Bill Matthewson. He strongly disputes the contention of the Consumers Institute of New Zealand that agents' fees increased by 136 per cent when the
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recommended scale was withdrawn. He says - and the House will ultimately decide this matter - that when agents became free to negotiate fees the standard 3 per cent fee increased to 3.5 per cent in some cases and fell to 2.5 per cent in others.

Fees increased in dollar terms in line with increases in property prices during the boom market of the late 1980s. At that time inflation in New Zealand was running at a rate of approximately 18 per cent to 20 per cent. Obviously with ad valorem fees the higher the price of a home, the higher the agent's fee will be. At this point I should mention that the Real Estate Institute of New South Wales has no intention of recommending to its members a scale of fees when fees are deregulated. To do so would probably bring a charge by the Trade Practices Commission of collusive pricing. The PSA report fails on its own logic. It says that deregulation should not take place without licensing reforms to increase competition. However, the fee increase in New Zealand took place in the context of a 43 per cent increase in the number of agents. The report notes:

> It would appear that the influx of persons practising in the industry has not resulted in increased competition and a lowering of fees.

Why then does the Opposition advocate that deregulation in New South Wales should await further licensing reforms that will only lower professional standards in the industry? I want to make reference to the impact of the deregulation of solicitors' fees in this State during the past 12 months. That is a clear indication of how competition within a profession can force a rapid shake-out in the market. One only has to read any Sydney newspaper to realise that there is a wide disparity in fees charged for conveyancing, for example. That has been brought about by solicitors advertising, and it is long overdue. That analogy has many parallels with real estate agents. The analogy should not be drawn so much with New Zealand, where there is a smaller market -

Mrs Grusovin: What about Tasmania?

Mr COLLINS: Tasmania also has a small market. With all due respect to the southern State, one might as well talk about what is happening in Mosman. New South Wales must be recognised as the power-house, the engineroom, of the Australian economy and what applies in New Zealand or Tasmania does not necessarily apply here or work in the same way here. If one is looking for an analogy, one should look at the price competition between solicitors. The PSA report said that action on deregulation should be conditional on certain licensing reforms and the consumer awareness requirements to which I have already alluded. At the Minister's request, the Real Estate Services Council is examining these proposals as a matter of urgency. The council's preliminary view is that it is somewhat astonished that a government authority is arguing that consumers would be better protected by having less qualified and experienced agents. The PSA argues that the salespeople should be certified solely on the basis of a police check. The bill before the House proposes that after an appropriate transition period salespeople should be required to complete an approved course of study. A 40-hour course, which is not exactly overstretching the friendship, is being developed covering basic law, accounting, selling methods, statutory obligations and ethical conduct. That course will ensure that salespeople have a basic understanding of the laws affecting their occupation.

It is impossible to understand why such a positive step is being opposed by the Opposition. However, there is more. The PSA has argued that in future agents with no prior experience in the industry should be licensed, and there should be no approved
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courses. At present licensees are required to have two years' experience as salespersons and to have

completed an approved course. The PSA considers that these requirements create barriers for people wishing to enter the industry. There is evidence, even in the PSA report, that New South Wales already has a significant oversupply of real estate agents. Strong competition can be expected following deregulation without undermining professional standards in the industry by weakening the licensing requirements. This State has an oversupply of lawyers. That statement reinforces the analogy with the legal profession. Honourable members should forget about New Zealand and Tasmania and look at what has happened in another profession which is sometimes closely allied to this particular sphere of activity. If one wants a working example of what can be done when a coalition government takes action to open up the market, allow a little competition and allow people to advertise, there is the model. It has been provided in the past 12 months, it is working well, and consumers and home buyers throughout the State are benefiting.

However, real estate agent courses are based on the national common core curriculum agreed to jointly by all States and Territories in 1986. In 1990 the courses were heavily rationalised in this State to eliminate unnecessary subjects. In future, courses will be based on national competency standards currently being developed under the auspices of the National Training Board. The PSA seems to have been unaware that 12 months' work has already gone into the development of national competency standards for the property industry. Licensing authorities throughout Australia plan to review educational requirements when these competency standards are finalised. The elimination of the experience requirement for agents represents a major policy change and requires review by the council. If the proposal gains the support of relevant industry and consumer organisations, the Act will be amended accordingly. However, there is absolutely no reason to defer consideration of these licensing reforms because of a few hasty and ill-informed comments by the PSA on this subject. In New South Wales there are about 10,500 licensed real estate agents. If that is not sufficient to bring about a degree of competition in the market-place, no amount of licensing reform will achieve that objective.

I return to the analogy I drew with the legal profession. There are about 11,000 solicitors in this State. They are out in the community fighting tooth and nail for what dollars there are in the conveyancing industry at present. Competition is under way. That is what this Government is about; it is about opening up the market and allowing people to advertise. I turn to the third reason given for deferring action on this bill, namely, the imminent introduction of mutual recognition of occupations, the subject of some interjection by the honourable member for Heffron. The fact that the Mutual Recognition (New South Wales) Bill is now under consideration in the other place is no reason to defer action on this bill. Indeed, the real estate licensing authorities met in December last year to review and rationalise their licences prior to the introduction of mutual recognition of occupations in March 1993.

The working party recommended that the Real Estate Services Council take action to terminate the stock buying agent licence and the real estate dealer registration prior to the introduction of mutual recognition, as these licences do not exist in most States. The impending introduction of mutual recognition of occupations, which requires the licensing authority to automatically recognise a licensed agent from another State or Territory, is one good reason to press ahead with fees licensing reforms at this stage and without further delay. The honourable member for Heffron queried the Government's decision to terminate the chattel auctioneer licence and suggested that consultation on this matter may have been inadequate. The council's regulatory impact statements were the subject of five weeks' public consultation in 1990, and the bill proposing to terminate the

licence has been in the public arena for almost 12 months. How much consultation should there be?

The community looks to the Government after a reasonable period of consultation - in this case 12 months - to make a decision and get on with the job. After all, no one is in this place for ever; it is a matter of getting on with the job once having heard from the relevant interest groups. Those groups expect the Government to push on with this legislation and not fall for this silly furphy about delaying it for another four months. Why not delay it for another three and a half weeks, or six months, or until the honourable member for Heffron's birthday next year! Why on earth pluck four months out of the year? The fact is,

we have come this far and a lot of work has gone into this legislation; let us get on with it. As with all legislation, if for some reason there is a defect we come back and fix it. That is the whole process of Parliament. A bill has never been introduced into this House that has not been amended at some stage, no matter how perfect it was thought to be when originally introduced. All legislation is introduced: and then there is a process of change, improvement, and progress. The Government has done the work to get the legislation this far. Let us push ahead and get on with it.

I could probably continue to address the House for some hours, but I do not propose to do so. I will conclude on a couple of points. Last night the Opposition put forward its legal advice. The council also has taken legal advice on the matter of compensation. Briefly the position is - and this is one of the key points raised by the honourable member for Heffron, and mentioned by one or two other honourable members - that where a business transaction involves the sale and purchase of shares, it would fall within the business of dealing in securities. A vendor or purchaser of shares who suffers a pecuniary loss, due to the failure of a dealer to conduct the security business properly, may make a claim against the dealer for the loss. In the event that the dealer does not satisfy a successful claim, the claimant can apply to the Australian Securities Commission for it to supply the security deposit in satisfaction of the claim, provided the commission gives the dealer an opportunity to be heard before deciding whether the claimant should be compensated out of the security deposit.

This right is in addition to other courses of action that the vendor and purchaser have. Agents have a general obligation under common law and contract law to follow the instructions of their principal and to carry out their obligations and duties with proper care and skill. They must act in good faith in the principal's interest; are obliged to disclose all offers for purchase of a business and any potential conflict that the agent may face in acting for the vendor or purchaser; and are not to accept any secret commissions. There are also provisions in the Crimes Act which specifically deal with corrupt receipt of commissions by agents. An agent can also be held liable for breach of contract of agency in the event of defalcation. Any action which a person wishes to take under the general law, whether it be framed as breach of contract or trust, or both, must be directed through the courts unless the matter can be settled through negotiations. There are a number of statutes which impact in various ways upon the activities of dealers. There are a number of provisions in the Crimes Act of potential relevance in governing the actions of dealers; in particular the provisions in respect of fraud are relevant.

In the event that the sale of a business does not involve the transfer of shares, the transaction falls outside the business of dealing in securities. Accordingly, a person aggrieved, whether it be the vendor or purchaser of the business, cannot make a claim

against the security deposit lodged by the dealer with the commission. However, there is nothing to stop an aggrieved vendor or purchaser of a business making a claim against the dealer under the general law or any applicable statute, such as the Trade Practices Act or the Fair Trading Act. An aggrieved vendor or purchaser could sue the dealer for breach of contract, breach of fiduciary duty or trust, if applicable, or simply report the activities of the defalcation, if criminal, to the police. The provisions of the Crimes Act apply irrespective of whether the sale of the business involves a transfer of shares. The depth of information I have given on the security dealer licensing scheme indicates that there has been extensive consultation at officer level with the Australian Securities Commission prior to formulating the relevant amendments.

I listened last night with courtesy to the speech of the honourable member for Heffron, and tonight I have ignored her constant attempts at interjection. Basically, she has not shut up for the entire time I have been speaking. Having extended that courtesy to her during the monotonous and turgid diatribe that she inflicted on this House last night, I would have thought that she might at least have had the decency to keep quiet and not prolong these proceedings any longer than is necessary. I inform the honourable member for Heffron and everyone present - and I propose to conclude at this stage unless provoked further by the honourable member for Heffron - that the Government obviously consulted very widely before bringing this legislation before the House. The Government has talked to every conceivable

interest group. The Government puts the consumer interest first and foremost. This legislation will take this State towards the type of market reform that has brought results in other areas over the past four and a half years. To suggest that the Government would do anything but that is absurd in the extreme.

The honourable member for Heffron is well aware, because she has been a Minister, that legislation like this is not something that members of a political party draw up in the dead of night in a smoke-filled room, scratch on the back of an envelope, and then have drafted by the Parliamentary Counsel and bring before the Parliament. Rather, it evolves after a painstaking consultative process. That is the course that the Government has followed in this case. No stone has been left unturned. The door cannot be left open for further change and improvement - and any sensible, responsible government would admit that. This step must be taken tonight; the legislation is obviously a quantum leap ahead of where we are at the present time. If that cannot be acknowledged by the honourable member for Heffron, that is not a reflection on this Government; it is a reflection on the honourable member for Heffron and the Opposition. All too frequently in this House when there is discussion about legislation that works, Opposition members say it is theirs. The Opposition purports to have a monopoly on common sense. That is, of course, utterly absurd, as is demonstrated every day by the incompetence of Opposition members in this House. The Government has consulted widely in relation to this legislation and believes that it is in an appropriate form to proceed for the benefit of the consumers of New South Wales. I commend the bill to the House.

Question - That the word stand - put.

The House divided.

Ayes, 42

Mr Armstrong
Mr Blackmore
Mr Causley
Mrs Chikarovski
Mr Cochran
Mrs Cohen
Mr Collins
Mr Cruickshank
Mr Fraser
Mr Griffiths
Mr Hartcher
Mr Hazzard
Mr Humpherson
Mr Jeffery

Dr Kernohan

Mr Kerr
Mr Kinross
Mr Longley
Dr Macdonald
Ms Machin
Ms Moore
Mr Morris
Mr W. T. J. Murray
Mr O'Doherty
Mr Packard

Mr D. L. Page
Mr Peacocke
Mr Petch
Mr Phillips
Mr Photios

Mr Rixon
Mr Schipp
Mr Schultz
Mr Smiles
Mr Smith
Mr Souris
Mr Turner
Mr West
Mr Windsor
Mr Zammit

Tellers,
Mr Beck
Mr Downy

Noes, 41

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

Mr Hunter
Mr Iemma
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr McBride
Mr McManus
Mr Markham
Mr Martin
Mr Mills
Mr Moss
Mr J. H. Murray
Mr Neilly
Mr Newman

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

Pairs

Mr Baird
Mr Chappell
Mr Fahey
Mr Glachan
Mr Small
Mr Tink
Mr Yabsley

Mr A. S. Aquilina
Mr Carr
Mr Irwin
Mr Knight
Mr Nagle
Mr Rumble
Mr Sullivan

Question so resolved in the affirmative.

Amendment negatived.

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

The House divided.

Ayes, 43

Mr Armstrong
Mr Blackmore
Mr Causley
Mrs Chikarovski
Mr Cochran
Mrs Cohen
Mr Collins
Mr Cruickshank

Mr Fraser
Mr Griffiths
Mr Hartcher
Mr Hatton
Mr Hazzard
Mr Humpherson
Mr Jeffery

Dr Kernohan
Mr Kerr
Mr Kinross
Mr Longley
Dr Macdonald
Ms Machin
Ms Moore
Mr Morris
Mr W. T. J. Murray
Mr O'Doherty
Mr Packard
Mr D. L. Page
Mr Peacocke
Mr Petch
Mr Phillips

Mr Photios
Mr Rixon
Mr Schipp
Mr Schultz
Mr Smiles
Mr Smith
Mr Souris
Mr Turner
Mr West
Mr Windsor
Mr Zammit

Tellers,
Mr Beck
Mr Downy

Noes, 39

Ms Allan
Mr Amery
Mr Anderson
Mr J. J. Aquilina
Mr Bowman
Mr Clough
Mr Crittenden
Mr Doyle
Mr Face
Mr Gaudry
Mr Gibson
Mrs Grusovin

Mr Harrison
Mr Hunter

Mr Iemma
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr McBride
Mr McManus
Mr Markham
Mr Martin
Mr Mills
Mr Moss
Mr J. H. Murray
Mr Neilly
Ms Nori
Mr E. T. Page

Mr Price
Dr Refshauge
Mr Rogan
Mr Scully
Mr Shedden
Mr Thompson
Mr Whelan
Mr Yeadon
Mr Ziolkowski

Tellers,
Mr Beckroge
Mr Davoren

Pairs

Mr Baird
Mr Chappell
Mr Fahey
Mr Glachan
Mr Merton
Mr Small
Mr Tink
Mr Yabsley

Mr A. S. Aquilina
Mr Carr
Mr Irwin
Mr Knight
Mr Nagle
Mr Newman
Mr Rumble
Mr Sullivan

Question so resolved in the affirmative.

Motion agreed to.

Bill read a second time and passed through remaining stages.

WOOL, HIDE AND SKIN DEALERS (AMENDMENT) BILL

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Second Reading

Debate resumed from 15th October.

Mr ANDERSON (Liverpool) [10.58]: I am delighted that honourable members have remained for this important piece of legislation. As the Minister told us in his second reading speech, this legislation was introduced in 1935. I do not believe it has been amended since and I doubt that it has been used since. The Opposition supports the legislation, which will replace the court application scheme for the licensing of dealers under the Act. At present there are 130 of them. The legislation will replace the scheme with a police notification scheme which will obviously be more efficient and less costly in terms of its administration than the present scheme is, and will provide protection for the community by way of the provisions in the amending legislation. I understand that during the development of the amending legislation consultation took place with the Police Service, magistrates, all licence holders and the Australian Hide and Skin Leather Exporters Association. Honourable members who have studied the legislation would be aware that, by and large, the Crimes Act and not the Wool, Hide and Skin Dealers Act
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is used to prosecute offenders for stock stealing, which is a prevalent offence in rural New South Wales, and one to which the Minister might turn his attention in the small number of days he has left as Minister for Police - not because of anything he will do but because the Government will ultimately fall.

Mr West: Is the honourable member going to become the Leader of the Opposition?

Mr ANDERSON: No, not me. I am happy to play first grade; I do not have to be the captain. It is interesting that the prison option will be removed from the Act. I do not think honourable members would believe that to be inappropriate. The Opposition is delighted to support the legislation and looks forward to the benefits that it will obviously bring to the people of New South Wales. I thank the House for its indulgence.

Mr GRIFFITHS (Georges River - Minister for Police) [11.1], in reply: I thank the Leader of the Opposition-in-waiting for his support of the legislation. This bill represents a sensible approach - the regulation of a minor occupation for law enforcement purposes. That regulation needs to be the minimum necessary to overcome existing problems, and the notification system will achieve this purpose. However, it is a new approach, and I will ensure that the system is monitored after its introduction. I commend the bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

House adjourned at 11.3 p.m. until Friday, 13th November, 1992, at 9 a.m.

QUESTIONS UPON NOTICE

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

BLACKTOWN HOSPITAL PAEDIATRIC REGISTRAR SERVICES

Ms Allan asked the Minister for Health -

(1) Is Blacktown Hospital able to provide continuous 24-hour staffing of a paediatric registrar?
(2) If not:
  (a) What impact is this situation having on the provision of paediatric services in the Blacktown area?
  (b) What efforts are currently occurring to have a 24-hour continuous paediatric registrar provided at Blacktown Hospital?
  (c) When will this service be provided?
  (d) What other public hospitals in Sydney are without 24-hour paediatric registrar services?

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Answer -

(1) Due to a statewide shortage of paediatric registrars Blacktown Hospital has been unable to provide 24-hour registrar cover for the Paediatric Department. For a 24-hour paediatric registrar cover to be implemented, Blacktown Hospital requires four paediatric registrars. Currently, Westmead Hospital is only able to second to Blacktown Hospital two registrars. As a result, Blacktown Hospital is able to provide paediatric registrar cover from 8 a.m. to midnight.
It is unlikely that the hospital will be able to recruit sufficient paediatric registrars to fill the roster but instead will attempt to recruit suitably qualified resident medical officers.
(2) (a) Paediatric care between midnight and 8 a.m. is covered by visiting specialists or the staff specialist who are available on an "on-call" basis. Emergencies are attended to immediately by resident staff who have experience in this field. The paediatric staff try not to keep "at risk" cases in the hospital. Potentially "at risk" cases are transferred to hospitals which are equipped to deal with such patients.
  (b) The hospital is continuing to advertise for suitably qualified staff.
  (c) The full roster will be restored as soon as suitably qualified staff are available.
  (d) Few hospitals in Sydney have 24-hour paediatric registrars in attendance. Paediatric registrars are junior doctors training to specialise. Their numbers are limited by the potential to find appropriate positions subsequent to the completion of their training.
In the Western Sydney Area Health Service neither Mount Druitt Hospital nor Auburn Hospital offer 24-hour paediatric registrar services. The only hospital presently with this level of cover is Westmead Hospital. Staff at Blacktown can readily consult by phone or transfer patients if required.

HUNTER COMMUNITY PHARMACIST

Mr Mills asked the Minister for Health -

(1) Is there a position of Community Pharmacist in the Hunter Area Health Service?
(2) Is this officer responsible for methadone programs?
(3) Is this position unfilled?
(4) For how long has this position been vacant?
(5) When will the position be filled?
(6) If it is not filled, why not?

Answer -

(1) to (4) No, however, the Hunter Area Health Service is currently considering the establishment of such a position following a review of the pharmacy service provision within the Community, Aged and Mental

Health Sector of the Hunter Area Health Service. It is anticipated that this position will include responsibilities for the methadone program, which is currently oversighted by the Pharmacy Department at Royal Newcastle Hospital.
(5) to (6) The grading for this position is currently being determined and recruitment action will commence in the near future.

BOOLAROO AND SPEERS POINT PUBLIC SCHOOLS LEAD CONTAMINATION

Mr Hunter asked the Minister for Consumer Affairs and Assistant Minister for Education representing the Minister for Education and Youth Affairs and Minister for Employment and Training -

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(1) When will the report on Boolaroo and Speers Point Public Schools lead contamination be released?
(2) What action will be taken in response to this report?
(3) Will lead contaminated ceiling dust be removed from the verandah areas of Boolaroo Public School when the roof is replaced?
(4) Will the remaining tongue and groove walls be sealed with new lining?
(5) Will the Education Department meet the cost of the clean-up and not impose this on the school?
(6) Will the Education Department meet the cost of construction of a playground pergola to provide shaded areas when students' seating is moved from the present contaminated site under trees?
(7) Will students be re-tested for blood lead levels?
(8) Will these tests be extended to all students at Speers Point Public School?
(9) (a) Will the Minister request soil and ceiling dust tests be undertaken at Teralba Public, Booragul Public, Booragul High and Speers Point East Public Schools?
(b) If not, why not?
(10) Will the Education Department fund repair and restoration works to playground damage caused by the construction of the E.R.C. at Speers Point Public School?
(11) Will further soil testing be undertaken at Boolaroo and Speers Point Schools?
(12) Has the Minister received the "Living with Lead" report from Lake Macquarie City Council?
(13) Does the Minister endorse the report's recommendations?
(14) What action will be taken to ensure the recommendations are acted upon?
(15) Is there a serious lead contamination problem in the suburbs surrounding the Pasminco Metals sulphide smelter at Boolaroo?

Answer -

(1) The report was released in June 1992 and indicates that the lead in soil contamination is no higher than the surrounding suburbs but is of a level that requires remedial action.
Copies of the report are available from the Department of School Education, 117 Bull Street, Newcastle West.
(2) The Department has already acted to discuss the report recommendations with the schools and their communities and has devised joint plans of action. The plans include measures to remove the leaded soils and establish monitoring procedures to guard against recontamination.
Ceiling dust has been removed from the roof cavities of Boolaroo, Speers Point and Argenton Schools and Soil Conservation and Land Management officers will work with the schools and their communities to topdress contaminated soil and establish watering and drainage systems and further greening of the sites which will eliminate student contact with lead in soil contamination.
At Boolaroo Public School, soil in the vicinity of the play bars is being removed to a depth of at least 300 mm and replaced with uncontaminated sand. The rest of the schoolyard is being topdressed with at least 50 mm of uncontaminated soil and a good grass cover established. To enable this work to proceed, the students and staff of Boolaroo Public School are being relocated at Speers Point Public School.
At Argenton and Speers Point Public Schools, children have restricted use of the playground as contaminated areas are progressively topdressed with at least 50 mm of uncontaminated soil and good

grass cover established. Future management of these grounds will be such as to ensure good grass cover is maintained.
A working party will be established with representatives of Health, Education and the Environment Protection Authority to ensure ongoing monitoring is assured and action taken as necessary to remedy any recontamination and to enhance programs already underway.

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(3) Yes.
(4) Yes.
(5) Yes. Funding will be provided from the 1992/93 maintenance allocation. The estimated cost of this work could be in the order of $250,000 to $300,000.
(6) This is not considered necessary as the school has a hall and verandahs which already provide shaded areas. Additional tree planting will be a feature of the ground's redevelopment and will in time provide additional shade.
(7) The Department of Health's Public Health Unit is seeking the co-operation of the parents to allow continued testing of students' blood lead levels.
(8) It has been considered necessary to now include children from the Speers Point Public School in the testing. The inclusion of the students of Speers Point is considered by the Public Health Unit to be essential for the establishment of control group parameters and to ensure the ongoing collection of statistical data. This matter has also been raised by the parents of the Boolaroo students as a result of the proposed transfer of Boolaroo students to the Speers Point Public School. The co-operation of the parents of the Speers Point students is currently being sought.
(9) The distance of the school from the smelter dictates the levels of contamination and the degree of blood lead level. It is not necessary to survey schools with secondary school age students. It is thought that expansive testing would be an unwise expenditure of public monies, especially as Speers Point Public School is closer than any of the schools listed and lead in soil levels there are only of a proportion requiring minor intervention.
(10) Yes. The restoration and repair of any damage occasioned to the grounds as a result of the construction of the Educational Resource Centre at Speers Point Public School is included as part of the construction contract and will be completed prior to the official handover of the building to the Department of School Education.
(11) Yes. The Environment Protection Authority in conjunction with the Public Health Unit and the Department of School Education will incorporate ongoing soil and dust sampling of Boolaroo, Speers Point and Argenton Public Schools as part of the overall management plan for the lead remediation program.
(12) A copy of the report has been made available.
(13) The "Living with Lead" report has been compiled to educate and communicate with the general community and residents of the areas affected. The need to educate the general community in the basic principles and philosophies to be adopted by the various bodies concerned (Department of Health's Public Health Unit, the Environment Protection Authority, Pasminco Metal Sulphides and the Department of School Education) should assist in the reduction and prevention of possible contamination through contact with lead in air and lead in soil. The various recommendations that are intended to act as guidelines are supported.
(14) The Department of School Education continues to meet and discuss the current actions, plans and strategies with all bodies concerned. Also, a lead working party, comprising representatives from the aforementioned bodies, has been established. This forum allows for updates and sharing of current action strategies. This forum will ensure that the recommendations are acted upon.
(15) Lead in soil testing has shown greater levels of concern immediately surrounding the smelter at Boolaroo, and Pasminco is actively purchasing property to establish a buffer zone. Levels of concern decrease with distance from the smelter and the prevailing wind direction. Some remediation work will be required in Argenton and Speers Point and residents of these suburbs need to be included in the educational processes implemented to date.

ELECTRICITY HOUSE SIGNS

Mr Hunter asked the Minister for Conservation and Land Management and Minister for Energy -

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(1) When were the "Electricity Commission" neon light signs installed on Electricity House?
(2) What was the cost of the signs?
(3) What was the cost to erect the signs?
(4) When were the signs removed?
(5) What was the cost to remove the signs?
(6) What has happened to the old signs?
(7) Will the signs be replaced with new signs?
(8) If so:
    (a) What will the new signs be?
    (b) What is the cost of the new signs?
    (c) What is the cost to install the signs?
    (d) Who authorised the removal and replacement of the signs?
(9) Did he approve the expending of funds for the replacement signs?

Answer -

(1) The "Electricity Commission" neon light signs were installed on Electricity House in February 1989.
(2) and (3) Supply and erection costs for the signs were $104,600.
(4) The signs were removed during June and July 1992.
(5) Cost of removing signs was $18,700.
(6) The old signs have been scrapped by the signage company contracted by Pacific Power to replace the signs.
(7) New signs have replaced the old signs. Work was carried out in July/early August 1992.
(8) (a) The new sign is the Pacific Power name/logo.
    (b) Cost of the new signs was $75,000.
    (c) Cost of installation of the new signs was $31,300.
    (d) The removal and replacement of the signs was authorised by the General Manager of Pacific Power.
(9) Expenditure of funds for the replacement signs was approved by the General Manager following tender proposals from four signage companies.

DEATH OF COLIN DOUGLAS HARLAND-WHITE

Mr Anderson asked the Minister for Police representing the Minister for Justice, Minister for Emergency Services and Minister Assisting the Premier -

(1) Has he and his administration received correspondence from Ms B. A. Pasamonte concerning the death of Colin Douglas Harland-White?
(2) Does this correspondence raise several matters regarding the manner of his death?
(3) What are the results of his inquiries?
(4) Will he, in consultation with the Attorney General and the Minister for Police, cause a co-ordinated investigation of and response to the matters raised by Ms Pasamonte?
(5) If not, why not?

Answer -

(1) Yes.
(2) Yes.
(3) The correspondence was referred to the Attorney General as the Minister with relevant power under section 47 of the Coroners Act 1980.

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(4) No.
(5) Consideration of Ms Pasamonte's application is a matter for the Attorney General.

MOUNT DRUITT HOSPITAL BEDS

Mr Amery asked the Minister for Health -

(1) How many beds are currently open at Mount Druitt Hospital?
(2) Is this a result of cutbacks to the hospital budget?
(3) What is the full complement of beds at Mount Druitt Hospital?
(4) When will he ensure that the Mount Druitt Hospital has its full complement of beds open?

Answer -

(1) to (4) As at 15 September 1992, Mount Druitt Hospital had 178 beds open. The hospital's full bed complement is 200.
Hospital management will continue to monitor demand for beds and will modify the beds available accordingly. It is anticipated that beds currently closed will be progressively opened during the next 6 to 8 weeks as seasonal demand increases.

DUDLEY HOSPITAL

Mr Face asked the Minister for Health -

(1) What stage has the disposal or leasing of Dudley Hospital reached?
(2) How many expressions of interest have there been in acquiring or leasing the Dudley Hospital?
(3) Of those interested in acquiring, what were the terms of the acquisition and who are the individuals, companies or organisations that made the offers?
(4) Of those interested in leasing, what were the terms of the acquisition and who are the individuals, companies or organisations that made the offers?
(5) (a) Are any sales or lease options being considered?
(b) If so, to whom?
(6) Have any offers for sale or use of land on the site of the Dudley Hospital been made?
(7) If so, who made the offer and what were the terms of the offer?
(8) Are any offers being considered and by whom?
(9) What plans are there to develop or subdivide any land on the site of the Dudley Hospital?
(10) If so, what is the description of the land and the time scale for this development or sale?
(11) What role has Dr Tim Smyth played in consideration of this site?
(12) If he has no role, who has made any decision in regard to the hospital and the land?

Answer -

(1) This matter is not under active consideration at the present time.
(2) to (4) No formal expressions of interest have been sought.
(5) No.
(6) and (7) Some interest was expressed in 1990 and 1991 but no formal offers were received.
(8) No.

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(9) and (10) There are no current plans to develop or subdivide any land on the site of the Dudley Hospital.
(11) and (12) The Dudley Nursing Home is a unit of the Hunter Area Health Service and as such, falls within the responsibilities of the Administrator of the Area Health Service, Dr Smyth. Under the Area Health

Services Act the sale or lease of land owned by the Area Health Service requires the prior approval of the Minister for Health.

DEATH OF Mrs KALAS

Mr Scully asked the Minister for Health -

(1) Is he familiar with a complaint lodged by Mr Leo Kalas with the Complaints Unit concerning the death of his wife?
(2) Why has the investigation not yet been completed given that Mr Kalas first lodged the complaint in November 1991?
(3) Will he direct the Complaints Unit to provide Mr Kalas with a full progress report of the investigation?
(4) Will he direct the Complaints Unit to provide a monthly progress report to Mr Kalas until such time as the investigation is completed?
(5) (a) Has the complaint been furnished with a report together with copies of all relevant files, memos and notes in respect of the late Mrs Kalas from Dr Konenberg?
(b) If not:
(i) Why not?
(ii) What steps will he request the Complaints Unit to take to ensure that all documents referred to in (a) are furnished as soon as possible?

Answer -

(1) I am aware of the complaint lodged with the Complaints Unit by Mr Leo Kalas concerning the circumstances surrounding the death of his wife, Silvana Kalas.
(2) In complex investigations of the type undertaken by the Complaints Unit it is often necessary to obtain medical and other reports. I am informed that in Mr Kalas' case, a number of such reports and records were required. It is therefore not possible to predict when an inquiry will be finalised.
(3) At the completion of an investigation by the Complaints Unit the complainant is provided with an Investigation Report, addressing the issues raised. It is not the Complaints Unit's normal practice to provide complainants with written progress reports on an investigation. It is more common for information exchange to occur personally by telephone contact, as Complaints Unit officers have endeavoured to do in Mr Kalas' case.
(4) As stated in my answers to the previous questions, it is not the practice of the Complaints Unit to issue written monthly progress reports on investigations. Mr Kalas will receive a written Investigation Report at the completion of the investigation, as do all complainants.
(5) (a) and (b) Numerous reports have been requested by the Complaints Unit including a full report from Dr Kronenberg. I am, however, advised that Dr Kronenberg's response has not been provided to the Complaints Unit as yet. His legal advisers have recently assured the unit that his report will be available shortly.

DENTAL HEALTH CLINICS WAITING TIME

Mr Sullivan asked the Minister for Health -

(1) What is the current waiting time for routine dental treatment:
(a) At each of the three dental health clinics operating within the area covered by the Illawarra Area Health Service?

(b) At dental health clinics in the Sydney metropolitan area?
(c) As an average across the State?
(d) For people using the Rural Dental Scheme, operating at Dubbo?
(2) Will he ensure that people using dental health clinics in the region serviced by the Illawarra Area

Health Service are able to have routine dental treatment every 6 months, given that 6-monthly check-ups are recommended by the Australian Dental Association?

Answer -

(1) Within New South Wales there are, in addition to the two dental teaching hospitals, the United Dental Hospital of Sydney and the Westmead Dental Clinical School, 65 public dental clinics attached to hospitals and community health centres providing dental care for adults.
Four of these clinics, Port Kembla, Shoalhaven, Bulli and Warilla are within the Illawarra Area Health Service.
The waiting times for routine dental care across the State are longer than that desired by the Government.
Waiting lists for free dental care have increased significantly in all areas because the recession has caused double digit unemployment which has compounded the problems caused by the ageing population.
At present the Commonwealth Government accepts no responsibility for dental services, neither through Medicare nor through our public hospital system.
This is obviously an issue which requires a joint State and Federal approach as the Federal Government has responsibility for controlling the eligibility for free dental services, but refuses to fund them.
The Rural Dental Scheme operating in Orana and Far West Region is a fee-for-service scheme through which eligible adults may seek urgent care from private dental practitioners in the region. The majority of practitioners in the region participate in this scheme, not only those at Dubbo.
Routine dental care is not provided through the Rural Dental Scheme.
The Department of Health is currently addressing these issues and a detailed plan for public dental health in New South Wales is currently being considered by members of the Senior Executive of the Department.
(2) With the increase in waiting times that have been caused directly by the recession and are particularly noticeable in the industrialised areas such as the Illawarra area, it is not possible to ensure that eligible persons will be able to have regular routine dental care at 6-monthly intervals.
Those persons who require urgent treatment will be able to obtain this from the dental clinics; relief of pain will normally be provided within 24 hours.
Although the Australian Dental Association (New South Wales Branch) currently advocates 6-monthly checkups, the majority of Dental Public Health and Community Dental Health Authorities throughout the industrialised nations recommend that the time between regular dental examinations should be based on the dental health of the patient and may be needed as short as 3 months or be extended to in excess of 12 months.

ILLAWARRA MENTAL ILLNESS FACILITIES

Mr Sullivan asked the Minister for Health -

(1) What facilities are operating in the region served by the Illawarra Area Health Service to provide services for patients with a mental illness or people recovering from a mental illness?

(2) Of these facilities:
- (a) How many are group homes?
- (b) How many residents are able to be housed in each group home?
- (c) How many residents are currently housed in each group home?

(3) How many Illawarra residents are currently receiving treatment for a mental illness, or are in supported accommodation as a result of mental illness, at facilities outside the Illawarra?
(4) What steps is he taking to ensure that all Illawarra residents who have a mental illness are able to be treated and housed appropriately in the Illawarra?

Answer -

(1) Acute services are provided by Shellharbour Hospital which has a 24-bed admission centre and Wollongong Hospital which has a 10-bed admission centre.
Additionally, a mobile treatment team operates from a base in Wollongong offering a 24-hour service 7 days a week and Shoalhaven has an extended hours mobile service which operates from 8.30 a.m. to 9 p.m. 5 days a week and 8.30 a.m. to 5 p.m. on weekends. Liaison services are also available to inpatients of the area general hospitals.
Community support services in the Illawarra are divided into three geographic areas:

* Northern Illawarra - This service involves 7 trained nurses working in varied community health centres each covering a geographical area with support from a further multidisciplinary team based in Wollongong consisting of social worker, psychologist, medical officer and nurse unit manager.
* Southern Illawarra - This services involves 6 trained nurses also working from community health centres and a multidisciplinary consultative team based at Warilla.
* Shoalhaven - This area is serviced by the extended hours multi-disciplinary team members centrally located in Nowra with a further 1.5 nurses from Ulladulla Health Centre covering the far south coast area.

Youth services consist of a designated centre with staff (2 psychologists plus 1 receptionist) supported by specialist input from Sydney on a consultative basis.
Outpatient services are also conducted on three hospital sites and a number of community health centres. Private psychiatrists are extensively used with liaison and consultation occurring in a very co-operative environment.
Rehabilitation services are provided through:

* Centres which operate in northern and southern Illawarra and Shoalhaven offering a range of living skills services from each site on a 9 a.m. to 5 p.m. basis 5 days a week.
* A day care centre at Towradgi aimed at resocialisation skills and improving the quality of life for the more chronic clients living in the community.
* Accommodation services in the form of 8 group homes and 1 residential halfway house.
* An industrial therapy unit which utilises work and vocational retraining as a treatment and early intervention device.
* Lakeview House at Shellharbour Hospital which caters for 20 inpatients and 20 day only patients in a modern rehabilitation centre.

Non-government organisations provide a range of services to people with mental illness in the area. These organisations include: The Psychiatric Rehabilitation Association, The Schizophrenic Fellowship and the Association for Relatives and Friends of the Mentally Ill (ARAFMI). Even Keel and other community groups are also encouraged and supported by the area health service.
(2) (a) There is a total of eight group homes and one 5-bed residential.
(b) Each group home is able to house three residents and the residential consists of two 2-bedroom flats and one single bedroom flat housing a total of five.

(c) There are 21 clients residing in residential facilities.
(3) It is not known how many Illawarra residents are in supported accommodation outside of the Illawarra. Gladesville campus of Gladesville-Macquarie Hospital currently has approximately 10 long-term patients identified as Illawarra residents for eventual return to the newly established Rehabilitation Unit at Shellharbour Hospital when appropriate.
Currently the Illawarra utilises Macquarie campus of Gladesville-Macquarie Hospital as a backup service for acutely disturbed patients. There is an outflow of acute admissions from the Illawarra to Macquarie campus which has reduced to about 4 patients per month occupying approximately seven beds. There are approximately 15 patients of Illawarra origin in non-Illawarra treatment centres on any one day of the year within the public sector. Private sector details are not known.
(4) Lakeview House was completed in April 1992 at a cost of $4.7 million to cater for 20 inpatients and 20 day patients in a modern rehabilitation centre. This is having the effect of preventing the need to refer patients to the Gladesville campus for long stay rehabilitation and reducing acute admission rates and the need for transfer to the Macquarie campus because of the shortage of beds.

A further extension of 10 acute admission beds at Shellharbour Unit is planned when funding is available for this purpose.
Planning is also underway for other increses in inpatients, hostel and community services to further reduce the outflow.

FOWLERS ROAD DAPTO SITE

Mr Sullivan asked the Minister for Health -

With reference to land in Fowler's Road, Dapto, which was previously owned wholly by the State Government and designated as the site for a public hospital -

(1) What proportion of the total site has/will be sold?
(2) When was that land sold/will be sold?
(3) Whom was it sold/will be sold?
(4) At any time was there an undertaking given that the revenue from the sale of this land would go towards the construction of a psychiatric hostel and day care centre on the remaining land in Fowler's Road which is still owned by the State Government?
(5) Does the State Government intend to construct a psychiatric hostel and day care centre on this land and, if so, when will construction commence?

Answer -

(1) Lot 1 of the site of 4.633 ha with frontage to Fowlers Road, Dapto, has been sold. Lot 2 of 1.4 ha has been retained for use by the Illawarra Area Health Service.
(2) The land was sold at public auction on 19 April 1991.
(3) The land was sold to Miltonbrook Projects Pty Ltd.
(4) The then Minister for Health, Mr Collins, wrote to Mr Terry Rumble, M.P., in May 1990 stating that:
"The Illawarra Area Health Service has requested that a portion of the site be maintained for future development of community health services and for the possible development of a mental health 16-bed hospital.
Funds derived from the sale of the site will be used to fund the establishment of the abovementioned projects and although these funds will be insufficient to cover the cost of these developments, the Department will make up the difference from asset sales elsewhere in the State".

(5) As the then Minister stated, the land was retained for the possible development of a mental health 16-bed hostel. As the new Psychiatric Rehabilitation Unit at Shellharbour Hospital has recently commenced full operation, there are no plans to build a hostel at Dapto at this stage.

Mrs BERGFELS LEGAL AID

Mr Martin asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) Did Mrs Bergfels of Anna Bay have Legal Aid granted to her for the case Bergfels v. Port Stephens Shire Council?
(2) Was this case extensively addressed by the Law Reform Commission?
(3) Was this case used as the major illustration in legislation on extending the statute of limitations?
(4) Will he review her application for Legal Aid in this case?
(5) Will he grant her Legal Aid?

Answer -

I have been advised by the Attorney General that:
(1) Sections 25 and 26 of the Legal Aid Commission Act 1979 provide for the confidentiality of the solicitor-client relationship which exists between the Legal Aid Commission and applicants for legal aid. There is no difference between this situation and that of a private solicitor and his/her client. Therefore, client information cannot be divulged by way of comment on the reasons for a grant of legal aid or on the circumstances of the case, other than with the authorisation of the parties concerned.
(2) and (3) Yes. It was dealt with in the Law Reform Commission Report No. 53 entitled Limitation of Actions.
(4) and (5) Applications for legal aid are not a matter for the Attorney General. Applications are determined pursuant to section 34 of the Legal Aid Commission Act and appeal may be made to the Legal Aid Review Committee. The Legal Aid Review Committee is established pursuant to section 33 of the Legal Aid Commission Act. It is a committee independent of the Legal Aid Commission. The decision of the Legal Aid Review Committee is final.

PRISONER FRED MANY EARLY RELEASE

Mr Whelan asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) Is convicted rapist Fred Many due to be released early from gaol in 2 year's time because he was a police informer?
(2) Now that the evidence to reduce the sentence has been totally discredited, will he reverse the early release of Many?

Answer -

I have been advised by the Attorney General that:
(1) Fred Many is due to be released on 4 March 1995.
The principles applied by the Court of Criminal Appeal in reducing Many's sentence were consistent with ordinary and long standing sentencing policies endorsed by the High Court of Australia that those who assist police through the giving of evidence for the Crown will have their sentences reduced.

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The Government has enacted the Criminal Legislation (Amendment) Act 1992 which ensures that a sentence should not be reduced to the extent that it becomes "unreasonably disproportionate to the nature and circumstances of the offence", and that the court, in deciding whether to reduce a sentence, must consider the effect of the offence on the victim and his/her family.
(2) The reduction in the sentence of Fred Many was decided by the Court of Criminal Appeal. The Crown applied for special leave to appeal to the High Court against the decision of the Court of Criminal Appeal. The High Court refused leave because it only considers Crown appeals against sentence in exceptional cases. It did not consider Many's reduction in sentence by the Court of Criminal Appeal an exceptional case.
As Attorney General I have no role to play in the process of determining sentences or in prisoners obtaining or not obtaining "early release".

PROPOSED SEPP FOR MAJOR EMPLOYMENT PROJECTS

Mr Knowles asked the Minister for State Development and Minister for Arts representing the Minister for Planning and Minister for Housing -

(1) What are the results of his consultations with other Ministers following his request for their input into the proposed SEPP for major employment projects?
(2) When will the SEPP be introduced?
(3) What projects, other than the Narromine feedlot proposal, have been frustrated or delayed by local

councils which establish the need for the SEPP?
(4) (a) Why did the local council reject the Narromine feedlot proposal?
(b) On planning grounds, why do you, as Minister, disagree with the council's decision to refuse the feedlot proposal?

Answer -

I have been advised by the Minister for Planning and Minister for Housing that the answers to the honourable member's questions are:
(1) Other Ministers have indicated general support for a State Environmental Planning Policy (SEPP) for major employment generating industrial developments.
(2) No date has been set for the introduction of the SEPP.
(3) There are a number of projects where decisions have been delayed by local councils. Some examples include:

* Proposed Davis Gelatine Plant in Parry Shire. The applicant withdrew its application after 6 months due to the time which the Council was taking to resolve complex issues.
* Expansion of an aluminium remelt plant at Alcan's Granville plant. The Council took over 7 months to approve the development application even though there were no objections.
* Proposed Cassegrains abattoir, at Blackmans Point, Hastings Shire. The Council took 9 months to refuse the application.

(4) (a) I understand that Narromine Shire Council has refused the development application for the expansion of the Mungeribar Cattle Feedlot for a variety of reasons, including concerns regarding the potential impact of the proposal on adjacent landowners and insufficient data regarding implications for groundwater and flooding.
(b) On the basis of advice from the Department of Planning and extensive consultation with State Government agencies, the Minister did not oppose the development on planning grounds.

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INSURANCE PREMIUMS

Mr Newman asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) Will he conduct an inquiry into insurance companies designating certain postcodes as high risk insurance areas, subject to high premiums for home and vehicle coverage?
(2) Are most of these postcodes located in Western Sydney's lower socio-economic areas and is this system discriminatory?
(3) Will he seek the regulation of insurance premiums based on equality of treatment for all?

Answer -

I have been advised by the Attorney General that:
(1) No. My only responsibility is compulsory third party personal injury insurance. Under the Motor Accidents Act 1988 registered motor vehicle insurance premiums are classified for compulsory third party personal injury purposes in 20 vehicle categories across 4 geographic areas. They are Metropolitan, Newcastle, Wollongong and other country areas. No further sub-classification occurs on factors such as postcodes. All motor vehicles in the Sydney Metropolitan area are treated equally.
You may care to raise the matter with the Minister for Consumer Affairs.
(2) See answer (1).
(3) See answer (1).

LAND AND ENVIRONMENT COURT APPEALS

Mr Knowles asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) How many appeals were heard by the Land and Environment Court during:
    (a) 1988?
    (b) 1989?
    (c) 1990?
    (d) 1991?
    (e) 1992 to 1 April?
(2) Of these appeals, how many related to applications refused by local councils for each year?
(3) How many appeals related to medium-density developments, or developments lodged under SEPP 5, 25, 28 and 32?
(4) What did the Court determine in each of the appeals referred to in Questions (1), (2) and (3) above?

Answer -

I have been advised by the Attorney General that:
(1) to (4) The Bureau of Crimes Statistics and Research does not maintain statistics relating to the Land and Environment Court. The question would be more appropriately addressed to the Minister for Justice, Minister for Emergency Services and Minister Assisting the Premier.

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Ms KATHERINE WENTWORTH

Mr Hatton asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) Has the Attorney General been receiving representations from persons including but not limited to any of the following: Mallesons Stephen Jaques, solicitors; Alec Shand, Q.C.; Stephen Rares, barrister; Richard Burbidge, Q.C.; Geoffrey Graham, barrister; Peter F. N. Wentworth; Dunhill Madden Butler, solicitors; Geoffrey Lindsay, barrister; and W. C. Wentworth, to seek to have the Attorney move against Katherine Wentworth to have her declared a vexatious litigant under s. 84 of the Supreme Court Act (N.S.W.) 1970, both prior to commencement of such proceedings by the Attorney General in July 1987, and again as well, after those proceedings were dismissed in October 1988 by Mr Justice Roden, especially in about February 1991 and recently, in 1992?
(2) Will the Attorney General table in Parliament all such records of any representations made from 1985 to date by any persons seeking to have him obtain orders under s. 84 to have Ms Wentworth declared a vexatious litigant, all such advices as he has sought and received from the Solicitor General or the State Crown Solicitor in relation to any such application made by him or considered at any time by him?
(3) Did Mr Justice Bryson, in an interlocutory proceeding in the Equity Division, in the matter Katherine Wentworth v. Peter F. N. Wentworth, executor of the estate of the late G. N. Wentworth, threaten to gaol Katherine Wentworth and to take away her liberty, and instructed the Court Reporter who made a record of the court proceedings, not to transcribe her shorthand notes made on that day in that matter and has instructed the Acting Director of the Reporting Services Branch that she is not to have transcribed the record of those proceedings or to provide any such record to Ms Wentworth?

Answer -

I have been advised by the Attorney General that:
(1) Representations have been received by previous Attorneys General from solicitors seeking the institution of proceedings under section 84 of the Supreme Court Act 1970 to have Ms Wentworth declared a vexatious litigant. Details of these representations are as follows:
    7/8/86 Stephen Jaques Stone James, Solicitors, on behalf of Mr S. Rares, Barrister.

18/6/87 Hickson Lakeman & Holcombe, Solicitors, on behalf of Mr R. J. Burbidge, Q.C.
10/7/87 Hickson Lakeman & Holcombe, Solicitors, on behalf of Mr George Ritchie, Barrister.
6/2/91 Mallesons Stephen Jaques, Solicitors, on behalf of Mr S. Rares, Barrister.

(2) No.

(3) These issues are more appropriately addressed by the Minister for Justice, Minister for Emergency Services and Minister Assisting the Premier who has portfolio responsibility for this area.

POLDING STREET OVERPASS

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

(1) When will the overpass at the intersection of Polding Street and Cumberland Highway be completed?

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(2) How much money has been spent on the overpass in each year since construction on it began?

(3) How many employees are currently employed on the site?

(4) How much money will be spent on the overpass this financial year?

Answer -

I refer the honourable member to my answer to Question 892 which appeared in the Questions and Answers Paper on 2 September, 2 weeks prior to the honourable member's current similar question.

The honourable member will no doubt be pleased to hear that $6 million is planned to be spent on the Polding Street overpass this financial year.

HARBOUR BRIDGE PYLON COPPER CLADDING

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

(1) Is he aware of correspondence from Mr Simon Watts of Darlinghurst, concerning the Harbour Bridge Pylon Museum and Lookout and, in particular, concerning the cost of replacing copper cladding?

(2) What is the estimated cost of replacing the copper cladding showing the directional points of various locations?

(3) Will the RTA in the future reconsider replacing the copper cladding?

Answer -

(1) Yes. Among many other things, Mr Watts asked why the copper cladding on the parapet at the top of the southern pylon had not been restored or replaced.

(2) Mr Watts described the cladding as ". . . most valuable and original . . .". This is not correct. It conveys the impression that the RTA is not properly conserving what some may regard as a heritage item.

The cladding, which shows the direction of various points of interest around the Harbour, is not an original feature of the bridge, which was opened in 1932.

The cladding is thought to have been installed some years later, possibly in the 1940s or 1950s, when part of the southern pylon was leased to several consecutive commercial operators for use as a lookout and tourist facility.

Over many years, the action of the elements has caused the cladding to deteriorate to the stage where restoration would not be cost-effective, particularly bearing in mind that the cladding has no significant heritage value or artistic merit. The cost of replacing it is not known.

(3) There are no current plans to replace the cladding.

BUILDING CONTRACTS

Mr J. H. Murray asked the Minister for Consumer Affairs and Assistant Minister for Education -

(1) Do the building contracts of the Master Builders' Association, Housing Industry Association and the Institute of Architects breach the Trade Practices Act or Fair Trading Act?
(2) Is there a possible conflict of interest if an arbitrator who is member of the Master Builders' Association, Housing Industry Association or Institute of Architects is appointed to arbitrate on Association or Institute contracts?

(3) Has this ever occurred?
(4) Do lawyers employed by building associations or the Institute of Architects give advice to arbitrators hearing cases involving contracts of the Associations or Institute?
(5) If so, is there a conflict of interest?
(6) What relationship, if any, is there between the Associations, the Institute and the Building Services Corporation in their mechanisms for settling building disputes?
(7) What implications, if any, did the case of Scott v. Avery have for contracts?
(8) What is the process of building arbitration with regard to insurance contractual disputes?
(9) Are arbitrators selected by builders without consultation with owners?
(10) What criteria must be satisfied before a person may be appointed as an arbitrator?
(11) Under the Arbitration Act, what are the grounds for appeal to a court for annulment of an award?
(12) Are non-court functionaries given the task of registering and filing awards?
(13) If so, why?
(14) Are building associations permitted to sell their domestic dwelling contracts to non-member builders?
(15) If disputes arise, do building associations appoint arbitrators under the terms of the contract?

Answer -

I have been advised by the Attorney General and Minister for Industrial Relations that:
(1) The Trade Practices Act and the Fair Trading Act regulate activity rather than contracts.
(2) This would depend on all the circumstances of the individual arbitration.
(3) I understand that some arbitrators of building disputes are appointed by the various building associations and that the arbitrator so appointed may be a practising or retired builder.
(4) I have no direct knowledge of this. However, following this question being asked, my predecessor received an unsolicited note purportedly from the Building Arbitration Reform Group suggesting that this had occurred. I have referred that note to the Minister for Housing. It is a matter for the parties to an arbitration to consider whether there has been any misconduct on the part of an arbitrator and the Commercial Arbitration Act provides for awards to be set aside in appropriate circumstances. Clearly, the question of whether the seeking of legal advice in the manner outlined constitutes misconduct depends on the circumstances of each particular case.
(5) I cannot comment on this as I am unaware of the circumstances to which the honourable member is referring.
(6) The Building Services Corporation is the responsibility of the Hon. R. J. Webster, M.L.C., Minister for Planning and Minister for Housing.
(7) It was held by the House of Lords in the case of Scott v. Avery that parties may make the award of an arbitrator on a question of law a condition precedent to the institution of proceedings before a court.
However, section 55 of the Commercial Arbitration Act makes special provision in relation to Scott v. Avery clauses to the general effect that such clauses shall not operate to prevent legal proceedings being brought by the parties to a contract.
(8) The process of building arbitration generally is the process determined by the arbitrator and the parties to the dispute.
(9) I am not aware that builders, as parties to disputes, select arbitrators.
(10) Any criteria for appointment as an arbitrator are matters determined by the parties in the contract or by the appointing authority named in the contract.
(11) I assume the honourable member is referring to the Commercial Arbitration Act 1984. I refer the honourable member to Part V of the Commercial Arbitration Act.

(12) I do not understand what is meant by "non-court functionaries" nor who might allocate the task referred to. However, I can advise that under section 33 of the Commercial Arbitration Act, an award made under an arbitration agreement may, with the leave of the court, be enforced in the same manner as a judgement of the Supreme Court and parties may, with the court's leave, have the judgement entered in terms of the award.
(13) See answer (12).
(14) I am not aware of this matter nor any regulation relevant to it.
(15) See answer (3).

SORBIC ACID

Mr Aquilina asked the Minister for Health -

(1) Is sorbic acid banned, under the Food Act, for use as a preservative in some foods?
(2) If so, why?
(3) What expert opinion is available to justify the banning of the use of sorbic acid?
(4) Is the use of sorbic acid permissible in cordials and soft drinks?
(5) Does the use of sorbic acid prevent spoilage of foods and increase shelf life?
(6) Does the use of sorbic acid prevent food poisoning by bacteria and fungi and prevent the growth of pathogenic micro-organisims in products?

Answer -

(1) Sorbic acid, in common with all food additives, is subject to a general prohibition for use in foods, except where specifically permitted. Thus there is a positive list of foods where it may be used, as opposed to a negative list where it may not.
(2) Food additives, generally, and preservatives such as sorbic acid in particular, are permitted for use under the Food Act only where a range of criteria have been satisfied. These include the toxicology and pharmacology of the additive and its technological justification. For example, an additive would not be approved as a substitute for proper hygiene, or good manufacturing practice.
(3) Regulations under the Food Act reflect the Food Standards Code, originally recommended by the National Health and Medical Research Council and now under the auspices of the National Food Authority. Recommendations from international experts, particularly the FAO/WHO Joint Expert Committee on Food Additives are taken into account.
(4) Yes, subject to maximum permissible levels.
(5) Yes, in certain foods and under certain conditions.
(6) Yes, but only to a limited extent. It is most effective against fungi in acidic foods, such as cordials and soft drinks, where pathogenic and infectious micro-organisms tend not to grow.

HILTON BOMBING MATTERS

Ms Allan asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) Has he been informed by the Commissioner of Police that police instructions current at the time of the 1978 bombing of the Sydney Hilton Hotel were complied with, despite his statement to Parliament on 9 December 1991, that police had not complied with those instructions?
(2) Is he aware that the Minister for Police wrote to the honourable member for South Coast outlining the Police Commissioner's view on this matter in March 1992?

(3) Is he aware that the Police Commissioner also advises that NSW Police did not have any trained

anti-terrorist personnel in 1978 to check the garbage bin when statements at the time by then Superintendent Douglas, Mr Fred Longbottom (former head of the NSW Special Branch) and journalist Jeff Penberthy, indicate otherwise?
(4) In light of his statement on 9 December 1991, which highlighted the breaches by police of the Permanent Circular 135 and the recent advice given to the honourable member for South Coast by the Minister for Police and his Commissioner, will he take action against those police who have breached the police Permanent Circular 135?
(5) Is he aware that the Minister for Police, on the advice of his Commissioner, has stated that the garbage bin which contained the bomb was not in a maximum security area when by its location, adjacent to the then Prime Minister and his wife and other dignitaries, the bin appears to be in a maximum security area, and this was confirmed in an annexure to Permanent Circular No. 135?
(6) Has the Commonwealth Government offered the co-operation of relevant Departments in any further investigation of the Hilton bombing?
(7) What action does he intend to take to have the above issues and other unresolved concerns, related to the Hilton bombing, investigated?

Answer -

I am advised by the Attorney General and Minister for Industrial Relations:
(1) No. The statement referred to was made by the former Attorney General.
(2) No.
(3) No.
(4) It is not the role of the Attorney General to take action against any police officer who may have breached an internal police circular.
(5) No.
(6) and (7) The Commonwealth Attorney General in rejecting a request from my predecessor for a joint State/Commonwealth inquiry, offered co-operation with a New South Wales inquiry. However, it is considered that only a joint State/Commonwealth inquiry can provide the comprehensive inquiry required and particularly the access to all relevant Commonwealth intelligence information and personnel.
On 28 November 1991 and 2 June 1992 my predecessor wrote again to the Commonwealth Attorney General requesting a joint Commonwealth/State inquiry. No reply has been received.

HUNTER AREA HEALTH SERVICE TRUST FUNDS

Mr Mills asked the Minister for Health -

(1) Did a meeting at Hunter Area Health Service, on 26 March 1992, discuss use of special purposes and trust funds for repairs and maintenance and other recurrent expenditure purposes?
(2) What was the outcome of the meeting on this matter?
(3) Does he approve of such proposed diversions of trust funds?

Answer -

(1) The Administrator and the Director of Finance of the Hunter Area Health Service met with the Chief Executive Officer of the Newcastle Mater Hospital and General Managers of Hunter Area Health Service Units to review the budgetary position on 26 March 1992. The purpose of the meeting was to discuss projected expenditure to 30 June 1992 and to identify opportunities to contain expenditure to reduce the projected budget overrun.

(2) An option agreed on was to limit expenditure on equipment replacement for the remainder of the year. It was noted that hospitals and units with special purpose and trust funds donated for equipment purchase could continue to use these funds for this purpose.
(3) All special purpose and trust funds are used only for the purpose for which they were donated.

REDFERN LOCAL COURT SENTENCING PROCEDURES

Mr Whelan asked the Minister for State Developement and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) Is he aware of calls for an inquiry into sentencing procedures at Redfern Local Court?
(2) Has section 556A been invoked to dismiss cases involving assault, assault police, assault with firearm, break and enter, steal, larceny, goods in custody, receiving, possess prohibited drugs, malicious damage, embezzlement, possessing a prohibited weapon and child abuse?
(3) In each case was the same magistrate involved?
(4) Were only two people out of 151 cases heard during the month of February 1992 sent to gaol?
(5) Was this periodic dentention only?
(6) Should not the 556A provision only be used in first offence, petty or trivial cases?
(7) Do the examples listed in (2) above fit that definition?
(8) Will he investigate police and community concerns over Redfern Local Court?
(9) When will he conduct an investigation?

Answer -

I am advised by the Attorney General and Minister for Industrial Relations that:
(1) The call for an inquiry into sentencing procedures at Redfern Local Court appears to emanate from an article published in the Sunday Telegraph on May 3 1991, entitled "MPs may ask magistrates to explain their _sentencings'". In the article, the NSW Parliament's Staysafe Committee said it would consider asking NSW magistrates to explain their sentencing decisions as part of an inquiry into drink-driving laws.
The article also referred to complaints by police about lenient sentencing by some NSW magistrates.
As the former Attorney General, the Hon. P. E. J. Collins, Q.C., M.P., stated at the time, any such complaints received will be referred to the NSW Judicial Commission for formal investigation.
(2) Section 556A of the Crimes Act 1900 (NSW) is applicable to all offences and all courts with certain statutory exceptions (such as section 10(5) of the Traffic Act 1909 (NSW)).
As the question relates to the use of s. 556A in local courts, I refer the honourable member to the NSW Bureau of Crime Statistics and Research publication "NSW Lower Criminal Courts and Children's Court Statistics, 1990" and specifically to Table 6 therein.
Table 6 categorises the principal offences, including offences listed by the honourable member and lists the various penalties handed down including s. 556A (which is categorised as "Recognizances without conviction").
(3) I have been advised that neither the NSW Judicial Commission nor the NSW Bureau of Crime Statistics and Research identify individual judicial officers when collating sentencing statistics although statistics on the use of sentencing options can be broken down for each local court.

(4) and (5) I am unable to comment on the statistics referred to in questions (4) and (5). The NSW Bureau of Crime Statistics and Research has advised that 1992 sentencing statistics for local courts will be unavailable until about March 1993.
(6) I repeat that s. 556A is applicable to all offences and all courts with certain statutory exceptions.
Section 556A is only one of a number of sentencing options and serves a very important purpose to the court where a charge is proved, but on the individual facts and circumstances of the case, it appears appropriate without proceeding to conviction to either:

(a) impose no punishment; or
(b) impose a nominal punishment; or
(c) release the offender on probation.

The court can then make one of two orders either dismissing the charge or, discharging the offender conditionally upon entering into a recognizance for a period of up to 3 years.
When s. 556A is exercised, the court is required under subsection (1) to take into account such matters as:

(a) character, antecedents, age, health or mental condition of the offender; or
(b) the trivial nature of the offence; or
(c) extenuating circumstances under which the offence was committed; or
(d) any other matter which the court thinks proper to take into consideration.

Every criminal case will have particular facts and aggravating or mitigating features which will require individual consideration by the sentencing judge or magistrate. Whether the offence is trivial, petty or serious will depend on all the facts and circumstances and a sentence under s. 556A may well be appropriate. That is a matter to be determined in the exercise of the judicial discretion.

(7) I repeat my comments made to question (6) herein that it is inappropriate for me, or any other person, to prejudge the triviality or seriousness of an offence in relation to any given sentence. It is necessary to have recourse to all the facts and circumstances of each case, in order to determine whether s. 556A may be an appropriate sentencing option.

(8) and (9) As I have already stated, any complaints brought to my attention concerning Redfern Local Court will be referred to the NSW Judicial Commission which is the proper body to handle investigations into the conduct of judicial officers. Of course, it is open to any person to make their own complaint to the Judicial Commission should there be cause for concern about the conduct of any judicial officer.

MARK BELLAMY HIT/RUN INCIDENT

Mr Whelan asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) On 13 January 1990 at 2 a.m., was 18-year-old Mark Bellamy of Nambucca, killed in a hit/run motor vehicle accident when walking home with friends?

(2) Was the driver of the vehicle apprehended later that morning by police?

(3) Did the arresting police describe the driver at the time of arrest as reeking with alcohol with red and bloodshot eyes?

(4) Why was no blood alcohol test taken at the time?

(5) Were there witnesses prepared to testify that they had seen the driver drinking heavily the night before the accident and also leaving a local club in an obviously drunken condition?

(6) Why were they not called to testify?

(7) Did one witness sign a statement about the driver's drunkenness then change her evidence in the witness box?

(8) Will he investigate this?

(9) Was the driver convicted and sentenced to 350 hours community service?

(10) On appeal was this increased to 500 hours community service including work at the golf club where the victim's mother was a member?

(11) Has this case been adequately dealt with?

(12) Is he aware that the driver continues to drive the same car involved in the fatality even though he was disqualified from driving?

Answer -

I am advised by the Attorney General and Minister for Industrial Relations that:

(1) to (9) These matters are more appropriately addressed to the Minister for Justice who has portfolio responsibility for matters of court administration, and the Minister for Police, as the Police Service is responsible for the investigation of alleged crimes.

(10) The Director of Public Prosecutions determined an appeal be lodged against the sentence on 12 September 1992. The sentence was increased to 500 hours. The issue of where the community service order was served is a matter for the Minister for Justice.

(11) The Court of Criminal Appeal dealt with the appeal and increased the original penalty imposed. The only other avenue for appeal would have been to the High Court. However, the Director of Public

Prosecutions advised Mr and Mrs Bellamy on 20 March 1992 that referring the matter to the High Court was a course not open to him unless there was some legal point of special interest as to justify an application for special leave to the High Court being made. Such a special point of law must be of significance to the whole of Australia before the High Court will entertain such applications. The Director of Public Prosecutions judged the case did not raise such a point and accordingly did not pursue this course of action. There are no other avenues of appeal.
(12) This matter is more appropriately addressed by the Minister for Police as the Police Service is responsible for the investigation of alleged offences.

NEPEAN HOSPITAL PSYCHIATRIC BEDS

Mr A. S. Aquilina asked the Minister for Health -

(1) How many psychiatric beds are presently utilised at Nepean Hospital?
(2) How many psychiatric beds are not utilised at Nepean Hospital?

Answer -

(1) 30.
(2) None.

RACE MEETING DATES

Mr Face asked the Minister for Sport, Recreation and Racing -

(1) Which clubs and race dates have been surrendered by New South Wales race clubs in the years 1990, 1991 and up to June 1992 for:
- (a) Gallopers?
- (b) Greyhounds?
- (c) Harness racing?

(2) Which clubs, race dates and for what reasons have race meetings been taken back in the years 1990, 1991 and up to June 1992 for:
- (a) Gallopers?
- (b) Greyhounds?
- (c) Harness racing?

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(3) How many race clubs have ceased to operate in New South Wales in the various codes of racing in the years 1990, 1991 up to June 1992 and their location?

Answer -

(1) (a) Central District Racing Association

Grenfell Jockey Club	9 May 1992	Financial Reasons
Cowra Jockey Club	20 June 1992	Track Maintenance
Bathurst Turf Club	11 May 1992	Track Maintenance
Bathurst Turf Club	13 June 1992	Track Maintenance

Northern & North Western Districts Racing Association

Glen Innes Jockey Club	9 November 1991
Glen Innes Jockey Club	15 February 1992
Glen Innes Jockey Club	28 March 1992
Moree Race Club	3 August 1991
Moree Race Club	4 April 1992

The above meetings were cancelled to ensure the relevant clubs conducted successful TAB race meetings

on the preceding day.
Northern Rivers Racing Association
Tweed River Jockey Club - Ten Tuesday meetings during the 1990/91 season due to financial difficulties of the club and withdrawn TAB coverage due to poor performance.
Tweed River Jockey Club - One Friday TAB meeting withdrawn in January 1992 due to failure to meet AJC/TAB criteria for conducting Monday/Friday TAB events.
South East Racing Association

1990/91 Season	Goulburn Race Club	One
	Bungendore Jockey Club	One
1991/92 Season	Bega Jockey Club	One
	Braidwood Jockey Club	One
	Bungendore Jockey Club	One
	Cooma Race Club	One
	Goulburn Race Club	Two

All of the above Saturday meetings were cancelled due to the reduced viability of Saturday racing and/or the financial difficulties of the relevant clubs.
Western Racing Association

1991/92 Season	Baradine Race Club	One
	Binnaway Jockey Club	One
	Dubbo Turf Club	Three

All of the above Saturday meetings were cancelled due to the reduced viability of Saturday racing and/or the financial difficulties of the relevant clubs.
Southern Districts Racing Association

Leeton Jockey Club	23/09/89
Tocumwal Race Club	02/12/89
Moulamein Race Club	10/03/90
Jerilderie Race Club	28/04/90
Berrigan Race Club	23/02/91
Jerilderie Race Club	13/04/91
Berrigan Race Club	11/05/91
Leeton Jockey Club	29/06/91
Jerilderie Race Club	20/07/91
Leeton Jockey Club	31/08/91
Griffith Jockey Club	07/09/91
Leeton Jockey Club	26/10/91
Hay Jockey Club	09/11/91

Berrigan Race Club	22/02/92
Deniliquin Jockey Club	21/03/92
Holbrook Turf Club	04/04/92
Leeton Jockey Club	04/04/92
Berrigan Race Club	09/05/92
Deniliquin Jockey Club	20/06/92

All of the above Saturday meetings were cancelled due to the reduced viability of Saturday racing and/or the financial difficulties of the relevant clubs.
In addition, the Upper Hunter Race Club and Ballina Jockey Club were forced to cancel a number of Saturday fixtures due to the installation of training centres at those racecourses.

(b) No race dates have been surrendered by greyhound racing clubs.

(c) Maitland Harness Racing Club - 27 June 1992.
Bulli Harness Racing Club - 5, 12, 19 and 26 June 1992.

These meetings were surrendered due to financial difficulties of the clubs.

(2) (a) Nil.

(b) Nil.

(c) Nil.

(3) Gosford Harness Racing Club - ceased racing 1989.
Wentworth Harness Racing Club - ceased racing 1990.

BURRENDONG STATE RECREATION AREA MOBILE HOME

Ms Allan asked the Minister for Conservation and Land Management and Minister for Energy -

(1) Was a mobile home, valued at approximately $17,000, erected without permission at Burrendong State Recreation Area?
(2) Does the mobile home belong to a trust member of Burrendong State Recreation Area?
(3) Did the trust approve the location of the mobile home after its erection on the basis that half of the holiday rental from the home would be given to the trust while half was kept by the owner?
(4) Has a 3-year agistment contract between Burrendong State Recreation Area and the Eagle Beagle Beef Company been renewed without tenders being advertised?
(5) Is the successful contractor the brother of a member of the Burrendong State Recreation Area.
(6) What action will he take to ensure that Burrendong State Recreation Area is managed efficiently and fairly?

Answer -

(1) No. Burrendong State Recreation Area Trust agreed to the transportable cabin at its April 1992 meeting.
(2) No. It belongs to a former trustee of Burrendong State Recreation Area.
(3) The rental is shared on an equal basis with the owner and the trust.
(4) No. Mr M. Grant of Cowra will be awarded agistment rights subject to ministerial approval.
(5) No decision has yet been made as the tenders closed on 5 August 1992.
(6) Officers from the Department of Conservation and Land Management are in regular contact with the trust to ensure the efficient, effective and fair management of the State Recreation Area.

MOUNT SUGARLOAF TELECOM LEASE

Mr Hunter asked the Minister for Conservation and Land Management and Minister for Energy -

(1) (a) Does Telecom Australia lease Crown land at Mount Sugarloaf?
(b) If so, what rental income does the Government receive from Telecom?
(2) (a) Does the Government receive any other income from leased land in the Mount Sugarloaf Trust area?
(b) If so, what are the details of that income?
(3) What grants have been made to the Mount Sugarloaf Trust over the past 4 years?

Answer -

(1) The Commonwealth of Australia holds Commonwealth Permissive Occupancy No. 213 (PO61/66 Newcastle) for television transmitting mast, transmitter building and installations, being about 1.2 hectares at Mount Sugarloaf within Trig. Reserve No. 4030. The site is occupied by Telecom Australia and the annual rental payable under the above permissive occupancy is $6,000.
(2) Permissive Occupancy 1963/136 Newcastle is held by Pacific Power (formerly Electricity Commission of NSW) for radio repeater station over 417.3 square metres at Mount Sugarloaf within Trig. Reserve No. 4030. The annual rental payable under this permissive occupancy is $800.
(3) 1988 $ 5,000 Ongoing maintenance and staircase.
1989 $30,000 Upgrade toilet facilities.

1990 $ 5,000 Operational costs.

SRA MAINTENANCE JOBS

Mr Mills asked the Minister for Transport and Minister for Tourism -

(1) Will 126 new jobs be created in Newcastle under the "power by the hour" contract?
(2) How many of these new jobs will be in a new locomotive maintenance facility?
(3) Where will the remainder of the new jobs be created in Newcastle?
(4) Will 500 jobs be lost when Cardiff and Broadmeadow rail maintenance workshops are closed or scaled down when new locomotives are introduced?
(5) If not, how many jobs will be lost?
(6) Why is the loss of 374 public sector jobs in rail maintenance in the Hunter region not subject to the job cuts freeze announced by him on 29 June 1992?

Answer -

(1) 126 jobs is an indicative estimate of the number of persons who will be directly employed in connection with the "Ready Power" (power by the hour) contract, by Clyde Industries and its subcontractors in the Newcastle region. When indirect "multiplier" effects are considered, 126 jobs is a conservative estimate.
(2) It is understood that Clyde Industries will directly employ about 36 people in its maintenance facility at Kooragang Island.
(3) Other jobs will be created with subcontractors located elsewhere in the Newcastle region.
(4) and (5) There are 498 staff currently employed at Broadmeadow and Cardiff maintenance facilities. From now through to early 1995 these operations will be replaced by a smaller facility employing approximately 50 people to service and maintain non-power by the hour locomotives. The savings to the Government will be at least $60 million over the 15-year life of the contract.

(6) The moratorium on State Rail country staff reductions announced on 29 June 1992 is aimed at easing the impact of the current economic difficulties being experienced in rural areas and consequently did not include staff in the Sydney, Newcastle and Wollongong areas.

"PRODUCT OF AUSTRALIA" LABELLING

Mr Davoren asked the Minister for Agriculture and Rural Affairs -

What exactly does it mean when canned or packaged food is labelled with the wording "Product of Australia"?

Answer -

The matter of food labelling comes within the portfolio of my colleague, the Minister for Health. Nevertheless, I have been advised by my department that after consultation with the Food Branch of NSW Health the statement "Product of Australia" denotes that the product is grown or manufactured entirely in Australia from domestic raw materials.

TRAIN CARRIAGE OVERCROWDING

Mr Gibson asked the Minister for Transport and Minister for Tourism -

(1) What action will he take to rectify the situation in terms of overcrowding on trains to and from the city to western areas during peak hours?

(2) When will the situation of inadequate carriages on certain trains be adjusted?

Answer -

(1) The integration of the Richmond line services and the adjustments made in the timetable introduced on 31 May 1992 have alleviated overcrowding on services from the west.
(2) The CityRail group of the State Rail Authority is providing an adequate number of carriages to provide a level of service that matches the demand for seats by commuters. If the member for Londonderry wishes to specify the trains he is referring to, CityRail will investigate his concerns.

MIDFORD EMPLOYEES ENTITLEMENTS

Mr J. H. Murray asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) Does company law permit the appointment of a liquidator of a company who is related to the owners' family?
(2) (a) What protection is available in liquidation to the stakeholders in the company such as employees?
(b) Have they been given such protection in this case?
(3) Will he act to restore to the employees at Midford their superannuation funds which have been misappropriated since October 1991?
(4) Will he investigate the trust fund which was set up by the previous owners of the company for the benefit of its employees and restore their entitlements?
(5) Why is it that an 8-week wage payment in the event of redundancy, agreed to by the owners of Midford and binding since the closure of their Crystal clothing company, has conveniently expired 3 weeks prior to retrenchment?

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(6) How is it that a shipload of garments manufactured in Asian countries for Midford can be due for unloading and sale in the region while the owners "cry foul"?
(7) Will he act to ensure that all unpaid wage, leave and other entitlements to date outstanding to employees are paid by the owners of Midford?

Answer -

I am advised by the Attorney General and Minister for Industrial Relations that:
The issues arising from the Midford collapse are matters primarily of concern to the Commonwealth Government, through the federal award coverage of Midford employees and the responsibility of the Australian Securities Commission (ASC) for the administration of Corporations Law. Generally speaking, little action can be taken by the NSW Government until the ASC has completed its preliminary investigation, which will determine if there are matters suitable for prosecution. Specifically, the questions raised may be addressed as follows:
(1) There is no specific prohibition on the appointment of a liquidator who may be related to the owners' family. Liquidators are obliged to comply with corporations law regardless of their affiliations. If it is believed that impropriety has occurred, specific allegations should be referred to the Australian Securities Commission.
(2) (a) Employees have very little protection in the case of liquidation of a company. Employees who become creditors, are unfortunately not ranked high enough in the priorities listing of creditors to be assured of receiving their legitimate entitlements.
(b) It should be noted that in April this year, the former Minister for Industrial Relations (The Hon. J. J. Fahey, M.P.) raised the issue of employee entitlements after the financial failure of a company at the Labour Ministers Conference (MOLAC) in Perth. The Minister called on the Commonwealth Government to amend the Commonwealth Bankruptcy Act to ensure that these entitlements were

placed ahead of the claims of the Taxation Office. This matter is for the Federal Government, which is addressing the Premier's proposal.

(3) The question of the misappropriation of superannuation funds is a matter to be determined after the liquidator's report has been received and dealt with by the ASC.

(4) Any breach of the trust fund provisions of the corporations law is a matter for the Commonwealth.

(5) Any allegations of conspiracy relating to the expiry of a redundancy agreement and the retrenchment of employees is not an issue that can be addressed by the NSW Government. These are matters properly put to the Australian Industrial Relations Commission.

(6) The NSW Government is unable to offer any comment on this allegation. If it is a matter that concerns "dumping" of imported goods, it should be referred to the Commonwealth Department of Foreign Affairs and Trade.

(7) The NSW Government is unable to take action of the kind suggested, since the issues raised come under Federal jurisdiction. They are presently before Commissioner Harrison of the Australian Industrial Relations Commission.

SOUTH WEST SYDNEY AREA HEALTH SERVICE YOUTH FUNDS

Dr Refshauge asked the Minister for Health -

(1) Did the South West Sydney Area Health Service receive $1.1 million in 1989 to provide Youth Health Services at Bankstown, Macarthur and Fairfield/Liverpool?

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(2) Has all this money been spent on these Youth Health Services?

(3) Are these Youth Health Services fully staffed?

(4) What staff does each have?

(5) Will recurrent funding be provided to ensure these services continue and are fully functioning?

Answer -

(1) In the 1989/90 financial year, South Western Sydney Area Health Service received $1,001,000 on an annual basis for youth health services at Bankstown, Macarthur and Fairfield/Liverpool.

(2) All of the funding received for youth health services has been spent on these services. Where staff have not been available to provide the service the funding has been used or earmarked to provide accommodation and equipment.

(3) Services are not fully staffed at this time but recruitment action is continuing. Full staffing is anticipated during 1992/93.

(4) Staff levels at this time:

Bankstown	4.0
Macarthur	5.5
Fairfield/Liverpool	6.0

(5) Recurrent funding of $1,049,000 has been provided in 1992/93.

ATTORNEY GENERAL, AND MINISTER FOR INDUSTRIAL RELATIONS CORRESPONDENCE REPRESENTATIONS

Mr Rumble asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

When will he respond to the representations of the member for Illawarra of 2 April 1992, on behalf of Mr A. Wilcox of Mt Warrigal (reference L0015073)?

Answer -

I am advised by the Attorney General and Minister for Industrial Relations that:
The honourable member's representations were responded to by letter dated 21 September 1992.

ATTORNEY GENERAL, AND MINISTER FOR INDUSTRIAL RELATIONS CORRESPONDENCE REPRESENTATIONS

Mr Rumble asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

When will he respond to the representations of the member for Illawarra of 4 May 1992 (reference L15886) concerning child victims giving evidence in court?

Answer -

I am advised by the Attorney General and Minister for Industrial Relations that:
The honourable member's representations were responded to by letter of 24 August 1992.

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ATTORNEY GENERAL, AND MINISTER FOR INDUSTRIAL RELATIONS CORRESPONDENCE REPRESENTATIONS

Mr Rumble asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

When will he respond to the representations of the member for Illawarra of 5 May 1992 (reference L15992-S) concerning the cross-examination of a witness?

Answer -

I am advised by the Attorney General and Minister for Industrial Relations that:
The honourable member's representations were responded to by letter dated 2 September 1992.

WALLERAWANG POWER STATION No. 6 GENERATION UNIT

Mr Clough asked the Minister for Conservation and Land Management and Minister for Energy -

(1) Did the NSW Electricity Commission recently sell No. 6 generation unit at Wallerawang Power Station?
(2) (a) To whom was it sold?
(b) For what price?
(3) Has the Commission leased the unit back from the purchaser?
(4) (a) What are the conditions of leasing?
(b) What payments have been made to date?
(5) How long is the lease?

Answer -

(1) The redundant Unit No. 6 at Wallerawang Power Station, as well as the similarly redundant Units 1 to 5, were auctioned on site in September 1990.
(2) (a) Unit 6 was sold to the highest bidder, Riverside Metals Industries.
(b) $77,750.
(3) No.
(4) Refer to answer (2) (a) and (b) above.

(5) Refer to answer (3) above.

STATE RAIL AUTHORITY HAND-HELD TICKET VERIFIERS

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

(1) Why has the SRA only now called for tenders for "Hand-held Ticket Verifiers"?
(2) Why weren't verifiers included in the original specifications for automatic fare collection (AFC)?
(3) Given that the SRA is arguing ticket verifiers are necessary to catch commuters using forged or out-of-date tickets, is this an admission that AFC will encourage fare evasion?

Answer -

(1) and (2) "Hand-held Ticket Verifiers" (HHTV) were originally included in the Automatic Fare Collection (AFC) Project Specifications and Tender No. 88-2802.
It was decided to withdraw HHTV from the tender because the offer was not acceptable to SRA.

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(3) No. The use of HHTV is only a small part of the overall strategy against fare evasion. It is estimated that the HHTV would be only used to assist in approximately 5 per cent of ticket inspections.

CALGA SCHOOL BUS SERVICE

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

(1) Is he aware of the concerns of the Peats Ridge Public School, Principal and P. & C. Association, regarding the termination of the Primary School Bus Service at Calga bus stop?
(2) Is he aware of the dangerous condition of the Calga Bus Stop where a number of children have to wait for up to 20 minutes before the High School Bus Service picks them up?
(3) Will he now order the Department of Transport to permit the Primary School Bus Service to be extended to Mount White?

Answer -

(1) Yes. However, the Primary School Bus Service does not terminate at Calga bus stop, but waits to take on additional students from another service.
(2) The students wait on the bus. The Peats Ridge bus operator will ensure that waiting, which has recently averaged between 3 and 5 minutes, is kept to a minimum.
(3) The service already continues to Mount White.

COROWA COMMON

Mr Martin asked the Minister for Conservation and Land Management and Minister for Energy -

(1) Is he planning to revoke the Crown land dedication over public land known as the Corowa Common?
(2) If so, is he negotiating with the local golf club in relation to the Corowa Common land becoming part of the local golf course?
(3) Will he assure full community consultation occurs before any decision to revoke the dedication is made?

Answer -

(1) There is no plan to revoke the Dedication for Common at Corowa. A previous attempt to revoke the common in 1989 was defeated in the Legislative Council. Although an inquiry was made by the Corowa

Golf Club in 1991, no formal request to revoke the common is being considered at this time.
(2) There are no current negotiations being held with the Corowa Golf Club in reaction to expansion of the golf course onto the common.
(3) Before any dedication is revoked, the proposal must be published in the Government Gazette and laid before both Houses of Parliament for at least 14 sitting days in accordance with section 84(3) Crown Lands Act 1989.

TARRO RAILWAY PLATFORM REPAIRS

Mr Price asked the Minister for Transport and Minister for Tourism -

(1) When will the northbound platform repairs at the Tarro Railway Station be commenced?

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(2) Given the condition of the existing platform and the station access, what is the estimated cost of this essential upgrade?

Answer -

(1) Design work will commence shortly. On site work is programmed to commence in February 1993.
(2) The estimated cost of the work on Tarro Station is $160,000.

TRANSPORT OF BALED PAPER

Ms Allan asked the Deputy Premier, Minister for Public Works and Minister for Roads -

(1) Has the number of trucks carrying baled paper increased on New South Wales roads?
(2) What regulations exist to govern the transport of baled paper?
(3) If no such regulations exist, will he investigate the overloading of such trucks and the danger they pose to other motorists?

Answer -

(1) Baled commodities of various kinds, including paper, are regularly carried on the State's roads. The Roads and Traffic Authority is not aware of any increase in the carriage of baled paper.
(2) The height and width of loads are governed by Regulation 92AA of the Regulations under the Traffic Act. Axle loads are governed by Ordinance 30C under the State Roads Act.
Enforcement of Regulation 92AA and Ordinance 30C is pursued vigorously by the RTA, both through mobile patrols and at fixed checking stations. The police also pay regular attention to offending vehicles.
In addition to the above, the RTA is co-operating with the Federal and Queensland Governments in preparing a loading code of practice for the road transport industry generally. Such a code would, of course, apply to vehicles carrying baled paper.
(3) As discussed with the honourable member, the RTA has no particular evidence that trucks carrying baled paper in the Sydney Metropolitan Area are loaded in excess of height, width and weight restrictions. Additionally, police accident statistics for trucks carrying paper products do not appear to include any loaded with baled paper.
Nevertheless, I appreciate the honourable member's concern, which, I understand, relates more particularly to load security. I have asked the RTA to ensure that its vehicle regulation inspectors pay special attention to any vehicles carrying baled paper that they encounter during the course of their duties.

NEW SOUTH WALES CYCLEWAYS

Mr Face asked the Minister for Transport and Minister for Tourism -

(1) (a) Has the NSW Government any plans to increase or construct cycleways in New South Wales in the years 1992 and 1993?
(b) If so, what are their locations?
(2) (a) Has the NSW Government any joint projects with any local government bodies in New South Wales?
(b) If so, what local government bodies are they and where are the locations?
(3) (a) Has the NSW Government submitted any sites or locations for cycleways in any federal cycleway construction funding program?

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(b) If so, what are the locations and nature of any submissions or deliberations he has had with the Federal Government or any of its agencies?

Answer -

(1) to (3) This matter comes under the administration of the Deputy Premier, Minister for Public Works and Minsiter for Roads, The Hon. W. T. J. Murray, M.P.

GLEBE PEDESTRIAN SAFETY

Ms Nori asked the Deputy Premier, Minister for Public Works and Minister for Roads -

(1) Will he direct the Roads and Traffic Authority to introduce greater protection to pedestrians, especially children, at the intersection of Ross Street and Bridge Road, Glebe?
(2) In particular will he ensure that a red arrow will be introduced to prevent motorists from turning left into Bridge Road from Ross Street while pedestrians are still crossing Bridge Road?
(3) If not, why not?

Answer -

(1) to (3) The Motor Traffic Regulations require motorists to give way to pedestrians at both marked crossings and those which are signalised.
In this particular case, site investigations have disclosed that the speed of vehicles turning left from Ross Street is generally low, and that approaching motorists have a clear view of pedestrians crossing Pyrmont Bridge Road.
The 3-year accident history for the site reveals only one accident involving a pedestrian. That accident involved a northbound vehicle on Ross Street colliding with a pedestrian, crossing Ross Street.
In the circumstances, the provision of left turn red arrows on both approaches of Ross Street to Pyrmont Bridge Road could not be justified. Nevertheless, in response to the honourable member's concern, "Left Turn Watch for Pedestrians" signs have been installed on each approach.

ATTORNEY GENERAL, AND MINISTER FOR INDUSTRIAL RELATIONS CORRESPONDENCE

Mr Newman asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

When will he reply to the correspondence of the Member for Cabramatta, dated 6 July 1992, and correspondence of the Cox family concerning charges laid by police against a person charged with murder and culpable driving causing the death of Benjamin Cox?

Answer -

I have been advised by the Attorney General and Minister for Industrial Relations that:
The honourable member's representations were responded to by letter dated 18 September 1992.

Mr and Mrs Cox were responded to by letters dated 17 September 1992 and 21 September 1992. Mrs Bridgeman, Benjamin's aunt, was responded to by letter dated 17 September 1992.

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MOTOR VEHICLE REPAIR INDUSTRY COUNCIL CHAIRMAN

Mr Beckroge asked the Minister for Consumer Affairs and Assistant Minister for Education -

(1) What duties are attached to the position of Chairman, Motor Vehicle Repair Industry Council?
(2) What hours of work are required?

Answer -

(1) The Chairman of the Motor Vehicle Repair Industry Council is the statutory head of that corporation. He is also the statutary head of the Motor Vehicle Repair Disputes Committee. His primary duties are set out within the Motor Vehicle Repairs Act 1980, as amended ("the Act"). These duties include, as a statutory head of the Motor Vehicle Repair Industry Council, chairing all meetings of the council, its advisory committees established pursuant to section 13 of the Act and presiding at inquiries commenced pursuant to Part 4 of the Act. The chairman holds extensive delegations from the council, both of a financial and administrative nature. These include the right to refuse various applications made pursuant to the Act. He is also responsible, via the Public Finance and Audit Act and other Acts, for the financial management of council funds. In addition, he is required to ensure that the council's policy is carried out by those officers of my Department of Consumer Affairs working in support of the council.
(2) No specific hours of work are set down, however, the chairman is available most days during normal business hours. On average, he works a 48-hour week. A reasonable amount of work is done outside the office. This includes the preparation of documents. He is required, under his terms of employment, to devote the whole of his time to the duties of his office.
It should be noted that the chairman is not subject to the Public Sector Management Act.

BARRAMUNDI AQUACULTURE DEVELOPMENT

Ms Allan asked the Minister for Natural Resources -

(1) Did you approve a recent application for a Barramundi Aquaculture development at Grong Grong?
(2) Why was a Fish Farming Permit issued before the application was assessed?
(3) Why is waste water being put back into underground aquifers?
(4) What assessment was undertaken by the EPA?
(5) What guarantees are there that picorna disease and others will not be introduced?

Answer -

(1) No, the application was considered by the Narrandera Shire Council who issued development consent in late 1991.
Three Government departments had to issue permits and licences for the operation of the fish farm. Two of these departments, Water Resources and NSW Fisheries, are in my portfolio. The Environment Protection Authority is the third agency concerned.
NSW Fisheries issued a preliminary Fish Farm Permit on 12 November 1991. This permit was reviewed during the first half of 1992 to allow further consultation regarding picorna disease. A revised Fish Farm Permit was issued on 9 September 1992.
The Department of Water Resources issued licences for the extraction and re-injection bores on 25 September 1992.

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I understand the EPA has recently given approval to the fish farm for the treatment and disposal of waste water and will issue a licence in the near future.
(2) A fish farm permit was not issued before the application was assessed. As stated previously development consent was given by Narrandera Shire Council on 16 October 1991 and a fish farm permit was subsequently issued on 12 November 1991. The applicant was advised however that additional conditions might be added with regard to picorna disease and the processing of fish.
Following a number of representations, my department agreed to review the issue of the permit. The review has been completed and the permit conditions finalised.
(3) Native ground water that occurs in the vicinity of the fish farm is very saline. There is no local extraction because of the inferior water quality of the aquifer. Its use for the subject aquaculture venture is considered to be a beneficial use of the resource.
Re-injection of the saline water being used on the fish farm is seen as a safe method of disposal; the re-injected water is required to be of similar quality to that extracted so it will not degrade the resource. The waste water passes through a settlement pond, is chlorinated and decholrinated prior to re-injection so there should be no possibility on contaminating the aquifer with pathogenic organisms. The exact treatment process being used is covered by the Environment Protection Authority's licence.
(4) The EPA has assessed the water quality report produced by Gutteridge, Haskins and Davey Pty Ltd in conjunction with the Department of Water Resources. The EPA has also received and assessed advice from NSW Fisheries on the scientific aspects of the picorna virus and collaborated with Fisheries on a protocol for disease testing. The EPA received and assessed submissions from the Australian Conservation Foundation, Murray-Darling Basin Commission, fish farmers and others prior to approving the treatment and re-injection of waste water.
(5) The barramundi destined for the fish farm must satisfy the disease testing procedures specified in the import protocol prior to entry into New South Wales. The fish are then reared in sterile bore water, so the chance of picorna virus entering the facility is remote. In addition, the hygiene and safety standards used throughout the rearing process are the best available. NSW Fisheries and other agencies will be inspecting and monitoring the operation of the fish farm on a regular basis to ensure compliance with all permit and licence conditions.

SCHOOL ZONE SPEED LIMITS

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

(1) Is he aware of correspondence from the Andrew Bridge Committee concerning school zone speed limits?
(2) Can he explain why the RTA chose the speed limits of 40 and 60 km/h rather than the South Australian school zone limit of 25 km/h?

Answer -

(1) Yes.
(2) The Committee has recently written to me again concerning this issue. I shall be responding in detail to that approach in the near future.

WINDSOR LORRY OVERLOAD

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

(1) Was a lorry, licence plate number RBG 619, booked near Windsor on 25 August 1992, for carrying a load of rocks in excess of 65 tonnes?

(2) Was the lorry permitted to continue its journey despite being overloaded?
(3) If so, why?

Answer -

(1) A breach report was issued. The matter will proceed to court. If a magistrate finds the offence proven, a fine of up to $3,000 can be imposed.
(2) It is common RTA practice to require overweight vehicles to be off-loaded to comply with ordinance or permit limits, if such can be done without endangering the safety of other road users.
In this particular case, the lorry's destination was stated to be only a short distance from the point of interception. On that basis, and having regard to the difficult nature of the vehicle's load, the driver was allowed to proceed.
(3) See answer (2) above.

JOHANN POHL CONVICTION

Mr Thompson asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) Was Johann Ernest Siegfreid Pohl found guilty of murdering his wife in 1973 and sentenced to penal servitude for life?
(2) Did the Court of Criminal Appeal in 1974 dismiss an appeal by Mr Pohl against his conviction?
(3) Did Roger Graham Bawden confess to having killed Mr Pohl's wife?
(4) Did an enquiry by the Honourable Justice Peter McInerney conclude that Mr Pohl's conviction was not justified in the light of Bawden's confession?
(5) Was Mr Pohl granted an unconditional pardon on 27 May 1992?
(6) Why has the Government not acceded to Mr Pohl's request for his conviction to be quashed?
(7) (a) Will the Government formally quash Mr Pohl's conviction forthwith?
(b) If not, why not?
(8) When will this injustice to Mr Pohl be righted?

Answer -

I am advised by the Attorney General and Minister for Industrial Relations that:
(1) Yes.
(2) Yes.
(3) Yes.
(4) Yes.
(5) Yes.
(6) to (8) Following Mr Bawden's confession, the then Attorney General sought Crown law advice on the procedures available to review Mr Pohl's conviction for his wife's murder.
He was advised there were two procedures available, either an inquiry under section 475 of the Crimes Act or a reference to the Court of Criminal Appeal under section 26 of the Criminal Appeal Act. The latter was considered the more appropriate option for a number of reasons including that if the court was satisfied that Mr Pohl was innocent or that the verdict of guilty was unsafe, then the conviction could be quashed. An inquiry under section 475 of the Crimes Act could at best lead to a pardon.
These alternatives and the reasons for preferring a reference to the Court of Criminal Appeal were put to the solicitors acting for Mr Pohl. Consent was sought to the reference

being made as it is in the nature of an appeal. Mr Pohl responded through his solicitors expressing preference for an inquiry under section 475 of the Crimes Act. The Government acceded to his request.
The honourable members would be interested to know I have directed officers of the Criminal Law Review Division of my department to undertake a review of the operation of section 475 of the Crimes Act and an issues paper is currently being prepared.

SOUTH WESTERN WATERWAYS POLLUTION

Mr Amery asked the Minister for Natural Resources -

(1) Is he aware of concerns, from the ACT, about the pollution of the waterways in the south-west of New South Wales?
(2) What action is he taking to address these concerns?

Answer -

(1) The ACT is concerned about water quality complaints by individuals and community representatives living on the Murrumbidgee River downstream. The complaints are that effluent from the ACT pollute the river immediately downstream and further afield in the south-west of New South Wales.
A city the size of Canberra (population 300,000), located in the upper reaches of a long river system, poses serious threats to water quality downstream. The main concern is excessive plant nutrients resulting in algal problems.
In the 1960s and 70s, the Molonglo and Murrumbidgee Rivers, and Burrinjuck Reservoir downstream of Canberra, were badly polluted through inadequate sewage treatment. Filamentous and blue-green algal problems were common.
However, with the construction of the Lower Molonglo Sewage Treatment Works (LMSTW) for Canberra in the late 1970s, the situation has improved significantly. Burrinjuck Reservoir now rarely has algal problems, and water quality in the Molonglo and Murrumbidgee Rivers downstream of Canberra is much better, except perhaps in reaches immediately downstream of the LMSTW effluent and some urban lakes.
Despite these improvements, residents on the Murrumbidgee River, between Canberra and Burrinjuck Reservoir, may have legitimate grievances at times about river water quality, but these are mainly when malfunctions occur at the LMSTW, which happen rarely.
Communities further downstream are fortunate that Burrinjuck Reservoir exists, trapping pollutants in inflowing water and effectively buffering the river downstream from any contamination upstream.
Notwithstanding the benefits of the LMSTW and Burrinjuck Reservoir, the nutrient levels in the Murrumbidgee River, from the Monaro to the Murray, are too high. This is true in most western-flowing rivers. These nutrients cause various water quality problems in river reaches and weir pools downstream. Improvements are urgently required in the Murrumbidgee and other western rivers.
(2) The Department of Water Resources works closely with local community groups, such as Total Catchment Management Committees and Land Care Groups, to provide information on water quality.
The department monitors water quality in the Murrumbidgee system at several key sites on a monthly basis to assess trends and provide warnings if problems develop.
Burrinjuck Reservoir is monitored regularly and samples are taken at various depths between the surface and the bottom at representative sites.
Particular water quality issues arising at times are investigated and managed through special studies when required.

If water quality problems are identified, the department promptly issues press releases for broad communication to the public.
Regular water quality information is conveyed to Hay Shire Council for optimum operation of its water treatment works.
The department is working with the CSIRO, Griffith, on better methods for managing water quality of weir pools in the downstream section of the river.
Through the work of the Blue-Green Algae Task Force, which published its findings in September, the department will implement a range of recommendations, including providing dilution flows when required.
Finally, the department's regional offices at Queanbeyan, Leeton and Griffith, together with the Environment Protection Authority and ACT Electricity and Water, are following water quality issues on a daily basis. The department's Leeton office recently appointed new officers for improving water quality and catchment management.

PROSPECT CREEK FLOOD LEVELS

Mr Irwin asked the Minister for Natural Resources -

(1) Have flood levels in the vicinity of Prospect Creek, between Smithfield Road and the southern railway line, been reassessed?
(2) Why has the reassessment been necessary?
(3) Will any homes in the area be zoned as flood-affected following the reassessment?
(4) Are works necessary on upstream retention basins to reduce the risk of flooding?

Answer -

(1) Yes. I understand that Fairfield City Council has commissioned a number of studies into flood levels in this area since 1990. I also understand that the most recent study is not yet completed, having only reached draft report stage.
The studies have been funded by council and the involvement of the Department of Water Resources in them is limited, being confined to representation on council's Floodplain Management Committee. This committee was set up by council under the Government's flood policy to advise council on flooding matters.
In view of this limited involvement, my answers to this and the remaining 3 questions may not be as authoritive as they could be under different circumstances.
(2) I understand that the reassessment was necessary to take into account the effect of the various flood mitigation works that have been constructed within the catchment since 1985. It is also understood that the opportunity was taken to upgrade the mathematical modelling of the hydrology and hydraulics, and to utilise the latest rainfall information.
(3) I understand that the studies indicate that the two retarding basins of Prospect Creek are not as effective in reducing downstream flows as had originally been anticipated. As a result, it appears that approximately 18 premises are now subject to above floor flooding under 1 per cent (1 in 100) flood conditions.
As to whether or not any homes will be "zoned" as flood affected following the reassessment, this is a matter for council to determine.
(4) I understand that the draft report has identified a range of works to reduce the risk of flooding in this area. Works on the retarding basins on Prospect Creek are among those identified. I am not aware of the likely cost of these works.

CAMBRIDGE AVENUE GLENFIELD FLOODING

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

(1) How many times has the Georges River flooded to the point of closing the Cambridge Avenue bridge at Glenfield, since the major flood in 1956?

(2) When did the floods occur?
(3) In each of the floods, for how many days was the road closed?
(4) What was the average daily traffic volume for Cambridge Avenue for the period immediately prior to the floods mentioned above?

Answer -

Cambridge Avenue is not under the care and control of the Roads and Traffic Authority. The honourable member will need to seek the information he requires from Liverpool and Campbelltown City Councils.

FOREST RESOURCE ASSESSMENT

Mr Martin asked the Minister for Natural Resources -

(1) Did the Forestry Commission in June 1990 estimate there are five million hectares of old growth forest in New South Wales?
(2) Does the Resource Assessment Commission's "A Survey of Australia's Forest Resource" estimate that there is only a total of 1.5 million hectares of unlogged forest and woodlands in New South Wales?
(3) Was the Resource Assessment Commission's estimate based on figures supplied by the Forestry Commission of New South Wales and those of the National Parks and Wildlife Service?
(4) If not, where did the Resource Assessment Commission obtain the estimated figure of a total of 1.5 million hectares of unlogged forest and woodland in New South Wales?
(5) Is unlogged forest the same as old growth forest?
(6) If not, what is the amount of old growth forest remaining in New South Wales based on the Resource Assessment Commission's estimate of 1.5 hectares of unlogged forest in New South Wales?

Answer -

This question does not come under the responsibility of my portfolio and should be addressed to the Minister for Conservation and Land Management and Minister for Energy.

M5 TRAFFIC COUNTS

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

(1) What are the initial traffic counts of the number of vehicles now travelling on the M5 tollway on a daily or weekly basis?
(2) What are the traffic counts for Saturdays and Sundays?

Answer -

As the honourable member is aware, the F5 Motorway is owned and operated by Interlink Roads. The information sought by the honourable member should be obtained from Interlink Roads.

M4 AT MAMRE AND KENT ROADS

Mr A. S. Aquilina asked the Deputy Premier, Minister for Public Works and Minister for Roads -

(1) Will he provide access ramps to and from the M4 Motorway at Mamre Road, St Marys, and Kent Road, South Werrington?
(2) If so, when will funding be provided and work commence on both access ramps?
(3) If not, why not?

Answer -

The Roads and Traffic Authority is currently evaluating ramps at both Mamre Road and Kent Road. A decision will be announced in due course.

BOTANY WEST TRANSPORT STUDY

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

When will a decision be announced on the outcome of the Botany West Transport Study?

Answer -

I expect to receive recommendations from the Roads and Traffic Authority before the end of 1992. A decision will be made as soon as possible thereafter.

TUNNEL HILL AND LIDSDALE STATE FOREST ROADWAY

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

(1) Is completion of the roadway section between Tunnel Hill and Lidsdale State Forest contained within the Federal Government grant of $14 million allocated in the budget papers?
(2) Does the Federal allocation also include the cost of the twin bridges over the Cox's River?
(3) If so, what is the expected revised completion date of:
    (a) The roadway?
    (b) The bridges?

Answer -

(1) Yes.
(2) Yes.
(3) The expected completion date is June 1993.

F6 FREEWAY DEBT AND CONCESSION CHARGE

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

(1) What is the outstanding debt on the F6 Freeway?
(2) What is the current interest rate on the repayment?
(3) Will he implement a concession system for regular commuters forced to use the F6 daily to their place of employment?

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Answer -

(1) $18 million.
(2) The original State Government loans were converted into semi-Government loans in February 1992. As such they attract varying rates of interest.
(3) No. Commuters are not "forced" to use the Waterfall to Bulli Pass Tollway. A toll-free route exists for those who do not wish to pay the toll.

ST VINCENT'S HOSPITAL BATHURST AND HEALTH CARE AUSTRALIA

Mr Clough asked the Minister for Health -

(1) Was a conference between Department of Health officers, board members of Base Hospital, board members of St Vincent's Hospital, Bathurst, and a Dr Davidson, held recently in Bathurst?
(2) Was the conference called to discuss the conditions under which Health Care Australia would assume control of St Vincent's Hospital at Bathurst?
(3) (a) Why was Dr Davidson at the conference?
    (b) What is his role in the matter?
(4) What is the current position with regard to guaranteeing HCOA a number of profit-making public beds?

Answer -

(1) Yes.
(2) Yes.
(3) (a) and (b) Dr Davidson represents the Bathurst medical officers in relation to the proposal to privatise St Vincent's.
(4) Negotiations are still continuing in relation to the number of public beds to be contracted.

1A PISTOL LICENCES

Mr Nagle asked the Minister for Police -

(1) Have all 1A pistol licences been cancelled?
(2) If so:
  (a) How many 1A licence holders are affected?
  (b) During the past 5 years, how many 1A licence private pistols were used in domestic violence offences?
  (c) How many 1A licence private pistols were used to suicide in the past 5 years?
  (d) How many 1A licence private pistols were stolen in the past 5 years?
  (e) How many 1A licence private pistols were used to commit crimes in the past 5 years?
  (f) How many 1A licence private pistols were involved in accidental shootings in the past 5 years?

Answer -

(1) No. Existing personal pistol licences formerly known as 1A will remain valid up to expiry dates.

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(2) (a) As the category of 1A Personal Pistol Licence no longer exists following amendments contained in the Firearms Legislation (Amendment) Act 1992 No. 13, no new personal pistol licences have been issued or renewed. Existing licences will remain current. The total number ultimately affected will be 1,733.
  (b) to (f) These statistics are not available.

POLICE PISTOL SHOOTINGS

Mr Nagle asked the Minister for Police -

(1) Do all NSW Police carry pistols?
(2) How many police pistols were used in domestic violence offences in the past 5 years?
(3) How many police pistols were used to suicide in the past 5 years?
(4) How many police pistols were stolen in the past 5 years?
(5) How many police pistols were used in crimes in the past 5 years?
(6) How many police pistols were involved in accidental shootings in the past 5 years?
(7) If statistics are not kept, can he indicate why all 1A licences were cancelled, i.e., the reasons for the decision?
(8) If such statistics are not kept, will he obtain answers to some of those questions through the Coroner's office?

Answer -

(1) Police are issued with a revolver on appointment to the Police Service. Non-commissioned officers and constables are required to carry their revolvers while on duty, unless otherwise instructed. However, commissioned officers may use their own discretion.

(2) and (3) These statistics are not available.
(4) Forty-five.
(5) and (6) These statistics are not available.
(7) The new firearms legislation enacted on 1 May 1992, which included the abolition of personal pistol licences (1A), is a positive initiative by this Government to control firearms in order to protect the community.
(8) Requires response from the Minister for Justice.

LIDCOMBE HOSPITAL SERVICES

Mr Nagle asked the Minister for Health -

(1) In 1987, what were the hospital, medical, rehabilitation and other specialised services provided to patients at Lidcombe Hospital?
(2) How many of these services have now been cut?
(3) What are the services that have been cut?
(4) Why were they cut?
(5) (a) Will services at Lidcombe Hospital be run down for the purposes of eventually closing the hospital?
(b) If so, when did this policy come into being?
(c) Why is it necessary to have this policy?
(6) When is it anticipated that all the remaining services will cease at Lidcombe Hospital?

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Answer -

(1) The services provided at Lidcombe Hospital in 1987 continue to be provided by the Hospital today. These services include:

* Acute medical and surgical services including subspecialties in cardiology, renal medicine, orthopaedics, dermatology, endocrinology, neurology, ophthalmology, urology and vascular surgery.
* Geriatric and rehabilitation services including psychogeriatrics, head injuries, amputee, orthopaedic and stroke rehabilitation.
* Day only services including renal dialysis, oncology and endoscopy services.
* The hospital also has State nursing home beds distributed between frail aged male, developmentally disabled, psychogeriatric, Huntington's Disease and spinally injured patients.
* Diagnostic services including nuclear medicine, ultrasound, radiology and pathology.

(2) to (4) These services have been retained. Indeed, between 1987 and 1992, there has been an increase of 3,541 admissions in the acute area, representing an increase of 35 per cent. Day only admissions in the same period increased by 4,550 which represents an increase of 173 per cent.
(5) and (6) No decision to close the Lidcombe Hospital has been made.
On the recommendation of the South Western Sydney Area Health Service I have recently approved the amalgamation of the Bankstown and Lidcombe Hospitals for the purpose of service delivery and administration.

LIQUOR LICENSING FEES

Mr Face asked the Chief Secretary and Minister for Administrative Services -

(1) How many liquor licensees were unable to pay licensing fees due in each half-year in the years:
(a) 1988?
(b) 1989?
(c) 1990?

(d) 1991?
(e) Year to 30 June 1992?

(2) Of those unable to pay licensing fees, what were the numbers in each category of licence in those years?

(3) Was information recently sent by Treasury officials to Members of Parliament concerning increases in Liquor Tax?

(4) Is a licence fee paid in January and May of 1993 for permission to sell alcohol during the 1993 year?

(5) Is a licence fee not calculated on sales turnover as stated in the Treasury document, but on purchases made by licensed premises?

(6) (a) Does the High Court require the licence fee to be calculated on purchases, not sales as in the Treasury document to members?
(b) If so, why is the Treasury inaccurate?

(7) Were the new rates operating on low alcohol product below 3 per cent in the Premier's statement, not 3 per cent or under as stated in the Treasury document?

(8) In regard to the new licence fee, is it the case that it cannot be largely generated from sales in the 1992/93 year since 1992 is half over with half the fee due in January and the rest in May?

(9) Is Treasury asking licensees to collect from the consumer, in a 6-month period, for Government frugality?

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(10) Is turnover down 15 per cent this year on licences?

(11) Will staff be reduced to pay the costs in the liquor industry as a result of the new tax?

Answer -

(1) Half-yearly figures are not kept. See answer (2) for annual figures.

(2)

TYPE	1987-88	1988-89	1989-90	1990-91	1991-92
Hoteliers	-	-	-	1	3
Registered Clubs	-	4	7	5	2
Off-licence (Retail)	1	3	2	5	3
On-licence (Restaurant)	89	82	56	73	54
Off-licence (Wholesale)	15	13	12	21	9
On/Off-licence (Wine)	2	-	2	2	2
Miscellaneous	15	11	7	12	4
On-licence (Function)	20	10	12	14	8
TOTAL	142	123	98	133	85

(3) Not applicable.

(4) The licence fee payable in January and May 1993 entitles a licensee or club to trade for the period 16 January 1993 to 15 January 1994.

(5) Not applicable.

(6) (a) Not applicable.
(b) Not applicable.

(7) Not applicable.

(8) Not applicable.

(9) Not applicable.

(10) Information on trends in turnover is not available. However, receipts from liquor licence fees in 1991/92 are $210.4 million, up from $205.8 million in 1990/91.
(11) Not applicable.
These questions should be referred to the appropriate Minister.

"NOT KEEPING LEFT" TRAFFIC OFFENCE

Mr Anderson asked the Minister for Police -

(1) Are New South Wales police entitled to issue a traffic infringement notice for the offence of "not keeping left unless overtaking" on certain roads in New South Wales?

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(2) What is the prescribed infringement notice penalty for the offence referred to?
(3) How many infringement notices were issued for the offence in the financial years:
(a) 1989/90?
(b) 1990/91?
(c) 1991/92?

Answer -

(1) Yes.
(2) $94.
(3) The collection of material to provide an answer to the question would require considerable dedication of staff time which is not warranted within the priorities of the Police Service.

POLICE SERVICE INFRINGEMENT PROCESSING BUREAU

Mr Anderson asked the Minister for Police -

(1) How many staff are provided at the infringement processing bureau to answer telephone inquiries regarding infringement notices?
(2) How many telephone inquiries are currently dealt with on average each week by the bureau?
(3) (a) Are members of the public experiencing lengthy delays in having their telephone inquiries answered?
(b) If so, why?
(4) What is the current actual and authorised staffing levels of:
(a) Sworn police?
(b) Other employees at the infringement processing bureau?

Answer -

(1) 12.
(2) 2,950.
(3) The present telephone system does not support the number of inquiries made concerning infringement notices. However, tenders for an Automatic Call Distribution/Queue system closed on 17 September 1992 and are currently under evaluation.
The Commissioner of Police, Mr A. Lauer, has advised that the installation of an ACD system will allow for the management of telephone inquiries within existing resources.
(4) (a) Nil.
(b) 230 actual, 249 authorised. Recruitment action is underway to fill the vacancies.

Mr MARIO di FIORI

Mr Sullivan asked the Minister for Police -

(1) Have police concluded their investigations into the activities of film maker Mr Mario di Fiori who traded under several business names including W. J. Thomas Productions?
(2) What was the outcome of the police raid on Mr di Fiori's business premises in Keira Street, Wollongong?
(3) How many complaints have police received relating to Mr di Fiori?

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Answer -

(1) Yes.
(2) Documents seized did not provide police with any further information and the documents are to be returned to Mr di Fiori.
(3) Four.

LOCOMOTIVE REPAIRS

Mr Clough asked the Minister for Transport and Minister for Tourism -

(1) Were locomotives numbers 8007, 8020 and 8045 involved in the Condobolin smash?
(2) Will the locomotives be repaired?
(3) If not, what will happen to them?

Answer -

(1) Yes.
(2) Yes. Locomotive No. 8007 is presently undergoing repairs at Delec Enfield which are expected to be completed by late December 1992.
Locomotives No. 8020 and 8045 are currently at Lithgow but are soon to be sent to Junee for repairs, which should also be completed by late December 1992.
(3) Not applicable.

GRIFFITH TO WAGGA WAGGA COACH SERVICES

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

(1) Did officers of the Department of Transport meet with representatives of Griffith, Leeton, Narrandera and Coolamon Shire Councils in Leeton on 22 July 1992 concerning a coach service from Griffith to Wagga?
(2) Did that meeting agree that the departmental officers would consider the issues raised at that meeting and provide an opportunity for the councils to prepare a submission for presentation to the department?
(3) Did the department make a unilateral decision on new coach services from Griffith to Wagga Wagga without consulting the councils as promised?
(4) Will he direct the department to cease any further action in relation to this coach service until the councils have been fully consulted?
(5) Will he direct the department to investigate a 7 day a week service from Griffith to Wagga Wagga as proposed by the councils?

Answer -

(1) Officers of the NSW Department of Transport and State Rail Authority met with council and local

community representatives on 22 July 1992.
(2) Agreement was reached that officers would consider issues raised during the meeting concerning the provision of a late night coach service linking to the rail network. Agreement was also reached that officers would consider issues raised in a written submission forwarded to the Department of Transport following the 22 July meeting.
(3) The Department agreed to make a decision regarding a late night coach service linking to the Sydney and Melbourne Express rail services following consideration of a submission prepared by councils. The Department fully analysed councils' submissions and identified further alternatives which were considered prior to a decision being taken.

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(4) No. Tenders for all rural coach services linking to the rail network closed Friday 25 September 1992, with new contracts commencing mid-January.
(5) No. There is currently a coach which operates daily between Griffith and Wagga Wagga connecting to the XPT rail service. This service is highly patronised as most passengers prefer to travel during the day rather than at night and connect to XPT rather than Intercity rail services.
A 7-night per week service between Griffith and Wagga Wagga was an option which was considered. The annual cost would be approximately $150,000 per annum for a full size coach and $122,000 for a minicoach.

NOWRA DIESEL TRAINS

Mr Rumble asked the Minister for Transport and Minister for Tourism -

With regard to the new diesel trains that are planned to travel from Nowra -

(1) Will these trains be the Explorer or Endeavour type?
(2) Will he furnish a photograph of both these trains?

Answer -

(1) Endeavour.
(2) As neither of these trains has yet been built, it is not possible to provide a photograph.
However, in response to the honourable member's written request, an artist's impression of the Explorer was forwarded to his electorate office. The Explorer is structurally identical to the Endeavour, although the livery and the interior arrangements will be different from the Endeavour series.

DEPARTMENT OF CORRECTIVE SERVICES RECRUITMENT PROCEDURES

Mr Doyle asked the Minister for Police representing the Minister for Justice, Minister for Emergency Services and Minister Assisting the Premier -

(1) Has he received a report which recommends Department of Corrective Service recruitment procedures to be scrapped and redrafted to reflect the principles of fairness?
(2) Does the report also express the concern that the impending decentralisation of the Department's head office may increase the problems identified in the report?

Answer -

I am advised by the Minister for Justice, Minister for Emergency Services and Minister Assisting the Premier:
(1) The former Minister for Justice received a report on the "Review of Selection Committee Procedures and Practices" in Corrective Services which was commissioned from an independent consultant. The report made a number of recommendations for improvement in selection procedures.

(2) Yes, the report did express concern that the impending decentralisation of the Department's head office may increase the problems identified in the report. However, recruitment and selection procedures are being revised taking into account the recommendations of the report. As part of the Department's ongoing policy the procedures are being kept under constant review.

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PRISON METHADONE PROGRAMS

Mr Doyle asked the Minister for Police representing the Minister for Justice, Minister for Emergency Services and Minister Assisting the Premier -

(1) At which prisons are methadone treatment programs presently operating?
(2) How many inmates are receiving treatment at each of these prisons?
(3) Are there plans to further reduce the number of prisons at which the program operates?
(4) If so, to what extent?

Answer -

I am advised by the Minister for Justice, Minister for Emergency Services and Minister Assisting the Premier:

(1) As at 8 October 1992, 502 inmates were receiving methadone treatment.
Distribution as follows:

Bathurst	77
Cessnock	37
Emu Plains	3
Goulburn	43
Grafton	10
John Morony Correctional Centre	1
Lithgow	18
Long Bay Complex - Assessment Prison	3
Reception Prison	68
Remand Centre	41
Training Centre	39
Special Purpose Prison	4
Long Bay Prison Hospital	10
Maitland	12
Mulawa	88
Norma Parker	1
Parramatta	44
Silverwater	5

(2) See (1) above.
(3) The number of correctional centres at which the methadone treatment programs operate will be reduced to 13. However, inmates involved in specific rehabilitative programs at a further 6 correctional centres may also receive methadone.
(4) See (3) above.

PUBLIC SECTOR PATHOLOGY SERVICES

Mr Gaudry asked the Minister for Health -

What are the current staffing levels, staffing categories, operating budgets, patient fee revenues and equipment purchases from trust funds for each of the public sector pathology services in New South Wales?

Answer -

Details requested are provided in the following schedule: p. 1929 Q&A 44.

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DEPARTMENT OF HEALTH RECURRENT FUNDING INCREMENTS

Mr Mills asked the Minister for Health -

(1) What were the 1991/92 increments in recurrent funding in each of the following health areas and regions:

(a) Hunter area?
(b) Central Coast area?
(c) Wentworth area?
(d) Western Sydney area?
(e) Northern Sydney area?
(f) Eastern Sydney area?
(g) Central Sydney area?
(h) Southern Sydney area?
(i) South Western Sydney area?
(j) Illawarra area?
(k) North Coast region?
(l) New England region?
(m) Orana and Far West region?
(n) Central Western region?
(o) South West region?
(p) South Eastern region?

(2) What were the 1991/92 increments in service enhancements funding in each of the above areas and regions?

Answer -

(1) Comparison of increments in recurrent annual funding between health areas and regions is distorted due to the annualised effect of additional recurrent funding provided for the prior year's specific enhancement proposals, including capital driven enhancements. Conversely, specific target savings impact on inter year budget comparisons.

With such raw data subject to misinterpretation, I do not consider it appropriate to provide the 1991/92 increments in recurrent funding by health area and regions.

A summary of the 1991/92 increment in recurrent funding for health areas and regions was provided in answer to question No. 336.

(2) The 1991/92 increment in service enhancement funding was $27.3 million distributed between each of the following health areas and regions:

		$ million
(a)	Hunter Area	0
(b)	Central Coast Area	5.5
(c)	Wentworth Area	2.0
(d)	Western Sydney Area	1.0
(e)	Northern Sydney Area	1.0
(f)	Eastern Sydney Area	1.3
(g)	Central Sydney Area	1.3
(h)	Southern Sydney Area	6.0
(i)	South Western Sydney Area	4.0

(j)	Illawarra Area	0.3
(k)	North Coast Region	4.0
(l)	New England Region	0.2
(m)	Orana and Far West Region	0.1
(n)	Central Western Region	0

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(o)	South West Region	0
(p)	South Eastern Region	0.2
(q)	Royal Alexandra Hospital for Children	0.4
		27.3

OPTOMETRICAL ADVERTISING PROSECUTIONS

Mr Mills asked the Minister for Health -

(1) How many optometrists have been prosecuted by the Board of Optometrical Registration, under the advertising regulations of the Optometrists Act 1930, in each of the following years:
- (a) 1992 to date?
- (b) 1991?
- (c) 1990?
- (d) 1989?
- (e) 1988?

(2) How many of the above prosecutions have been initiated under new advertising regulations introduced in May 1990, in each of the following years:
- (a) 1992 to date?
- (b) 1991?
- (c) 1990?

(3) Were all the necessary legal steps taken correctly in the introduction of the new advertising regulations in May 1990?

(4) In each of the 5 years in part (1) above:
- (a) How many of the above prosecutions resulted in findings that breaches of the regulations had occurred?
- (b) How many penalties were imposed?
- (c) How many suspensions from practice were imposed?
- (d) What length of time of suspensions were imposed, expressed as:
- (i) Average period?
- (ii) Maximum period?
- (iii) Minimum period?
- (e) How many fines were imposed?
- (f) What were the average, maximum and minimum fines?
- (g) What other penalties were imposed?

(5) Were any alleged breaches of the advertising regulations brought to the notice of the Board and its inspectors by either:
- (a) Other registered optometrists?
- (b) Persons associated with other registered optometrists?
- (c) Anonymous tip-offs?

(6) If so, how many in each of the categories (5) (a), (b) and (c)?

(7) If not, in what ways were alleged breaches of the advertising regulations brought to the attention of the Board?

(8) When were substantial amendments to the Optometrists Act first proposed by the Board?

(9) Will he implement the recommendations in the 1991 annual report of the Board of Optometrical Registration for urgent introduction of a new Optometrists Act?
(10) If so, when?
(11) If not, why not?

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Answer -

(1) Nil. I have been advised that the Board has a policy that breaches of the advertising regulations are more usually dealt with by inquiry under section 15 of the Act.
Breaches of the advertising regulations dealt with by the Board under section 15 of the Optometrists Act 1930 are detailed below:

(A)	1992*	1
(b)	1991	11
(c)	1990	15
(d)	1989	3
(e)	1988	Nil

(2) and (3) I have been advised that no new regulations were introduced in May 1990. Rather the Board issued a determination pursuant to clause 31 (1) of the Regulations in May 1990. With respect to the determination, details of the breaches dealt with are:

(a)	1992*	0
(b)	1991	8
(c)	1990	0

(4) With respect to inquiries concerning advertising held by the Board under section 15 of the Optometrists Act 1930, the following details are provided:

(a)	1992*	1
	1991	8
	1990	14
	1989	3
	1988	Nil
(b)	1992*	1Caution
	1991	8Cautions
		3Dismissed
	1990	2Suspensions (**6 weeks) (4 weeks)
		9Cautions
		1Dismissed
		3No penalty
	1989	3Cautions
	1988	Nil

** Later (18/2/92) reduced to a caution on appeal to the District Court.

(c)	1992*	Nil
	1991	Nil
	1990	2
	1989	Nil
	1988	Nil
(d)	(i)	5 weeks
	(ii)	6 weeks
	(iii)	4 weeks

(e) No fines were imposed. The Board has no power to impose fines.
(f) Not applicable.
(g) See (4) (b) above.
(5) (a) Yes.

(b) Yes.
(c) Yes.

(6) I have been advised that by far the majority of complaints about advertising are from other registered optometrists or persons associated with registered optometrists.

(7) Not applicable.

(8) January 1987.

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(9) and (10) Legislative proposals for a new Optometrists Act are scheduled to be introduced to the Parliament during the Budget Session 1992.

(11) Not applicable.

* As at 30/6/92.

KEIRA ELECTORATE HOME CARE SERVICES

Mr Markham asked the Minister for Health Services Management representing the Minister for Health and Community Services -

(1) (a) How many people residing in the electorate of Keira have had Home Care services withdrawn in the past 12 months?
(b) How many of these people live alone?

(2) (a) How many new clients who reside in the electorate of Keira have been added to Home Care lists in the past 12 months?
(b) How many of these new clients were newly released from hospitals?

Answer -

(1) (a) The electorate of Keira is within the area serviced by the Wollongong branch of the Home Care service. The branch is providing service to 1,450 households as at the end of June 1992.

The statistics mentioned relate to the period July 1991 to June 1992.

During the past 12 months there has been an increase of 45 people receiving Home Care in the electorate of Keira. This has come from 215 new people and 170 ceasing to receive Home Care due to a number of factors, such as:

* a decision by the individual that they can manage on their own;
* the fact that services were being provided for an agreed limited period of time;
* the death of the person receiving services;
* the person receiving services moving out of the area covered by a branch;
* the decision by a person to enter a nursing home; and
* a decision by the person receiving service to enter into private assistance arrangements.

(b) Of these people, approximately 110 lived alone.

(2) (a) During the year 215 people from the electorate of Keira began receiving assistance from Home Care.
(b) Approximately 72 (33 per cent) of these people were provided with Home Care services following their release from hospital.

M4 SPEED LIMITS

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

(1) Prior to the F4 becoming a toll road, what were the limits applicable and number of trafficable lanes on the F4 between Concord Road and Silverwater Road in both directions?

(2) What are the speed limits applicable and number of trafficable lanes on the M4 tollway between Concord Road and Silverwater Road in both directions?

(3) Why have the speed limits been generally reduced since the introduction of the tollway?

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Answer -

(1) There were two lanes in each direction. The speed limit was 90 km/h.
(2) There are now two lanes in each direction between Concord and Homebush Bay Drive, and three lanes in each direction between Homebush Bay Drive and Silverwater Road.
With the exception, for safety reasons, of a short 70 km/h section on each approach to the toll plaza, which is just west of Silverwater Road, the speed limit remains at 90 km/h.
(3) See above.

LIVERPOOL BRIDGE REPAINTING AND CLEANING

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

(1) Has the Roads and Traffic Authority refused requests from Liverpool City Council to:
  (a) Repaint the Liverpool Bridge in a heritage green colour?
  (b) Clean up and remove weeds on and around the Liverpool Bridge?
(2) What is the estimated cost to carry out each of the requests by council?
(3) When is the bridge due to be repainted?
(4) When is the removal of weeds next programmed to be carried out?
(5) What were the reasons for the Roads and Traffic Authority's refusal of these two requests to improve the appearance of Liverpool's eastern gateway.

Answer -

(1) (a) Council's request for the bridge to be repainted has been refused.
  (b) The RTA has tidied up those areas which are its responsibility. Other nearby areas are the responsibility of council. Council has acknowledged that to be the case.
(2) The cost of repainting the bridge is estimated at $480,000.
(3) Repainting of the bridge steelwork is not required for at least 5 years. Repainting of the handrails is programmed for 1993/94.
(4) See (1) (b) above.
(5) See (1) to (3) above.

ROADS AND TRAFFIC AUTHORITY DRIVES COMPUTER SYSTEM AND ORGAN DONORS

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

With regard to the Red Cross "Transplant Co-ordinators Report 1991", which shows that some 3,000 patients are currently waiting for human organ and tissue transplants, will he -

(1) Guarantee that the Roads and Traffic Authority DRIVES computer system is not preventing the 1.5 million New South Wales drivers licence holders who have consented to organ donation from actually doing so?
(2) Outline the steps he has taken to ensure that the organ transplant program, through the DRIVES system, has ready and workable access to the donor information provided on current drivers licences

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Answer -

(1) Yes.

(2) All appropriate steps have been taken to ensure that relevant bodies have ready access to donor information on the DRIVES system.

SCHOOL CROSSING SAFETY

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

(1) How many surveys, pilot schemes or reports have been done on the safety of school crossings and traffic facilities adjacent to schools in New South Wales in the last 10 years?
(2) Is there any evidence to suggest there is a need for a mandatory 25 km speed limit outside schools?
(3) Are there any designs for safer crossings outside schools?

Answer -

(1) In 1985, children's crossings were introduced in New South Wales. The need for these devices was previously identified in a comprehensive survey of Traffic Safety at Schools in Sydney that was undertaken by consultants engaged by the former Traffic Authority of NSW.
The form of the devices and the associated traffic regulations followed those developed by Standards Australia in its review of the Manual of Uniform Traffic Control Devices. There are now many hundreds of these devices operating throughout the State.
In 1986, some field research into the use of zig-zag kerbside pavement markings to control parking outside schools in the Newcastle area was undertaken. The results of this research did not lead to the use of these special kerbside markings.
In 1991, the provision of lower speed limits outside schools on a part-time basis was investigated. These investigations are documented in an Roads and Traffic Authority report titled "Traffic Safety Outside Schools - Trial of Traffic Safety Measures in the Northern Region".
This trial was the forerunner to the introduction of school zones with lower speed limits. My decision to implement school zones in New South Wales was made in the light of concerns for the safety of schoolchildren that have been expressed to me over the last few years.
(2) The introduction of the 40 km/h speed limit at school zones in urban areas is consistent with the limit applying in many local area traffic management schemes and with school zone speed limits in Queensland and the Australian Capital Territory.
The 40 km/h school zone speed limit also matches that recommended in Australian Standard AS1742.10-1990 for pedestrian control and protection. It is understood that Victoria will also be adopting the 40 km/h speed limit at school zones in urban areas.
A lower speed limit of 25 km/h in South Australia is effective for only a very short distance in advance of the flashing lights used at the school crossings.
Advice to the RTA from South Australian authorities is that where the same low limit is applied over the whole school frontage it is not as effective in reducing speeds. In New South Wales the 40 km/h speed limit will apply to the whole length of the school zone, not just a crossing within it.
(3) These new school zones will be introduced over a period of several years. Guidelines for their implementation have been developed from consideration of Australian Standard Practice. The New South Wales development of this practice is outlined in Technical Direction No. 92/26 of 21 July 1992 issued by the RTA.

Other devices that are being considered include advance pavement messages and the use of flashing yellow lights to draw attention to the times of operation of the school zone.
I have asked the RTA to consider the benefits of pavement messages. However, it should be realised that the cost of even the signing of school zones on a statewide basis will be over $9 million. Pavement messages would increase this cost significantly.
Provision has been made for the use of flashing yellow lights at the more critical school locations where greater emphasis of the reduced speed limit is needed.

CHARLESTOWN EASTERN BYPASS

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

(1) Are there any further lands to be acquired over the route of the proposed eastern bypass around Charlestown if the project was to go ahead?
(2) Are there any plans to dispose of any lands acquired over the years for the eastern bypass around Charlestown?
(3) What is the time scale, if any, for the construction of an eastern bypass around Charlestown after the completion of the western bypass around Charlestown?
(4) (a) Will there be a re-assessment of the requirements for an eastern bypass around Charlestown?
(b) If so, when?

Answer -

(1) Yes.
(2) No.
(3) No timetable has been set.
(4) (a) Yes.
(b) Not in the immediate future.

RAYMOND TERRACE BYPASS

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

(1) (a) Is the Raymond Terrace Bypass project still on time?
(b) If not, why not?
(2) What is the timetable now?

Answer -

(1) Planning and constructing activities for the bypass have been delayed due to the existence of a koala colony near the road corridor.
Under the Endangered Species legislation, the National Parks and Wildlife Service required a Faunal Impact Statement (FIS) to be prepared. This is on public display at present.
(2) The timetable for the construction of the bypass will be dependent upon the outcome of the FIS and the availability of funds.

"GET STARTED" PROGRAMS

Mr Sullivan asked the Minister for Consumer Affairs and Assistant Minister for Education representing the Minister for Education and Youth Affairs and Minister for Employment and Training -

(1) To date, how many young people in the Illawarra region have participated in "Get Started" programs funded by the Department of Industrial Relations, Employment, Training and Further Education?
(2) How many of these participants are:
(a) In full-time employment?
(b) Permanent part-time employment?
(c) Casual employment?
(d) Unemployed but in full-time further education?
(e) Unemployed but undertaking part-time further education?
(f) Unemployed and not undertaking further education?

Answer -

(1) The statistical return from the Department of Industrial Relations, Employment, Training and Further Education, Illawarra Region, for courses 1 and 2 of "Get Started" show that 294 young people had entered the programs by August 1992.
(2) Of the 294 participants, 265 graduated from the 6-week training. Approximately 60 per cent of the participants gained employment/further training placements.

(a) 68 gained full-time employment.
(b) 63 gained part-time employment.
(c) None were registered in casual employment.
(d) 46 entered full-time further education.
(e) None were registered in part-time education.
(f) The remaining 117 young people are still unplaced and are receiving post-course assistance from either Get Started project officers or workplace officers.

BONNYRIGG-WETHERILL PARK HIGHWAY

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

(1) At what stage are plans for the development of a six-lane highway linking Bonnyrigg and Wetherill Park?
(2) What consultation is intended on this project with residents living in close proximity?

Answer -

(1) A corridor only has been defined.
(2) The consultation required under the EIS process.

BERESFORD ROAD GREYSTANES OVERPASS

Ms Allan asked the Deputy Premier, Minister for Public Works and Minister for Roads -

(1) What expressions of interest has the RTA received from the private sector to help fund a vehicular overbridge at Beresford Road in Greystanes?
(2) How long will it be before the residents of Greystanes get the vehicular overbridge at Beresford Road, as recommended in the 1987 Environmental Impact Statement for the F4?

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Answer -

(1) Negotiations are currently in progress with the private sector.
(2) The honourable member is misinformed. The 1988 EIS recommended a pedestrian bridge, not a vehicular bridge. The pedestrian bridge is in place.
Depending on the outcome of the negotiations mentioned under (1) above, a vehicular bridge could be in place by late 1993.

STATE HIGHWAY 23

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

(1) When will that portion of State Highway 23 between Newcastle Road, Jesmond, and Sandgate Road, Shortland, be declared officially open?

(2) What steps have been taken to reduce the anticipated traffic jams in the vicinity of the intersection of Sandgate Road and Maitland Road at Sandgate once the highway is opened?

Answer -

(1) The road is expected to be opened to traffic in mid-1993.
(2) Traffic jams are not expected to occur. The traffic signals at the site are capable of being reprogrammed to take account of changes in traffic patterns.

GLADESVILLE BRIDGE MARINA PAYMENTS

Mr J. H. Murray asked the Minister for State Development and Minister for Arts representing the Attorney General and Minister for Industrial Relations -

(1) Is the Attorney General aware of recent evidence to ICAC relating to payments by the proprietors of the Gladesville Bridge Marina to a then Liberal Alderman on Drummoyne Council?
(2) Will he refer this evidence to the Director of Public Prosecutions?

Answer -

I am advised by the Attorney General and Minister for Industrial Relations as follows:
(1) I am aware of evidence given in the course of an Independent Commission Against Corruption inquiry which culminated in the Report on Investigation into Local Government, Public Duties and Conflict of Interests, dated March 1992, and tabled in the Legislative Assembly on 24 March 1992.
(2) The honourable member would be aware the Independent Commission Against Corruption may refer matters direct to the Director of Public Prosecutions. However, the Commissioner, in his report, chose not to do so, judging that it is too late to prosecute. In the circumstances, I do not propose to refer the evidence myself.

NEWBRIDGE ROAD MOOREBANK FLOODING

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

(1) How many times has the Georges River flooded to the point of closing Newbridge Road, Moorebank, since the major flood in 1956?

(2) When did the floods occur?
(3) In each flood, for how many days was the road closed?
(4) What was the average daily traffic volume for Newbridge Road for the period immediately prior to the floods mentioned above?

Answer -

The information sought by the honourable member would not be available without considerable time-consuming research. I do not propose to utilise the scarce resources of the RTA to carry out that research.

PENRITH ELECTORATE ROADS FUNDING

Mrs Lo Po' asked the Deputy Premier, Minister for Public Works and Minister for Roads -

(1) What is the precise breakdown, in dollars, of the 29.5 per cent increase in funding in the electorate of Penrith he referred to when asking a question without notice on 16 September 1992?

(2) What are the details of State Government funds only?

Answer -

In its last 2 years in office, Labor spent $20.372 million in the electorate. In 1991/92 and 1992/93, expenditure under the Coalition Government has risen to $25.777 million. Of this, $20.935 million is funds allocated by the Federal Government for the extension of the Western Freeway from Emu Plains to Lapstone, and accident reduction programs.

RHODES CYCLEWAY

Mr J. H. Murray asked the Deputy Premier, Minister for Public Works and Minister for Roads -

(1) Was it a condition of the development/building approval for the Digital premises at Concord Road, Rhodes, that a cycleway be constructed on the western boundary of the premises between the main northern railway line and the property?
(2) What plans exist to complete the cycleway on the eastern side of the main northern rail line across the Digital property?
(3) When will access be provided to the northern side of Homebush Bay Drive by a properly constructed bike ramp?

Answer -

(1) The development approval by Concord Council required the provision of a shared pedestrian/cycleway.
(2) This is not a matter for the RTA.
(3) The RTA has no plans to provide a ramp.