

LEGISLATIVE ASSEMBLY

Thursday, 22 September 1994

Mr Speaker (The Hon. Kevin Richard Rozzoli) took the chair at 9.00 a.m.

Mr Speaker offered the Prayer.

MICHAEL BLACK (COMPENSATION) BILL

Bill introduced and read a first time.

Second Reading

Mr SULLIVAN (Wollongong) [9.01]: I move:

That this bill be now read a second time.

The legal documents in relation to the case of Michael Black clearly establish what took place. I quote:

Michael John Black was tried and convicted before the District Court of New South Wales at Liverpool (Judge Gibson and a jury) on a count of arson relating to a fire in September 1986 and before the District Court at Penrith (Judge Collins and a jury) on a count of arson relating to a fire in November 1987. He was convicted on both counts.

Both the fires were in Airds. The legal document continues:

He appealed to the Court of Criminal Appeal (Gleeson C.J., Grove and Sharpe JJ.). The appeals were supported by a number of grounds. The relevant ground of appeal upon the first conviction was that an exhortation by the trial judge to the jury to encourage them to find a verdict was premature and that a reference by the judge to "considerable public inconvenience and expense if a jury cannot agree" involved inappropriate pressure or coercion. The relevant ground of appeal upon the second conviction concerned the judge's direction about an alleged confession made orally to the police. The appellant's contentions upon those and other grounds were rejected by Court of Criminal Appeal in a judgment delivered by Gleeson C.J. with whom Grove and Sharpe JJ. agreed.

The appellant appealed to the High Court from the order of the Court of Criminal Appeal pursuant to special leave. The appeals were heard together.

In the first High Court case relating to the 1986 fire it was held:

The ground of this appeal is that the Court of Criminal Appeal erred in failing to hold that the trial judge's exhortation to the jury to reach a verdict was erroneous in that it infringed the fundamental rules that the jury must be free to deliberate without any form of pressure being imposed upon them. After the jury had been deliberating for about three hours, the trial judge directed them . . .

The direction given was a standard direction used at that time. Arising from that matter the High Court issued

new directions to judges to guide them when they are exhorting juries to reach a verdict. In relation to the second case, pertaining to the 1987 fire, the legal document stated:

The appellant contends that the Court of Criminal Appeal erred in concluding that the trial judge gave adequate directions to the jury with respect to certain admissions by the appellant to Detectives Torning and Llewellyn.

The document stated also:

Although the trial judge drew attention to certain deficiencies in the police evidence relating to the confession, he did not mention the fact that there was a significant departure from standard procedures in recording the admission; nor did he invite attention to the unsatisfactory explanation for the late recording of the admission.

It stated further:

According to the detectives, the appellant volunteered the admission at the very beginning of the interview without any effort being made by the interrogating officer to obtain answers to particular questions about the fire.

The High Court held:

In our view, the trial judge did not instruct the jury adequately with respect to the deficiencies of the police evidence of interview. Those deficiencies, in conjunction with the other circumstances to which we have referred, required that the jury should have been told that they should scrutinise very closely the police evidence of the interview. The giving of such a warning might well have affected the jury's verdict. In the result, the conviction must be regarded as unsafe and unsatisfactory.

The High Court decision, handed down on 22 December 1983 in which Mr Justice Deane agreed with the judgment of Chief Justice Mason and Justices Brennan, Dawson and McHugh, stated:

We would allow the appeal, set aside the convictions and order new trials.

That, basically, was the legal history. I refer to the procedures that followed. Michael Black was released from prison on 23 December 1993, the day following judgment. On 22 December 1993 the Director of Public Prosecutions no billed the retrial. On 17 January 1994, in a letter to the Attorney General, Michael Black sought compensation. A reply from the Attorney General dated 25 March 1994 denied compensation. As for the direction to no bill the trial on the two arson charges the letter to Black stated:

That direction was made on the basis that you have already served the sentence in respect of one of the offences and part of the sentence in respect of the other.

None of these considerations gives rise to the question of making a payment of compensation for the period you spent in gaol.

In effect, that letter constitutes the Government's response. What was being implied was that Michael Black had served his time. Reading between the lines of that letter, one could reasonably say that the Attorney General said, "We think you are guilty; you have served your time; we have got you, but if there are two retrials you may in fact be found innocent, which would make the embarrassment of the legal system even greater". Because of the decision to no bill Michael Black's retrial, he has effectively been denied justice. The final paragraph of the letter dated 25 March from the Attorney General refers to Michael Black's letter of 17 January, in which

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reference was made to police verbals. Michael Black was told that he should take up the matter with the

Minister for Police, and Minister for Emergency Services, the Commissioner of Police or the Ombudsman. Of course, all that ignored the 1986 case, in relation to which it was the exhortation of the judge to the jury that constituted the ground on which the conviction was quashed.

Michael John Black has not been found guilty of any offence. He has served $3\frac{3}{4}$ years imprisonment. He has been denied payment of any compensation. The Black family are likely to lose their home because of their financial situation. I am not a solicitor but to my way of thinking natural justice would require that Michael Black's finances should be restored to a point where he will not suffer adverse financial effects from having served that sentence. That, of course, leaves aside the issue of imprisonment and any compensation he should receive for that. I commend the bill.

Debate adjourned on motion by Ms Machin.

PUBLIC FINANCE AND AUDIT (AUDITOR- GENERAL'S ACCESS) AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr J. H. MURRAY (Drummoyne) [9.10]: I move:

That this bill be now read a second time.

This is a simple bill but it is of major importance to the taxpayers of New South Wales. In essence the bill will enable the Auditor-General to have the same access to all Cabinet documents that do not involve security matters as occurs with the Commonwealth's Auditor-General and the New Zealand counterpart. As a background to this bill, honourable members should know that in the New South Wales Auditor-General's report in September 1993 the present Auditor-General outlined the consequences of the amendments introduced to the Public Finance and Audit Act in May 1993. In effect, the changes in May meant that the Auditor-General no longer has access to Cabinet documents when those documents are relevant to the audit task. The purpose of this legislation is to restore the law to what it was prior to May 1993. It should be noted that the Tasmanian Auditor-General has been and remains entitled to full and free access to Cabinet documents for the purposes of his functions. And he has been provided with such documents for audit perusal.

The Northern Territory Auditor-General also has the power to require production of Cabinet submissions and decisions if he or she has cause to believe from an examination of the accounts that they are relevant to his or her functions. Similarly, the Auditors-General of the Australian Capital Territory, Victoria, South Australia, Queensland and Western Australia are entitled to access Cabinet documents, when those documents are relevant to the audit task. In Western Australia the royal commissioner into commercial activities of government and other matters recommended - in case there were any doubts - that the Auditor-General's access to Cabinet documents be guaranteed by legislation. The Lawrence Labor Government, as it was then, accepted his recommendation, which was made in the light of the activities of the earlier Burke Government on which the then Auditor-General did not report. The New South Wales Auditor-General has also accessed Cabinet documents in the past, under the same conditions.

In these circumstances, it is not clear why this Government believes that continuing that entitlement is inappropriate or otherwise undesirable. Even if it is undesirable to the Government, such access seems to be necessary if the Government is to be fully accountable to the Parliament. I am sure the broad community would agree. With all due respect to the view of the Premier, it is the Opposition's opinion that the Government's position on this question is untenable. The issue is not about the creation of some new statutory right of access. I am not aware that any legal opinion exists suggesting that previous Auditors-General had no right to access Cabinet documents relevant to an audit. And it would be most surprising, given the situation in the rest of Australia, if such an opinion could be produced. The Australian Capital Territory has removed the

Auditor-General's entitlement to have access to a Cabinet document that is an exempt document under the Freedom of Information Act 1989.

Mr SPEAKER: Order! The honourable member for Wakehurst is to conduct any audible conversation outside the Chamber.

Mr J. H. MURRAY: However, it might be useful to examine the implications of this restriction. One broad implication is that the New South Wales Auditor-General will be uniquely placed in not being entitled to access Cabinet documents when carrying out legislated duties. The Australian Auditor-General has free and routine access to all Cabinet documents that do not involve security matters. Most are forwarded to him as part of the normal distribution process. However, he also has the right to access these documents if they are directly or indirectly relevant to an audit task. The New Zealand Controller and Auditor-General has similar free and routine access to Cabinet documents. Yet in New South Wales the Auditor-General is denied this access. Honourable members must surely understand there are occasions when the Auditor-General is unable to examine a matter satisfactorily unless access is provided to Cabinet documents. For example, the Legislative Assembly asked the Auditor-General and the Ombudsman to examine certain matters concerning HomeFund. A special audit on this matter was undertaken and in order to respond adequately to the Assembly's suggested terms of reference, access to any relevant Cabinet documents was considered necessary.

I understand the Auditor-General's inquiries revealed that there were no relevant documents generated by the Greiner or Fahey Cabinets. Some

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files of the Wran and Unsworth Cabinets were of relevance and these were made available, but only after past Premiers Wran and Unsworth had given permission for access to be granted. There are implications here that also mitigate against the accountability of government to Parliament. The right to review the documents was given only because past Premiers Wran and Unsworth considered the level of public interest to be such that they were prepared to waive any objections. Otherwise, in accordance with convention, access would have been denied. In other words, the Legislative Assembly's request for the special audit of HomeFund could have been frustrated because the Auditor-General failed to gain access to key documents. The House would understand that Cabinet documents include not only the weighing of sensitive, social and political pros and cons of proposed programs and strategies; they can also embrace financial and economic analysis of the likely effects of programs and strategies. Unfortunately, the Government can now declare any document that is exempt under the Freedom of Information Act to be a Cabinet document.

A recent example is the classification, as an exempt Cabinet document, of a consultant's report of the privatisation of the Water Board. As the law stands, that report is effectively shielded from access by the Auditor-General. Parliament, which ought to be able to gauge the impact of government strategies for the Water Board, is effectively denied an opportunity to do so. The result is the antithesis of what open government is all about. It is antithetical to the accountability of the government to Parliament. It is antithetical to the practice in all other States and Territories of Australia and in New Zealand. The implications of the downgrading of government accountability to Parliament might not have been given weight by government and other members in the development and the passage of the 1993 legislation restricting the Auditor-General's access. Indeed, Parliament might have not understood that the New South Wales Auditor-General is now dependent on the goodwill of the government of the day and on the goodwill of former Premiers in order to be granted access to Cabinet documents relevant to audit.

This limitation is unique to New South Wales and, from the Opposition's point of view, unacceptable. A further need to amend the Act can be amply illustrated by the Eddie Azzopardi compensation claim earlier this year. The implications of the attitude of the Attorney General's Department to producing documentation to the Auditor-General makes it clear that a government authority can now deny the Auditor-General access to a relevant document even though that document is vital to an audit - for example, a legal opinion on an authority's liability to a claim. Those concerns are based on the view that this Government cannot bind its successors in granting access and, by convention, cannot unilaterally allow prior access to Cabinet documents. Moreover, at some stage it may be tempted to deny access, perhaps because it would not see the requested documents as

relevant to audit. That judgment is, of course, the responsibility of the Auditor-General in other jurisdictions.

As I have said before, in all other jurisdictions in Australia the Auditor-General is entitled to access these documents. In some jurisdictions they are made available to the Auditor-General in the same way that board minutes and papers are made available to company auditors. In this case, in signing the deed of release, the Azzopardi family - and the Government - agreed to "keep the terms and amounts of the said ex gratia payment confidential". A confidentiality clause can reduce the prospects that the Government will be properly accountable to the Parliament either as to the amount of an ex gratia payment or as to other clauses in the deed. Accordingly, it ought not automatically be included in such deeds and, if there are valid purposes for some degree of confidentiality, it ought not automatically be applied to all clauses. Accordingly, the Auditor-General decided to review the deed so that Parliament could be advised whether or not, in the view of the Auditor-General, the deed of release appeared to involve any excessive payment or contained any clauses that raised concern.

As to the amount of the settlement, it should be noted that the Azzopardis were represented by counsel and thus had legal advice on the adequacy of the figure. Moreover, according to the Auditor-General, the settlement figure paid by the Government does not appear to have been excessive. There is, however, another clause in the agreement that appears to be peculiar to the case in question and which raises concerns about the relationship between the settlement and Parliament's consideration of the issues. The publication of this clause would not appear to injure the claimants. Recently the Auditor-General's Department advised that it wished to develop a code of conduct for public sector involvement in mediations. Such a code would help officers to determine what properly might be included in future deeds of settlement or release. The department's initiative is supported in this area. In preparing these comments the audit office was granted access to relevant documents held by the Auditor-General's Department. But in order to complete this report, a request was made by officers of the Auditor-General for further documents held by the Crown Solicitor relating to the mediation process in the Azzopardi case. This request was declined on the grounds that such documents were the subject of legal professional privilege.

I reiterate: the Ombudsman (Amendment) Act 1993 provided an expanded outline of an Auditor-General's rights of access to records and documents. That Act, however, stipulated that the Auditor-General's rights did not extend to obtaining access to any records or papers that were the subject of claims of legal professional privilege, or which were Cabinet documents. Under this interpretation of the Act, the Government is able validly to withhold from the Auditor-General such documents as might be helpful or necessary to perform the function of the Auditor-General required by the Parliament of New South Wales. The Azzopardi matter merely highlights that difficulty and suggests that Parliament's consideration is urgently required in relation to the changes to the

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power of the Auditor-General. Ultimately, the Auditor-General is merely part of a mechanism that requires government to be held accountable to Parliament. If the Parliament of New South Wales is content with these restrictions on the Auditor-General's access to documents, and the effects that they have on the scope of the audit, that is a matter for itself. But if this becomes the presiding view, the resultant loss of accountability of government to the Parliament will lead to an inferior form of government in New South Wales.

Debate adjourned on motion by Ms Machin.

HOMEFUND MORTGAGES (REVIEWS AND APPEALS) BILL

Bill introduced and read a first time.

Second Reading

Mrs GRUSOVIN (Heffron) [9.20]: I move:

That this bill be now read a second time.

When the HomeFund Commissioner Bill was being debated in the Parliament, the Minister for Consumer Affairs stated that the legislation was intended to enable speedy and non-litigious resolution of borrowers' complaints. As at 30 July, almost 15 months after the appointment of the first HomeFund Commissioner, 8,291 complaints have been filed with his office. Of those complaints the commissioner has determined nine, discontinued his investigation of 85, decided not to investigate 392 and decided to offer approximately 6,000 borrowers \$400 as final settlement of their claims. This is an appalling record of performance and clearly shows the intent on the part of the Government to shift the resolution of the HomeFund debacle to a time beyond the 1995 elections.

As a result of the Government failing to deal with the gross injustice inflicted upon severely disadvantaged HomeFund families, my office has been plagued with calls from distraught borrowers claiming that they have not had a proper hearing of their complaints by the HomeFund Commissioner. I totally agree with them. Consumer finance and legal groups have also voiced their concerns to me and remain steadfast in their opposition to the Government's methods of dealing with this issue. The Public Interest Advocacy Centre, an independent legal and policy group, has continually called upon the Fahey Government to do the right thing by HomeFund borrowers. In a media release of 3 June the PIAC stated that it "believes that many of the Commission's [HomeFund Commissioner's] assumptions and findings are factually and legally wrong". The United Borrowers Association issued a public appeal in August and stated:

HomeFund Borrowers are living in the pain of political promises and mistakes. State Government should never be allowed to ruin the future prospects and hopes of so many thousands of NSW families. Real Government considers the social and economic welfare of its citizens.

The HomeFund Support Coalition, representing community legal centres and finance counsellors, made very lengthy submissions to HomeFund Commissioner Andrew Rogers in October and November 1993. The submissions were based upon well researched briefs prepared by senior counsel John Basten QC and barristers Sylvia Winters and David Hammerschlag. The coalition presented hard evidence to fully support their allegations that the State:

... promoted and marketed the scheme without drawing attention to the flaws and procured members of the public to enter into inappropriate home loan transactions and it follows that borrowers who have suffered as a result of the breaches of fiduciary duty are entitled to determinations similar to those provided in the courts by way of equitable compensation and variation of contracts.

In response to those and other submissions the then HomeFund Commissioner, Mr Andrew Rogers QC, early in December 1993 made a special report to the Minister for Consumer Affairs. On page 8 of that report he stated:

No warning was given to any of the borrowers of the fact that the success of the loan pre-supposed a continuation during the lifetime of the loan of the conditions which prevailed in the 1980s.

On the contrary, many borrowers complain that when they expressed concern about the 6% escalation in repayments, they were reassured by officers of the Co-operative Housing Societies that their wages could be expected to increase at this rate. Some advertising material also gave this assurance. Each of the assumptions on which the scheme was based proved to be inaccurate.

At page 24 Commissioner Rogers further stated:

Care should have been taken to ensure that repayments were realistic for at least the period during which the borrower cannot sell without loss. This involved either making an accurate long term prediction or warning borrowers that such a prediction could not be safely made.

Commissioner Rogers completed his term of appointment at the end of December 1993 and was replaced by a

relatively unknown Local Court magistrate from the Moss Vale circuit, Mr Ian McRae. I could occupy the time of this House for days listing the divergence in opinion between Commissioner Andrew Rogers QC, former Chief Judge of the Commercial Division of the Supreme Court, and Mr Ian McRae, Local Court magistrate. Suffice it to say, at the very least, the decisions of Mr McRae are questionable. In most other arenas where there is a significant decision being made about a person's affairs - which may lead to forced sale of the family home, further debt and potential bankruptcy - the person is entitled to expect a process of review or appeal if they believe the decision is wrong.

This is fundamental to our democracy. It is a process that is intended to ensure that each person be afforded every opportunity to obtain justice and redress for wrongdoing by another party. The HomeFund Commissioner, Mr McRae, is simply not qualified to undertake this complex legal task. He may be very good with Local Court matters, the application of the Divided Fences Act and offences such as breaking and entering, but the complex legal issues involved with HomeFund are for the big league and require extensive commercial legal experience including, in particular, the application of the

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Contracts Review Act. The Local Court does not have jurisdiction under the Contracts Review Act - the Act that deals with harsh, oppressive, unconscionable and unjust contracts; for example, HomeFund mortgages.

When the Parliament of the day passed the Contracts Review Act it did not believe that Local Court magistrates were up to the task and considered that they would not be able to consistently apply its provisions. That belief continues today. The Local Court still does not have jurisdiction. Commissioner McRae has no judicial experience in such matters. One might well ask: who selected this man to replace a QC, a former Chief Judge of the Commercial Division of the Supreme Court? The Minister for Consumer Affairs knows that Mr McRae was not qualified to undertake the role of HomeFund Commissioner, yet obviously she agreed to appoint him anyway. In her letter of 11 March she made the following statements:

The Government is serious about the legal rights of borrowers. Accordingly, Mr Ian McRae was appointed HomeFund Commissioner for the period 1 February and 31 December, 1994.

In an endeavour to ensure that the Commissioner's determinations are correct in law, I have given approval for the Commissioner to retain senior counsel to advise him on a number of legal issues.

Here we have a person appointed by this Government under an Act which gives that person the powers of a royal commissioner, which exempts that person from scrutiny by the Ombudsman and which does not allow the majority of the decisions of that person to be reviewed, and that person is to be assisted by advice from senior counsel, as the Minister says, "in an endeavour to ensure that the commissioner's determinations are correct in law". In view of the questionable decisions now emanating from Mr McRae, I can certainly understand why community groups are about to lodge representative actions in the Federal Court. The lack of any avenue of appeal for rejected HomeFund families is the most disturbing feature of the way Commissioner McRae is determining the present legislation. This bill is designed to remedy that major flaw in the current legislation.

The bill provides that the powers of the Supreme Court to grant relief under the Contracts Review Act 1980 may be exercised by the Commercial Tribunal in respect of HomeFund mortgages. As the tribunal has the standing of the District Court, which has jurisdiction under the Contracts Review Act, it is quite appropriate that the decisions of a lower court - that is, Commissioner Magistrate McRae in this instance - be subject to appeal through the tribunal. The bill brings HomeFund rent-buy, state partnership and aged persons update loans under the suspension of limitation periods umbrella. HomeFund low start and affordable loans are subject to a suspension of time limitation periods with respect to certain Acts.

This bill rightly proposes to include all HomeFund loans under section 20 of the HomeFund Restructuring Act. It also proposes to enable all HomeFund borrowers to have the right to appeal a decision or determination made by the HomeFund Commissioner under sections 12 and 25 of the HomeFund Commissioner Act. Such an appeal may be made to the Commercial Tribunal within 28 days of receipt of the determination or decision by the borrower. I seek leave to incorporate a number of other items and detailed pieces of information about

the bill.

Mr SPEAKER: Order! At the present time there is no provision for the incorporation of material in private members' bills.

Mrs GRUSOVIN: In essence, this bill contains provisions intended only to enable disadvantaged HomeFund borrowers to access justice. Using the words of a former Minister for Consumer Affairs, Mr Syd Einfeld, "The only people disadvantaged by this sort of legislation are those who set out to exploit, cheat and take advantage of the community". I commend the bill.

Debate adjourned on motion by Ms Machin.

PUBLIC FINANCE AND AUDIT (SPECIAL DIVIDENDS) AMENDMENT BILL

Second Reading

Debate resumed from 15 September.

Mr KERR (Cronulla) [9.30]: The Public Finance and Audit (Special Dividends) Amendment Bill will not assist the people of New South Wales. Various Government members have spoken about this legislation.

Dr Macdonald: Tell us about the price of fish.

Mr KERR: The honourable member for Manly wants to know about the price of fish. Before he starts telling some of his stories, they ought to be subjected to audit. If the bill were to cover that subject, I would say that it would be in the public interest. However, I will not be diverted by the honourable member for Manly. I will now explain to the members of the House that while this legislation has the cosmetic attraction that is always inherent in the cheap, populist bills that come before the House, it will not address the real problems in New South Wales.

[Interruption]

Opposition members have stumbled upon one of the solutions for New South Wales and that is the Fahey Government. Since 1988 the Fahey and Greiner governments have introduced a large measure of public accountability. Honourable members opposite - or at least the honourable member for Drummoyne - would be aware that when Labor introduced its budgets there was a lack of accountability. I remember reading that when the then Leader of the Opposition, Mr McDonald, got up he was gagged. If we look at the documentation of those Labor budgets, we understand that we really needed accountability. But the object of this bill is to

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amend the Public Finance and Audit Act to require dividends payable by the principal government trading authorities to be calculated in accordance with a pre-determined formula prescribed by the regulations. We have here a conversion on the road back from Damascus. Where was this sort of financial accountability when the Labor Party was in government? Let us talk about the aspects of this bill that are being mentioned. Government trading enterprises have been a great bonus to the taxpayers of New South Wales.

Dr Macdonald: Ripping the guts out of the Water Board.

Mr KERR: Let me talk about the Water Board. The honourable member for Manly ought to look at the history of the Water Board to see how it operated during the 12 dark years of Labor governments. We have a much more efficient instrumentality. It should be noted for the record that the honourable member for Manly agrees with that assessment. If we compare the present administration of the Water Board with its administration during the period of the Wran-Unsworth Government, we find a contrast. It is a very dark tale. Who suffered? It was the people of New South Wales. Let us look at the material that has been written on the

matter. I think the current Opposition Leader of the House was, at one stage, the Minister who had charge of the Water Board. Honourable members should look at the amount of featherbedding that went on at that time. It was as a result of the administration of the present Opposition Leader of the House that the Hon. Nick Greiner made his name in public life. Look at what occurred during question times when the honourable member for Ashfield was a Minister of the Crown, and at what the then honourable member for Ku-ring-gai exposed. I invite the honourable member for Manly to have a look at those historical records.

A degree of sound financial management of water quality is needed for this State. It is not an end in itself. I am talking about sound financial management of the Water Board to ensure that resources are ultimately put to the right social use. What is that? It is the maintenance of an adequate water supply for Sydney. If we go to drought areas we see how essential water is. But this debate goes further than that. It is about the water quality that we have in Sydney. As I have said, the honourable member for Manly has agreed that the record of this Government compares very favourably with the administration of the Labor Party.

Under the leadership of the Hon. Tim Moore there was a complete change in the whole ethos and culture of the Water Board. That the Water Board, or any other government trading enterprise, can in fact pay dividends is a direct result of the efficiencies introduced by both the Greiner and Fahey governments. Under the administration of the Labor Party a whole range of government trading enterprises were unable to pay any dividends. Now we have assets in that dividends are being made available to the people of New South Wales. What were tax eaters have become resources because of the efficiency and good management of Liberal-National Party governments. Instead of being dark holes, instead of eating into the community's resources, these trading enterprises have become contributors. That has to be a good thing.

I am not one who believes in efficiency for the sake of efficiency. I believe that government bodies should be efficient in order to deliver services to people. I believe that those enterprises should save money in order to provide more resources to people. Energy, or water, or whatever, is about the delivery of services to the people of New South Wales. All of us in this House ought to be concerned about the creation of wealth. If we attack it by making it bureaucratic, if we seek to put a layer between the outcome and the effort, we are absorbing a great deal of the time and efforts of some very dedicated public servants. Very often we hear public servants being talked down to. It is one thing for governments to make reforms and provide avenues for greater efficiency, but it is quite another matter for those things to be achievable.

If we compare the results of the Water Board or Pacific Power before 1988 and for 1993-94 we should pay tribute to the people in those organisations. In each case they have grasped the opportunity to provide service and to do the job better. Once this Government gave the people in those organisations the opportunity they grasped it. The people of New South Wales owe a debt of gratitude to those people for their attitude, their efforts, and the productivity that has been achieved. This bill will hamstring their efforts. It will fetter those efforts. I think that is a real pity. In looking at the various provisions of this bill it is important that we understand what we are talking about - the dividends of a government authority. We should go back to first principles.

I do not suppose many of us in the House would appreciate what is meant by the word "dividend". A dividend is payable by the authority under section 59B; or - in the case of a State owned corporation - a determination by the voting shareholders of the corporation under the corporation's memorandum and articles of association of the dividend payable by the corporation; or any other dividend payable to the State under any Act that constitutes or regulates the activities of the authority, but does not include income tax equivalent payments made to the State. I have some difficulty with that definition. But casting that aside, this Act at least acknowledges that a commercial ethos - and I do not say that in any pejorative way - has been brought to these organisations.

I am not talking about the profit motive. I am talking about acting for the public good by providing a commercial operation that allows for greater productivity and a more businesslike approach. As I have said, government trading enterprises have grasped the greater freedom and flexibility provided by this Government to achieve outstanding results. One of those results has been cheaper electricity, and

everyone benefits from that. Honourable members should talk to small businesses that have benefited from cheaper electricity and look at what has happened to energy in this State. Opposition members talk about the working class. No-one has benefited more than those who would not have had jobs had it not been for the reforms that have taken place.

Which government trading enterprises does the bill refer to? Proposed section 59C(1) defines a government authority as a State owned corporation, the Maritime Services Board and its subsidiary port authorities, the State Rail Authority, the State Transit Authority, the Electricity Commission, the Water Board, Sydney Electricity, electricity county councils, water supply county councils and any other statutory authority prescribed by the regulations. This bill will have a great impact on everyone in New South Wales. All members representing country electorates should be very concerned about the bill. The honourable member for Coffs Harbour and the honourable member for Oxley know only too well the effect this legislation will have on their electorates.

Dr Macdonald: We need accountability.

Mr KERR: Of course we need accountability. I invite the honourable member for Manly, in relation to the authorities I have mentioned, to look at the documentation that was available pre-1988 and that is now available. Accountability, like efficiency, is not a means in itself. Accountability is about providing information and performance indicators so that people can judge whether they are getting good value for money. Accountability is not about the production of forms. I remind the honourable member for Manly of an episode of the television program *Yes, Minister* that should relate to him. It concerned a hospital that had never been used. That hospital won all sorts of awards in relation to reporting conditions and accountability. The hospital would have had no trouble meeting the requirements of this bill because it never had a patient; it was an administrator's dream. No doubt if the Public Finance and Audit (Special Dividends) Amendment Bill 1993 had been enacted in England, the hospital would have won more awards. Without the distraction of patients, the administrators of the hospital could have concentrated on the provisions of the bill. They could have had the Dr Peter Macdonald award for the most improved report.

Mr Fraser: A Macca award.

Mr KERR: Yes, the Macca award, and, of course, one could go for the Big Macca award for the cleanest ward.

[*Interruption*]

Yes, that is absolutely right, there would be no patients to dirty the wards. I have no doubt about the good intentions of the bill. However, honourable members should remember that the road to hell is paved with good intentions, and there are some great road builders on the other side of the House.

Mr J. H. MURRAY (Drummoyne) [9.45], in reply: At the outset I want to put to rest the big lie that this legislation will prevent government trading enterprises providing dividends to the Treasury. That is just not so. The bill deals only with special dividends, and it does not prevent those dividends being paid to the Treasury. The bill provides that government trading enterprises must account to Parliament for their financial transactions. The bill provides also for forward planning. They are the two essential provisions of the bill. I cannot understand why any member of this Parliament who is interested in looking after the welfare of the taxpayer dollars would not think that that is a reasonable rationale. Honourable members are aware of the Government's sleight of hand in relation to balanced budgets. Prior to the presentation of the budget the Government claimed that forward planning and accountability were essential. However, when this House is given the first opportunity to debate those matters, speaker after speaker on the Government side of the House has condemned the essence of balanced budgeting that is contained in this legislation.

The honourable member for Murrumbidgee wants to rewrite history. He claimed that when Labor was in

office it had problems with budgets. For his edification, I point out that the former Labor Government left this State with an AAA rating. This legislation ensures that the AAA rating remains set in concrete by providing for accountability in those areas to which the auditors who determine the AAA rating give consideration. A number of speakers alluded to the fact that the current formula is set at 50 per cent of the profit of the relevant authority. The Opposition says that is immature. The Qantas results published today indicate that Qantas is running on a 7 per cent return and is looking at 15 per cent next year. A major organisation like Qantas is not running on one fixed formula year after year. It is creating a dividend based on the marketplace and on a flexible formula.

The existing situation does not take into account that the functions of government trading enterprises vary. Some are asset rich but poor in cash flow. Because of that and because of the nature of their operations, some will have greater difficulty than others in providing the 50 per cent, but the point is that they are currently treated in a similar manner regardless of their structure. Speaker after speaker from the Government side of the House sought to convey the impression that all government trading enterprises are happy about the current situation. The current dividend rip-offs are not acceptable to the majority of government trading enterprises in New South Wales. I will give honourable members an example.

After I have given them an outline of how the Sydney Market Authority has been treated, honourable members can tell me whether they believe the authority is happy about what has happened. During the past couple of years the Government has increased the annual dividend taken from the Sydney Market Authority from \$400,000 in the 1990 period to

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\$2 million last year. That is an increase of 500 per cent. The Government has ripped the 500 per cent increase from that authority. In addition there are loan guarantee fees of \$200,000 a year since 1989-90, which brings the figure closer to a 600 per cent increase. The Government says it is sorry it has to take that money. However, the amount will be increased to \$2.5 million in the next financial year and that will provide a 16 per cent return on assets. That is the figure in real terms.

The Government is massively increasing tax equivalents for land tax, stamp duty and sales tax at the same time as it is ripping the dividends out of the Sydney Market Authority. It is taking another \$400,000 in those other tax equivalents. Next financial year the Sydney Market Authority will be forced to pay \$1.6 million in tax equivalents to the New South Wales Treasury, in addition to the \$2.5 million for the dividends. There is no way the Sydney Market Authority, which is a small authority, can provide that sort of money. It is basically a cash flow organisation with very few assets. Consequently money will have to be borrowed in some cases. If it is not borrowed all the infrastructure charges will increase in a commensurate way and will be passed on to consumers in the form of higher prices for fruit, vegetables and flour.

At the markets at Flemington only 150 wholesalers can pay those dividends. They constitute 50 per cent of the income of the Sydney Market Authority. Those 150 wholesalers will somehow have to find that money, and the only way they will find it is by increasing the costs of their product to Sydney consumers. There are 800 retailers, but the quantum of money coming in from those retailers is quite small. Families, pensioners, battlers and small business will benefit from this legislation, which outlaws special dividends. When the Minister for Land and Water Conservation entered this Chamber he was the only Government member to indicate that the Government was opposed to the provisions relating to the sale of assets. He said that these government authorities are responsible and will sell the assets off, and that there is no need for the Government to consider those assets. Many government trading enterprises would totally disagree with that.

Under this legislation the Auditor-General should consider asset sales over \$1 million and report to the Parliament through the Public Accounts Committee. What is wrong with that? What is wrong with an agency of this Parliament - the Public Accounts Committee - receiving a report on asset sales from government trading enterprises and that report coming to the Parliament for the perusal of members? There is nothing wrong with that. Yet the Minister says that will nobble the productivity and make it difficult for GTEs to function effectively. I reject it as outright humbug.

The bill will end the Government's dividend raids through special dividends on government business enterprises such as the Maritime Services Board, the State Rail Authority, the State Transit Authority, Pacific Power Corporation, the Sydney Water Board and the electricity authorities. The Fahey Government has been hiding its inept financial management by using these government authorities as de facto tax collectors. That creates internal problems in running the organisations and results in an increase in the price of the product that is being supplied by those organisations. The bill will put an end to large price hikes for water and electricity and will greatly benefit small business, which is already hard-hit by excessive costs in New South Wales.

In future if a government wishes to raise de facto taxes through government trading enterprise dividends it must seek the approval of the Parliament. I see no problem with that. The bill will also prevent raids such as the \$740 million dividend being pulled out of Sydney Electricity or the \$170 million that Prospect Electricity had to borrow to provide for its dividend payment. This legislation will require the Parliament to scrutinise such actions in the future. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

Clause 3

Dr MACDONALD (Manly) [9.56]: I move:

Page 3. After line 14, insert:

(5) The dividend of a government authority is also not to exceed such amount as the Treasurer determines to be the maximum dividend which can be paid without causing the authority to defer the carrying out or construction of any works which are a core statutory or commercial responsibility of the authority.

(6) Each government authority is to certify to the Treasurer the amount (if any) that the authority considers is the maximum amount that can be paid as dividend by the authority without causing the authority to defer the carrying out or construction of any works which are a core statutory or commercial responsibility of the authority.

(7) A government authority by which a dividend has been paid is to include in each account that it sends to a customer details of any amount payable by the customer that is attributable to a dividend paid by the authority.

(8) The Treasurer is to provide a government authority by which a dividend is payable with a written statement explaining on what basis the amount of the dividend was determined and calculated.

(9) A government authority by which a dividend is payable is to include in its annual report a copy of the statement provided to the authority by the Treasurer under subsection (8) and a copy of the certificate furnished by the authority to the Treasurer under subsection (6) in respect of that dividend.

(10) A government authority must also include in its annual report details of any works that were referred to in any previous annual report of the authority (in a certificate included in that previous report under subsection (9)) and which have not been constructed or carried out. The annual report must also include a statement by the authority as to which if any of those works the authority still proposes to construct or carry out and a statement of the estimated cost of those works (if an estimate is available to the authority).

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I do not believe that the Treasurer, and Minister for the Arts has anything to fear from these amendments. I hope to obtain a response from him acknowledging the value of them. It is merely an effort to provide more transparency and accountability in the dividend process. These are not anti-dividend amendments. The

amendments seek to protect the public from utility raiding. That has not been manufactured by me but it arose out of my chairmanship of the Water Board inquiry. It was clear from many submissions that there is much public disquiet about the method by which dividends are removed. I acknowledge that dividends and the role they play in the State budget are accepted by all sides of government and at all levels of government. We have to be particularly careful not to allow dividending to become a form of indirect taxation, particularly through utilities which essentially raise charges rather than act as taxation bodies.

My amendment and the subclause that I wish to address in a little detail - proposed subsection (5) - will provide that any dividend out of a government authority must not result in the deferment of any construction of works which are part of its core responsibility or the core statute responsibility of the authority. I would have thought that was a commonsense provision. How could it be that either Treasury or the Government would wish to take out of an authority amounts of money which would hamper that authority's ability to carry out its responsibilities? In a sense, the corollary to that is reflected in subsection (6) of the amendment, which provides that the authority is to certify to the Treasurer the maximum amount that can be paid by it without it interfering with that authority's responsibilities. I invite the Treasurer to look carefully at that provision. This amendment will offer some respectability to the dividend process. In his contribution the mover of the bill stated clearly that this is not an attack on dividends; it is an attempt to give them that respectability and allay the fears that have arisen in some sections of the community about the so-called dividend raids.

Proposed subsection (7) is not a novel idea, in the sense that provision already exists for various utilities to detail amounts that have been charged for services. The public is cynical about the special environmental levy, which raises \$80 million to \$100 million each year - an amount similar to that paid in dividends. The customers are asking, and quite rightly, "Are we paying a levy merely to see it go out the back door in the form of a dividend?" I believe that the Government was quite red-faced over that, and tried to shore up its position by introducing more accountability in the way the special environmental levy is expended. Notwithstanding that, I see this as a useful improvement. It will provide transparency to the customer as to what component of the account reflects the dividend that has been paid by an authority to the Treasury.

Proposed subsection (8) merely fits in with subsections (2), (3) and (4) as set out in the bill, in that it is basically a written statement explaining how the dividend was calculated. There is room for that discretion and a different formula has been adopted in (2), (3) and (4). Proposed subsections (9) and (10) will provide for disclosure of these matters in the annual report. It is a disclosure that, basically, is trusting the public with the truth. I have no difficulty with utilities and public authorities trusting the public with the truth. We have moved away from the days of secret, closed deals by the Government and bureaucracies. The public demands a higher level of external scrutiny. In summary, this is not an attack on dividends; this is about making the payment of dividends open, transparent and accountable, and giving the public a system they can trust.

Mr COLLINS (Willoughby - Treasurer, and Minister for the Arts) [10.03]: The Government does not support the amendment. I want to detail the reasons for that and to do so in a manner, hopefully, devoid of histrionics in order to enable some rational debate on the issues that have been raised in respect of the bill. The Government has a very well developed policy framework covering dividends, as well as capital structure, tax equivalents, social programs, performance monitoring and loan guarantee fees. The Government has published comprehensive documents detailing these policies, and they are all in the public domain. The Government believes that existing mechanisms provide the type of transparency, openness and accountability that has been mentioned repeatedly in this debate by the honourable member for Manly.

With respect to the amendments moved by the honourable member for Manly I say further that the Government's comprehensive dividend document - which is called "A Financial Distribution Policy for New South Wales Government Trading Enterprises" - was published in August 1992. Neither the honourable member for Manly nor, I believe, the honourable member for Drummoyne, who led for the Opposition in this debate, made reference to that document. The document exists and that is the policy that the Government has adopted to deal with exactly the measures that were raised by the Opposition and are now being raised by the honourable member for Manly by way of his amendment.

According to the policy statement, financial performance targets - including a target pre-tax profit distribution to the Government - are to be specified in a statement of financial performance, which is endorsed by me as Treasurer, by the relevant portfolio Minister, and by the chairman of the government trading enterprise, or the chief executive officer if there is no board. I have gone through that process twice as Treasurer. It is part of an annual process where, as Treasurer, I meet with Ministers responsible for government trading enterprises and their respective GTE chairmen and CEOs. We talk about dividend policies, we talk about the impact of that policy on that particular government trading enterprise, and agreement is reached.

The statement of financial performance - which is similar to the statement of corporate intent that State owned corporations are required to produce - is

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designed to enhance the transparency and accountability of GTE performance, and to reduce the level of uncertainty on the part of the GTE as to the Government's expectations of that GTE's financial performance. The statement of financial performance focuses on planning, including setting financial targets by having a three-year time horizon. Government members believe it epitomises the forward thinking, goal setting approach expected of a sound business, whether publicly or privately owned, operating in a commercial environment.

The financial distribution policy clearly sets out a consultation process between the government trading enterprise via its governing board and the Treasury in its role as financial adviser to the Government, on the financial targets to be incorporated in the statement of financial performance. As a result of the Government instituting the statement of financial performance process, GTE boards now play a much stronger role in deciding future performance targets. This process provides commercial certainty for the GTE in conducting its business, and at the same time provides the shareholder - that is, all New South Wales taxpayers - with a return.

Honourable members would be aware of the importance of that return and the significance of those dividends within the overall budget. I was pleased to hear the honourable member for Drummoyne and the honourable member for Manly indicate that this is not meant to be an attack on the overall budget process and that the Opposition and the Independents - presumably including Independents other than the honourable member for Manly - accept that dividends from government trading enterprises form an integral part of the State budget, and that the State budget simply cannot do without those dividends from government trading enterprises. Recently, together with the relevant portfolio Minister and GTE chairmen, I endorsed the 1994-95 statement of financial performance of most GTEs, with very few remaining to be finalised. This is the second year that that process has been followed. I turn now to the specific amendment moved by the honourable member for Manly. The amendment is as follows:

(5) The dividend of a government authority is also not to exceed such amount as the Treasurer determines to be the maximum dividend which can be paid without causing the authority to defer the carrying out or construction of any works which are a core statutory or commercial responsibility of the authority.

In negotiation of the statement of financial performance due consideration is given to a GTE's ability to fund future capital works, its future viability, and its ability to generate a return to the shareholder, that is, New South Wales taxpayers. Under the Government's policy an important caveat concerning the pre-tax profit distribution target is that in meeting the target the GTE not knowingly be placed at financial risk. In view of this the Government rejects that provision as the statement of financial performance process adequately addresses this issue. The amendment continues:

(6) Each government authority is to certify to the Treasurer the amount (if any) that the authority considers is the maximum amount that can be paid as dividend by the authority without causing the authority to defer the carrying out or construction of any works which are a core statutory or commercial responsibility of the authority.

The bureaucratic arrangements that would be required in respect of certificates issued by the board of a GTE, namely, to certify that capital programs are unaffected by dividend requirements, would be contrary to commercial practice and, given the statement of financial performance process, we submit clearly would be

unnecessary. The idea of certificates for areas of particular concern regarding a GTE's performance is unworkable. If they are required for capital expenditure, why not for asset maintenance, customer services or community service obligation delivery? Boards are appointed to supervise performance in all these areas. Commercialisation recognises the interplay of these considerations by providing boards with a commercial imperative to be pursued in a regulated framework and with proper accountability to the Parliament.

The statement of financial performance takes account of all these factors on a commercial basis. With the flexibility of the current negotiation process for the statement of financial performance and the annual Cabinet review of capital works the Government will ensure that approved capital works are funded in a financially responsible manner. In view of this the Government rejects this proposal as it believes that the statement of financial performance adequately addresses the issue of capital works and the payment of dividends. I turn now to the next part of the amendment moved by the honourable member for Manly in the following terms:

(7) A government authority by which a dividend has been paid is to include in each account that it sends to a customer details of any amount payable by the customer that is attributable to a dividend paid by the authority.

Itemising dividends in customer accounts we believe would be unworkable. Dividend targets for GTEs are negotiated for the current year's statement of financial performance. However, actual dividend payments are not determined until the GTE's accounts are audited by the Auditor-General. Audited accounts are not finalised until about four months after the end of the financial year, hence dividend payments cannot be accurately included in customer accounts which are usually rendered quarterly within the financial year. Furthermore, this is totally contrary to commercial practice and the practice of any government in Australia, including the Commonwealth. Is the honourable member for Manly suggesting that Telecom bills or postage stamps indicate the amount of dividend flowing to the Commonwealth Government? We believe that there are practical reasons, as I have just outlined, which will prevent the working of the proposal of the honourable member for Manly. We ask the honourable member for Manly and the Opposition to reconsider that point for practical reasons. The amendment continues:

(8) The Treasurer is to provide a government authority by which a dividend is payable with a written statement explaining on what basis the amount of the dividend was determined and calculated.

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The statement of financial performance contains all information relating to the calculation of the annual dividend and tax equivalent payments to the Government. For other dividend payments section 59B(1) of the Public Finance and Audit Act states that the dividend be "... calculated by applying a rate, determined by the Treasurer, to the assets, or some portion of the assets, of the statutory authority". Any government authorities affected by determinations made on this basis are notified in writing by the Treasurer, or the Treasurer's representative, of the calculation and the basis upon which the determination was made. So the Government rejects that proposal. I wish to deal with a few more proposals. The amendment further states:

(9) A government authority by which a dividend is payable is to include in its annual report a copy of the statement provided to the authority by the Treasurer under subsection (8) and a copy of the certificate furnished by the authority to the Treasurer under subsection (6) in respect of that dividend.

Government trading enterprises report all dividend and tax equivalent payments to the Government in their annual reports. For that reason this part of the amendment is rejected. The conclusion to the amendment moved by the honourable member for Manly is:

(10) A government authority must also include in its annual report details of any works that were referred to in any previous annual report of the authority (in a certificate included in that previous report under subsection (9)) and which have not been constructed or carried out. The annual report must also include a statement by the authority as to which if any of those works the authority still proposes to construct or carry out and a statement of the estimated cost of those works (if an estimate is available to the authority).

This is a further bureaucratic proposal, like earlier proposals, which would be unworkable in practice. Any item of capital expenditure could be considered at the margin to have been intended to be funded from earnings distributed as dividends. There is no basis, therefore, for identifying any works for inclusion in the proposed certificates. That is rejected. I will deal briefly with a few other comments made by the honourable member for Manly. The honourable member for Manly said, when referring to the former Chairman of the Sydney Water Board, Mr David Harley:

In his submission to the committee he stated that the impact of progressively taking dividends out of the Sydney Water Board was reducing its working capital to only two weeks.

Working capital requirements for the Sydney Water Board have been reduced from around 10 weeks to around four weeks since the payment of the special dividend in 1991-92 and the asset purchase in 1992-93. This was an area of performance improvement identified by both the Macquarie Bank, which was commissioned by Treasury to examine the financial position of the Water Board and its ability to pay dividends, and Pacific Road Securities, which undertook a study into the Water Board's capital structure. We believe that the level now achieved is more in line with commercial practice for an organisation like the Water Board which has a stable and predictable cash flow. Another point made by the honourable member for Manly was:

The Water Board dividend has increased from \$73 million to \$108 million. That is at the very core of concerns raised by the honourable member for Drummoyne, by me and by the committee both in its hearings and recommendations.

The honourable member for Manly posed the question:

What effect will that extra \$35 million dividend have on the operations of that government trading enterprise?

My reply to that question, to which he has asked me specifically to reply, is as follows. The dividend payment by the Sydney Water Board was higher in 1993-94 than was budgeted for, not because of any increase in the dividend payout ratio but because of a significant improvement in profit as a result of increased efficiencies by the Water Board for some of the reasons I have given earlier. But this also means that the profit retained by the Water Board is higher than was originally budgeted for; hence there will be no negative impact on the Water Board from the increase in dividend payments. I am pleased that the honourable member for Manly specifically raised that point to enable me to bring these matters to the attention of the House. The last point raised by the honourable member for Manly was as follows:

The Government must . . . make it quite clear that the dividend it has taken will not undermine the clean waterways program for which the (special environmental) levy has been paid.

Again the honourable member for Manly invited specific comment. At no stage have dividends paid by the Water Board been sourced from the special environmental levy. Up to 1990-91 the levy income was recorded in the balance sheet of the Water Board in a way which did not impact on profit, and hence was excluded from dividend calculations. In 1991-92 there was a change in the required accounting treatment of the levy income. In order to quarantine the levy income from profits and dividends under this accounting treatment the then Minister for Finance, the Hon. G. Souris, determined that the Water Board include the levy income below the profit line when dividends were calculated. The Water Board has made this accounting treatment clear in its profit and loss statement published in the annual reports. I realise that I have taken a considerable time to deal with the amendment moved by the honourable member for Manly, but there are practical reasons why the amendment should not be adopted. I appreciate the opportunity that I have been given in this debate to clarify a number of points raised in debate by the honourable member for Manly.

Mr HATTON (South Coast) [10.20]: Everything that the Treasurer has said strongly endorses the need for the amendment to be placed in the bill. He said that the Government has a policy statement on this matter, so it is clear that a firm policy about the distribution of dividends should be in place. He said that there is a pre-tax profit

distribution mechanism, which is specified in a statement endorsed by the chairperson or the chief executive officer of the government trading enterprise involved. He said that as Treasurer he meets with the CEO or the chairperson of the GTEs and with relevant Ministers. All those things constitute a consultative process. It means that all these mechanisms are in the statement of financial performance and the performance targets, but that he does not want to put them in an Act of Parliament.

The Treasurer talked about flexibility, and that is where he gave himself away. Flexibility, all right! This Treasurer and this Government have been sprung because they want a referendum on balanced budgets. If they run into trouble in a balanced budget referendum, where will they get the money from? He said that the Constitution prevents the imposition of a goods and services tax, so where will the Government get the money? It will get it from the GTEs; it will bleed them dry. If it is desperate, and if my Privatisation of Core Government Services Bill is not passed to prevent it from doing so, it will even flog off core service assets to make the budget meet a referendum result. That is extremely disturbing. One can have all the you-beaut policy guidelines, consultation processes and statements of performance targets, but if it is not in the legislation the process can be fiddled by this Government or, for that matter, by any future government.

In this respect I trust no government. If I remember correctly, I think it was Neville Wran who invented the process. First he looked for the hollow logs, and he found plenty of them, because nobody else had thought to do so. He was able to get a lot of resources for his government to spend by finding the hollow logs. It became a refined art, and now it has become an established process. But because it has become an established process it must be enshrined in legislation. The other aspect of this debate that impressed me was the attitude of not telling the customer: "Don't tell the customer. For God's sake don't tell the customer. Let's find all the reasons why we can't tell the customer". I do not care if the customer is told what was taken last year. Telling the customer retrospectively is good enough for me: "Your electricity bill is \$2 a quarter more expensive" or "Your water bill is \$2 a quarter more expensive because we took the money for some other purpose". Tell the customers; they are entitled to know. Where is the Minister for Consumer Affairs? Will she defend this non-exposure of what is happening to customers? The right of customers to know what they are getting for their money is a consumer affairs question. The Minister ought to be exercising her responsibility of protecting the consumers. The safeguards that are embraced by this amendment are more important and more vital than ever.

Dr MACDONALD (Manly) [10.24]: I wish to respond to a number of matters raised by the Treasurer and to indicate my appreciation of the remarks made by the honourable member for South Coast. This is not a matter of party politics. It is not a matter of anti-dividends. It is a matter of providing more accountability. I heard no argument from the Treasurer as to the disadvantages that would flow from the passing of this amendment, which supports the openness and accountability that he emphasised and described. I see little difference between what we are both seeking to achieve, except that perhaps I was being a bit more prescriptive than the Treasurer is. He said that he or Treasury officers speak to the CEOs of the various utilities. That is fine. All I say is that the process should be open to scrutiny. We want to know what happens during those discussions.

This is not a vacuous debate that cannot be brought back to significant, relevant issues. Over the years large amounts of money have been consistently removed from the Water Board in the form of dividends. My amendment would provide for transparency. It would indicate the likely impact of dividend payments on the core responsibilities of utilities such as the Water Board. I can tell the House that the Water Board needs every penny it can get. It needs to retain its funds and to engage in proper asset management. The Water Board, its resources and all its investments are at the end of their useful life. The evidence provided to the committee that I chaired indicated that it could cost up to \$10,000 million to replace Water Board assets, many of which are over 100 years old and are towards the end of their life. In my view the payment of dividends interferes with the Water Board's core statutory responsibility to properly manage its assets. The appointed board of the Water Board was critical of the dividend process and the likely impact it would have on the board's core activities.

The remark repeated by the Treasurer was: "Oh, it's all too bureaucratic. It's too bureaucratic to have to provide the customer with details of his accounts. It's too bureaucratic to have to go through the process of

working out what the impact of the dividend would be. It's too bureaucratic, for instance, to require certification from the authority as to the maximum dividend that should be taken". I do not care if it is too bureaucratic, because we hear that all the time. We are always told that it is too bureaucratic. The public is sick and tired of that response. It wants openness and accountability. If it means a little more effort, if it means the development of a process designed to give the public the truth, a window into the process, I make no apologies at all. This issue is about public perception. The link between the clean waterways program, the special environmental levy and the dividend did this Government a lot of harm and it cannot run away from that. The Treasurer said today that the clean waterways program was not interfered with or impaired as a result of dividend payments, but that is not the public perception. Let us get to the truth and in the process provide proper disclosure.

Amendment agreed to.

Clause as amended agreed to.

Bill reported from Committee with an amendment, and report adopted.

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LAKE MACQUARIE STATE RECREATION AREA BILL

Second Reading

Debate resumed from 18 November 1993.

Mr HUNTER (Lake Macquarie) [10.30]: I wish to submit an amended map of the Chain Valley Bay area for the proposed Lake Macquarie Recreation Area. The map shows an area of reduced size. I ask that it be substituted for the map for that area that is currently on display outside the Chamber.

Debate adjourned on motion by Mr Hartcher.

PRIVATISATION OF CORE GOVERNMENT SERVICES BILL

Second Reading

Debate resumed from 17 March.

Mr COLLINS (Willoughby - Treasurer, and Minister for the Arts) [10.34]: The Government opposes the Privatisation of Core Government Services Bill. The bill purports to place four referendum questions before the people, seeking their views on whether they support or oppose privatisation of core government services, which are defined as being public education, electricity, public hospitals and water. The Government opposes the bill on the grounds that the bill is a poorly framed, ill-conceived and expensive exercise that will achieve no purpose other than to create confusion. Opposition to the bill should not be taken as signifying support for privatisation as an objective in its own right or opposition to public consultation on the issue. The Government does not see privatisation as an objective in its own right but rather, in appropriate circumstances, as a valid means to an end, the end being improved economic wellbeing of the community.

Privatisation will be considered on its merit in specific circumstances where it addresses the Government's key objectives or where it is clear that public ownership is no longer necessary or appropriate. This Government has proceeded with two major privatisations, these being the successful sale of the GIO and the current sale of the State Bank of New South Wales. Legislation was presented to the Parliament to seek approval for the sale of the GIO and the same will occur in a short space of time with the sale of the State Bank. We support and will continue to support full parliamentary scrutiny of privatisation proposals. It is neither

support for privatisation nor opposition to public scrutiny that causes us to oppose the bill. Opposition to the bill simply reflects opposition to poorly drafted and poorly conceived legislation which would make a mockery of the referendum process.

There are three grounds on which we oppose this bill. First, the proposals are stated in simplistic terms that fail in any way to define the specific circumstances under which privatisation may occur. It is not possible to form a view on privatisation until the proposal is defined, including the level of competition involved, the regulatory framework, the method of sale and a host of other considerations. A typical illustration of the folly of forming a view on privatisation on the basis of simplistic definition is the electricity sector. There are two broad contexts in which privatisation in the electricity sector could proceed. One scenario is the privatisation of the entire sector, covering generation, transmission and distribution with, in effect, the exchange of a public sector monopoly for a private sector monopoly.

A second scenario is the restructure of the electricity sector in line with the Hilmer approach. This involves the separation of transmission from generation, with the former operated as a regulated monopoly while the latter is developed as a competitive industry with both private and public sector generating operators. In the second scenario there would be no institutional barriers to entry, a fully transparent pricing policy for access to the transmission network and considerable competition putting downward pressure on electricity prices. Whatever one may think about private versus public ownership, there is clearly a world of difference between the two scenarios, which raise quite different issues. The first scenario would not involve any improvement in technical or allocative efficiency and is simply the sale of monopoly rents. The latter scenario creates an open, competitive industry, with improved technical and allocative efficiency. The problem with the bill is that it does not provide any context for the privatisation proposal. The context could be either scenario or some other permutation. It is totally inappropriate to place referendum proposals before the public without a clear and concise statement of the full proposals. At present there are no proposals for substantial privatisation in any of the areas nominated and hence there is no basis on which a valid referendum proposition could be framed.

Second, the bill is opposed because of its arbitrary and misleading approach to defining the core role of government. The bill defines the core role of government as involving public education, electricity, public hospitals and water. This is a complete nonsense at all levels. At the functional level it fails to identify the police and courts as core functions of government, while defining electricity as a core function. There is no apparent logic in this. At another level it fails to recognise that it is not service provision per se that is the core role of government. In reality all service provision is capable of being contracted to the private sector. It can be argued instead that the core role of government is policy and legislation, establishing a regulatory framework and funding essential public services.

This confusion is apparent in the bill's definition of privatisation as contracting. This ignores the reality that when a government contracts it maintains the responsibility of a principal: setting the terms of the supply contract, monitoring and enforcing performance standards and funding the service. It is not valid to equate contracting with privatisation.

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Third, the referendum proposal is opposed because it would involve substantial expense and logistical demands yet is non-binding. It is, in fact, an elaborate, poorly specified opinion poll. Clauses 9(1) and 9(2) state that the referendum does not invalidate any legislation passed or administrative action taken before or after the date of the referendum.

It is difficult to understand the purpose of undertaking a referendum on an issue such as this and then stating clearly that the result of the referendum has no necessary bearing on government legislative or administrative actions. It is hard to contemplate a more poorly conceived and pointless exercise than this. There are no proposals before the Government or the Parliament on privatisation in the areas nominated by the honourable member. The bill does not provide any explanation of the framework within which privatisation could proceed, thus making it impossible for any informed voter to make a proper assessment of the facts. The bill is arbitrary in its definition of core government roles, including electricity production but excluding the area

of law and order - and law and order is not alone in being excluded.

The bill fails to distinguish between the sale of a government business and contracting for the provision of service, lumping both under the category of privatisation. That is despite the fact that under contracting the core role of government as purchaser of services and funder remains intact. Government members believe that the bill is an elaborate and very expensive opinion poll that will in no way bind governments and that for that reason it should be rejected. The Government has no hesitation in opposing the bill.

Mr W. T. J. MURRAY (Barwon) [10.44]: I oppose the bill because it is legislative nonsense. If the legislation, calling for four referenda, were enacted it would in no way direct or control the operations of government. As the Minister said, it would be a very expensive opinion poll. There has been debate in the past day or so over the circumstances of opinion polling. The Leader of the Opposition said in his recent contribution to the budget debate that a Labor Party government would reduce spending on wasteful areas of government. I presume, however, that Labor Party Opposition members will vote in support of this legislation.

What greater waste could there be than to establish this proposed referenda process? At best, it would be an extremely expensive operation. Costs would be incurred in detailing the cases for and against as well as for all the processes that have to be followed in arguing a referendum and actually holding a referendum. Surely, because of all the expense involved, the Labor Party with its philosophical approach would have to vote against this legislative nonsense. Should the legislation become enacted and should a referendum be held we would forever and a day have on the statute book a decision of the people of New South Wales that could not be altered other than by way of another referendum.

Passage of the bill would result in the absolute stupidity of delivering by way of referendum a decision and a direction to the Government of New South Wales that would not apply to anything that had been done in the past or would be done in the future but could not be changed except by way of another referendum. The whole political approach is absolutely nonsensical. Over the years I have encountered people who promote this flawed process of citizen initiated referenda. The concept has been kicked about the countryside for many years. It is based on the theoretical right of the individual, the "my will" approach of those who propose citizen initiated referenda - the far Left and the far Right of the political spectrum - to impose their will on that of the majority.

Proponents of this process of referendum put forward the idea that it is a delivery of power. In fact, the power is vested in the Parliament. The democratic process followed in this State and nation provides that an election, be it a State election or a Federal election, be held every three or four years. At election time the actions of the government of the day go up for decision, and that is the greatest referendum of them all. That basic power vested in government could be removed by a completely nonsensical referendum decision that means nothing. Passage of this bill would hamstring every future government. Virtually, the bill says that while the people of New South Wales can elect a government, a decision about what can be done has already been made.

The Independents, the extreme Left and the extreme Right, who know full well that they will never be in a position of power in government, are using this back-door method in an endeavour to direct the day-to-day operations of government. Passage of this legislation would remove responsibility from the 99 members of the Legislative Assembly and the 42 members of the Legislative Council who have been duly elected to represent their constituents for a four-year period. There is no better referendum than the election process. On that basis alone, this bill should be rejected. It represents the philosophical approach to the management of government of the Independent honourable member for South Coast. I have no problem with that - good luck to him. The fact is, however, that he is trying to apply a philosophical approach to the financial management of this State that is not practical and cannot be carried out.

The changing circumstances are no better described than by the current actions of the Federal Government. The Federal Government had a policy direction from members of the Labor Party that there would be no privatisation. It has now changed that philosophical direction it says was imposed upon it by its members and

privatised the Commonwealth Bank. The basis of that changed philosophical approach will have an effect across the spectrum of political parties - Independents, National, Liberal, Labor, Democrats - with the flux that is occurring across the nation.

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Soon after coming into office the Federal Government did the greatest backflip of all time with the deregulation and privatisation of the financial industry, the deregulation of this nation's financial affairs. Past conservative governments would not touch privatisation, but the Federal Labor Party did a backflip on it; it had a major change in political thinking. We cannot hamstring this State with legislation such as is contained in this bill. That is what the Labor Party has done to itself federally. Telecom Australia and Australia Post in effect are privatised. What more important Federal core services could there be than finance and communications; yet those instrumentalities have been privatised. This bill looks at core services of the State - health, education, electricity and water.

Will the Labor Party vote in favour of a referendum to prevent it doing exactly what its Federal counterparts have done? If Opposition members vote along those lines, the hypocrisy of the Labor Party is greater than I thought. Health, education, electricity and water services are core services and under these measures the Government will be prevented from privatising 25 per cent or more of those authorities. The fascinating aspect is that the bill will lead to there being total incompetence within those core services - encouraged by government decision. There will be no threat over those services if they fail to do the job properly and well, or fail to operate in accordance with the principles of the private sector. That will not matter, because it will not be possible to take action and privatise the core services that are being mucked around and handled incompetently.

We must consider what the process means. Hospital auxiliaries have made enormous contributions to the hospital sector over the years. The limitation on private hospitals that was imposed by Labor has meant that the population of this State has not been adequately serviced. The bill proposes that if a hospital or school is no longer warranted or if the State's health service needs supplementing, there is no way that the Government could take similar action to what it did in relation to the hospital at Port Macquarie. Resources in health, education, electricity and water will not be able to be moved to the private sector to provide a better lifestyle for the people of New South Wales. The bill provides that electricity generation cannot be privatised. One of the greatest advances over the last few years has been the development of electricity generation processes utilising the outflow of water from the various dams across the State. Approximately three have already been developed. *[Extension of time agreed to.]*

Utilising water outflow from dams has provided water for irrigation and other purposes. If this legislation had been introduced some time ago, the technology to use water for the production of power would not have eventuated. The bill will prevent the production of electricity by the private sector. Another important core service relates to schools. When a school is no longer required in an area because the people requiring education services are no longer present in that area, will the buildings just be left to rot? Is it suggested that a section of the school cannot be sold or privatised, or indeed that a portion of education department property cannot be sold so that it can be used as a private sector school drawing from a wider community? Will this bill mean that forever the assets of the public sector are to be sterilised so that the private sector can never use them for core services? In my opinion, that is exactly what this piece of legislation does.

The nation could not cope without the private sector supplementing health, education, electricity and water. The bill inadequately defines "water". Is it intended to say that the water supply of this country cannot be used for the purposes of irrigation because it is being used for a private sector development? That is what the bill provides. If the private sector is unable to use water from the State's dams for irrigation purposes, will governments be forced to commence to develop irrigation systems? Think of the inconsistencies and stupidities involved in that concept. The bill is absolute rubbish and should not be passed by the Parliament. The suggestion is that marvellous things will happen after the referendum. Effectively, the bill says there will be no more irrigation development, no more private generation of electricity, no more private sector

involvement in upgrading the various hospitals of the State, and no more private sector involvement in the dual operation of the education system that I see occurring in the future.

The bill gives the existing services a glorious, golden handshake. The instrumentalities that have been privatised before the legislation comes into force will have a licence to print money. The Government has said in the past that it has overallocated for irrigation and dams and no more licences will be issued. Those with a licence that entitle them, if the water is available, to take 960 megalitres out of the river will have an asset valued at \$500,000, for that little piece of paper. Those who have been granted licences before the legislation is passed and the referendum is carried will be given a golden handshake of enormous proportions.

The bill will provide for the private sector a capital gain that is totally in conflict with the intention of the bill. The honourable member for South Coast is well known for not being a great promoter of the private sector in this State. The bill is designed to satisfy his philosophical approach. Let me look at the definition of a relevant public authority. An "education authority" is defined as the Department of School Education or any government school. Schools cannot be sold if they are no good. An "electricity authority" is defined as a person engaged in the supply of electricity to the public or in the generation of electricity for supply to the public, including the Electricity Commission. The harnessing of dam resources, about which I have spoken, is but one example. Do honourable members know what technology will be created in the future?

The Government does not want to become more and more involved in promoting the generation of electricity by water. Should we say that the private
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sector cannot, at any time in the future, generate power to service the needs of this State? Should we say that all electricity should be provided by government when the private sector is able to supply much needed resources? Private corporations have been known to build towns. They have provided many towns, particularly in western New South Wales, with the essential services of water, power, sewerage and so on. If the referendum is carried, should we say that the Government must duplicate the resources already created in these areas and prevent private corporations from providing essential services to those towns? That is a nonsense.

The bill defines the undertaking of an education authority as the assets of the authority relating to the provision of free public education to the school-aged. I have a couple of grandchildren who attend school, and if someone tries to convince me that public school education in this State is free, I will jump into hell. The costs of educating the average child today are fairly severe. What does the bill mean when it refers to the provision of free public education? How long has public education been free? If the contributions made by parents and citizens associations and school councils were withdrawn and had to be supplemented from the budget, the costs of education would be enormous. The four questions proposed for the referendum are: Are you in favour of the privatisation of public education? Are you in favour of the privatisation of electricity? Are you in favour of the privatisation of public hospitals? Are you in favour of the privatisation of water? How on earth will the meaning of those questions be explained to the people of New South Wales?

Mr RICHARDSON (The Hills) [11.04]: I oppose the bill, which is seriously flawed. That is not surprising, as it seems to be ideologically driven. I will discuss later the philosophical problems, but I would like to deal now with the practical problems created by the bill as it is framed. As the Treasurer has already said, the four core services dealt with by the bill are education, electricity, public hospitals and water. Why has the honourable member for South Coast selected only those four? What about courts, police, corrective services and railways? Are they not also core functions of government? Are they not also services that governments should provide at all times? The bill provides for voters to be asked whether they are in favour of the privatisation of public education, electricity, public hospitals and water. But the bill does not place privatisation in context. It defines "privatisation" as:

... any transaction or series of transactions by which:

- (a) 25% or more of the issued shares in a relevant public authority providing the service are transferred to a person who does not hold them for or on behalf of the State; or

- (b) 25% or more of the undertaking of a relevant public authority providing the service is transferred to any private person for operation by that or any other private person; or
- (c) any private person is charged with the management of the provision of 25% or more of the undertaking of a relevant public authority providing the service.

The schedule hardly correlates with the referendum questions. Will voters understand what they are voting for? Economists define "privatisation" in a range of different ways. Stephen King of the Department of Economics at the University of Melbourne says:

The word "privatisation" is used in two distinctly different ways - either as a narrow term referring to a change in ownership, or as a broad term reflecting a change in the control of an economic unit. The former involves a sale of ownership rights in a public enterprise, often through the issuing of privately-owned and tradeable shares. Some authors tie this narrow definition to the relevant country's "companies legislation". The broad definition involves the concept of a shift from the "public" to the "private" sector, often connected with a specific policy aim for the transition.

Some authors have adopted a list approach to privatisation. I have managed to obtain from the Parliamentary Library a list produced in the United Kingdom that identifies 22 different privatisation techniques used there. They include selling the whole operation or complete parts of the whole operation, charging for the service, contracting out services to private businesses, buying out existing interest groups, making small-scale trials, encouraging exit from State provided services, divestment, and withdrawal from the activity. So the way in which the honourable member for South Coast has framed the bill seems to be flawed.

Stephen King says that the essence of privatisation involves a change in the way an organisation is governed and controlled to what is considered typical in the private sector. That is not spelled out in the bill. His definition is the more narrow one of a change of ownership. Why does he use an arbitrary 25 per cent threshold when some commentators have stated that privatisation generally means the formation of a Companies Act company and the subsequent sale of at least 50 per cent of the shares to private shareholders? Why does the honourable member for South Coast not distinguish between the sale of 25 per cent to a single owner and the sale of 25 per cent or more to many shareholders? There are also some serious practical and logistical problems with what is proposed. The referendum suggested by the honourable member for South Coast would not be binding on the Government of New South Wales. Clause 9 provides:

- 9. (1) The referendum result does not invalidate any legislation enacted before or after the date of the referendum.
- (2) The referendum result does not invalidate any administrative action taken before or after the date of the referendum.

As the Treasurer has pointed out, the legislation provides for an expensive opinion poll which cannot properly be explained to the people. The bill has been introduced because of the philosophical opposition of the honourable member for South Coast to privatisation. That was shown by this comment in his second reading speech:

I am solidly opposed to the sale of core services - such as public education, electricity, public hospitals and water as defined in the bill - to private, sectional, religious or charitable organisation interests.

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The honourable member for South Coast should bear in mind that the Government has no philosophical commitment to privatisation per se. The honourable member needs to identify the role of government, which is that of facilitator and regulator. The core role for government is not necessarily service provision; it is only to support essential public services. As I stated before, the core responsibilities are not necessarily those listed by the honourable member for South Coast. Privatisation should not be seen as an end in itself; it is one of the management tools open to government to provide services more effectively and at lower cost. I turn now to the electricity area and I wonder why the honourable member for South Coast singled out electricity as one of his

four core government services. For starters he needs to distinguish between power generation and power distribution, as this Government has done. In the bill that is not done. The bill deals with "the undertaking of a relevant public authority". Roderick Deane, the man who re-organised New Zealand's public service wrote in a pamphlet entitled *Reflections on Privatisation*:

It is now widely agreed that many of the industries that were viewed as "natural monopolies" in the past, such as electricity and telecommunications, can and should be subject to competition across a relatively broad spectrum of their activities.

That is exactly what the Federal Government has done with Telecom. Perhaps it could be argued that it has not gone far enough in that regard. In the past week we have heard that Telecom turned in a record \$1.7 billion profit last financial year, despite competition provided by Optus. In New South Wales the coalition Government, through electricity reforms - where we distinguish between generation and distribution and corporatise where appropriate - has achieved some major gains. The Government has significantly reduced debt. It turned a deficit of \$165 million in the year to June 1988 into a profit of \$703 million for the year ended June 1993. In so doing the Government has managed to keep electricity price rises below the rate of inflation.

Clearly the corporatisation process has been of enormous benefit to the people of New South Wales, as was recognised by the honourable member for South Coast in his second reading speech. Why then is he so adamantly opposed to further reforms? The Victorian Government, for example, has sold 51 per cent of the Loy Yang power station to the private sector. That is entirely consistent with the recommendations of the Hilmer report. What is wrong with having the private sector build, own and operate power stations? Is this something that has to be done by the State? A week or so ago I read in a newspaper that a Canadian company, Redbank, was taken to the Land and Environment Court by Greenpeace because Greenpeace claimed that the power station which Redbank was to build for Shortland County Council in the Hunter Valley was not in accord with the Government's commitment to reduce greenhouse emissions.

Redbank had been brought in as Shortland County Council saw that as a cost-effective way of developing the power generation system in the Hunter Valley. That is something we hope would be encouraged in the future. The bill, if passed, could prove to be an impediment to the introduction of new environmentally friendly technology such as solar power, wind power, small-scale hydro power and the hydro power generation alluded to by the honourable member for Barwon. The bill introduced by the honourable member for South Coast could prove to be a threat to the environment; and certainly it is a threat to further cost reductions in electricity for the people of New South Wales. In his second reading speech the honourable member said:

Governments need to understand that the services paid for by the public belong to the public. This is very clear in the case of electricity distribution. It is the consumers who have paid for the distribution network, the power generating stations, the buildings and the wages of the employees. A democratic structure throughout the electricity industry gives citizens a right to expect consultation if undertakings are to be sold. After all, the assets belong to the consumers, paid for individually by them through electricity bills.

I wonder whether the people of New South Wales really care whether they own the power stations or whether they own the electricity grid provided that electricity is provided reliably and at the right price. It is very similar to the difference between leasing a car and buying a car. I am sure all honourable members - with the exception of the Leader of the Opposition, who does not have a driver's licence - have cars which they use for their electoral work. Many would lease rather than buy their cars. One has the option at the end of the lease period of buying the car at the residual price. It is similar to the system the Government put in place with build, own, operate and transfer infrastructure projects. One does not actually have to own the car for the period of the lease to enjoy the use of the car. In the lead-up to the last State election the Leader of the Opposition said:

In the 1990s, State Governments alone will not be able to provide the new infrastructure required. The private sector will become increasingly involved in providing this infrastructure.

I hope he and the Opposition will be supportive of the Government position on this bill and that he will not go back on his word. The current Leader of the Opposition is not the only Labor leader to have supported privatisation. As the honourable member for Barwon pointed out, the Federal Government has been quite

active in this area, even though it has in some respects caused it some political trauma. Qantas, the Commonwealth Bank, and recently the stevedoring interests of the Australian National Line have been partially or wholly privatised. The Labor administration of Dr Carmen Lawrence in Western Australia invited public sector participation in the provision of new infrastructure, including hospitals. In a publication entitled *Investing in Infrastructure: Guidelines for Private Sector Participation in Public Infrastructure* the author was echoing the Leader of the Opposition in New South Wales when he wrote:

Competing demands for Government funds have made the involvement of private enterprise the logical and sensible direction for the future.

I turn my attention to the area of water and the Sydney Water Board. Honourable members would be aware that it is the Government's intention to

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corporatise the Sydney Water Board. Once again I hope this is a move that the honourable member for South Coast will support, as he said in his second reading speech he appreciated the benefits of corporatisation. The reasons for corporatising the Water Board are to enable it to achieve its customer service and commercial objectives in a socially and environmentally acceptable way. The new corporation will have clearer objectives and greater incentives to run its business efficiently and be more publicly accountable in the delivery of services to its customers. The corporation will be required to meet stringent regulatory standards including those relating to public health and environmental protection. Those are very sound reasons for corporatising the Water Board. [*Extension of time agreed to.*]

The Government has no intention of privatising the Water Board although some privatisation of certain services is already occurring, and that is sensible. The Director of Australian Water Technologies, David Marchant, gave evidence to the Joint Select Committee upon the Sydney Water Board about the hundreds of businesses which Australian Water Technologies had, some of which could scarcely be seen as core businesses central to its operations, such as a video production house, a food catering service or a transport business. Many of those businesses will be privatised or sold off, and the Government should make no excuse for that. The build, own, operate and transfer water treatment plants - the BOOT concept I mentioned before - are able to be provided to the people of New South Wales at the most cost-effective price and ultimately will be transferred to the people of New South Wales.

The honourable member for South Coast spoke about the area of education as being a straw man. I think it fits that category. There is no intention by the Government to privatise schools, though the honourable member for Barwon noted the Government will continue to sell off schools in areas where there are not enough children to support the retention of the school. So far as having a referendum on the privatisation of education is concerned, one might just as well have a referendum on draining Sydney Harbour for all the impact and effect it will have. It may raise unwarranted fears in the minds of people about the Government's intentions. For that the honourable member for South Coast should be condemned. In health, there was a two-phase inquiry by the Public Accounts Committee into the funding of health infrastructure and services in New South Wales. The honourable member for South Coast was a member of that committee. The committee concluded on page 119 of its second report:

Sources of funding health infrastructure from traditional public sources are relatively limited, and are expected to remain so for the foreseeable future . . .

The borrowing of funds is regulated by the Australian Loan Council, with the global borrowing limit for NSW having reduced in real terms over the past two years . . .

The constraints in existing public sector sources of financing infrastructure have led to the investigation of opportunities for the private sector to assist in this regard.

The amount of money that the Government can borrow is restricted by that global borrowing limit, and privatisation - or the involvement of the private sector - is a way of extending that global borrowing limit and

permitting the Government to provide a greater range of services to the people of New South Wales. It is a system that is of great benefit to the people of New South Wales whom this Government represents. We need to distinguish between the delivery and ownership of services. There is no fundamental requirement for the State to own those facilities in order to provide services to the people of New South Wales.

In conclusion I would reiterate that in his bill the honourable member for South Coast has not adequately defined core government services; he is off beam; he is confused about the role of government and what government is actually here to do. That is understandable, because he is never going to be a member of a government. There are practical and logistical problems associated with the bill and it shows a complete misunderstanding by the honourable member of the way in which governments operate in the 1990s. It is not the way in which governments operated in the 1950s or even the 1960s, which is the time frame in which the honourable member for South Coast seems to be locked. I urge the House to reject the bill.

Mr DEBNAM (Vaucluse) [11.22]: The honourable member for South Coast introduced a private member's bill titled Privatisation of Core Government Services Bill. It is a sham and a fraud. It emanated from a member of Parliament who purports to act in the best interests of the public of New South Wales but, as I have seen at first hand since being elected to Parliament earlier this year, does not in fact do so. A little examination of this bill will demonstrate that. I would like to briefly explore the motivation behind the introduction of this bill by the honourable member for South Coast.

In researching his contribution I identified three potential reasons for the introduction of this shallow, woefully inadequate and misleading bill - and I stress "misleading". First, it could be a blatant attempt by the honourable member for South Coast to gain headlines. This approach would certainly be consistent with his actions on a number of other matters, including the recent establishment of the royal commission into police. Because the honourable member for South Coast attempts to gain headlines across all areas of public administration, all government portfolios, his efforts are understandably shallow, and that is reflected in this bill. The bill may have been conceived as another attempt to gain publicity in the run-up to the general election and it may be that the bill is simply the product of a publicity hound.

I said that there were three possible motives for the bill's introduction. The second may well be a philosophical motive, which my colleague earlier mentioned. It may be philosophical or perhaps simply a naive, emotional reaction to the topic of

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privatisation - a topic that is much discussed in the community and perhaps not that well understood in a number of areas. Privatisation is certainly part of effective public administration in this day and age, and it is practised by both Liberal and Labor governments in Australia and by other governments around the world. I believe it is widely endorsed throughout the community; it is certainly widely endorsed by people familiar with practices in public sector management.

If the second motivation is a naive, emotional reaction to the topic, the third possible motive behind the introduction of the bill perhaps is that the honourable member does not understand the subject. Having read the bill, I see that as a potential motive, but one that I find difficulty agreeing with. Having observed the honourable member for South Coast in the House and being familiar with the issues that he covers, I find it difficult to believe that he would not understand this topic. Of the three motives, I would settle on the first. There is little doubt in my mind that this bill was introduced by a publicity hound to gain as many headlines as possible in the run-up to the general election. I doubt that it is a naive, emotional reaction or a philosophical one. It could not result from lack of comprehension of the subject, for I believe the honourable member for South Coast understands this issue extremely well.

I believe the first motive is the likely one. The honourable member for South Coast does have an appreciation of the significant benefits that derive from the Government's economic management of this State and its reform of public sector reform - reforms that have been emulated by other governments in Australia. This bill is a cheap trick to grab headlines to boost the election campaign of the honourable member for South Coast. Even a brief look at the substance, or lack of substance, in the bill leads to the conclusion that it is a

simplistic attempt to address the subject. But it certainly provides a perfect base for electioneering propaganda. I have no doubt at all about that.

The bill attempts to define core government services as those relating to the provision of public education, electricity, public hospitals and water - four arbitrary areas. It ignores a number of other areas and does not explain why the honourable member has chosen those four. The bill defines privatisation as any transactions or series of transactions by which 25 per cent or more of the issued shares in a relevant public authority are transferred to a person who does not hold them for and on behalf of the State, and the 25 per cent provision features again later in the bill. That would have to be regarded as an arbitrary figure, perhaps one that has been used by the Federal Government in recent times. It goes on to define relevant public authorities. Anyone looking through these definitions would find them woefully inadequate.

The bill defines the undertaking of a relevant public authority to some extent - again, terribly shallowly - but the honourable member did not need to go into any depth to properly explain the bill, because it is a simple grab for headlines. Conducting the referendum proposed by the bill in conjunction with the general election next year does not make it hugely expensive to administer, but there is a cost attached to it, and that is a problem for the general community. There is no doubt that the public has had to pay many millions of dollars towards the honourable member's re-election campaign. Foremost in my mind is the royal commission into police, the cost of which it is likely to blow out towards the \$100 million mark. It will probably cost constituents of South Coast in the order of \$1 million, money that could have been spent on core government services in the electorate. Instead, it is to serve the purposes of gaining publicity for the honourable member for South Coast. The Treasurer has already made the comment that the Government is not philosophically bent on privatisation. However, it is interested very much in commonsense management of the public sector. If a variation on privatisation is appropriate in some areas, I am sure that the Treasurer will sensibly consider it. But there is no ideological drive within the Government to privatise anything.

Mr DEPUTY-SPEAKER: Order! It being 11.30 a.m., the business of the House is interrupted for consideration of orders of the day, general orders.

LEGAL ASSISTANCE TO Dr MICHAEL RYAN

Debate resumed from 15 September.

Mr WHELAN (Ashfield) [11.30]: At the interruption of debate I had explained to the House that Dr Ryan had been denied his legal entitlement to costs. The Government - and by the Government I mean the Attorney General - had decided not to provide Michael Ryan with costs. Honourable members would be aware that when the Treasurer was the subject of a parliamentary reference he was afforded legal costs by the Government. Those costs approximated \$7,500 per day and were the agreed costs paid to the Treasurer's counsel for work done in his submission to the Independent Commission Against Corruption. The other party was Dr Michael Ryan. How did he get involved? We know the history of that defamation action because the circumstances surrounding that matter were raised before the Parliament and Parliament decided that the issue should go before the Independent Commission Against Corruption. No-one else made that decision.

This Parliament sent a reference to the Independent Commission Against Corruption seeking to have the matter investigated. The subsequent report was tabled and its contents are public knowledge. If it is appropriate for one of the parties, in this case the Treasurer, and Minister for the Arts, to get legal assistance from the Government in whatever form - whether his costs are fully paid for or partly paid for is of no importance to Dr Ryan - why is it not appropriate for the other party to receive legal assistance from the Government? Dr Ryan was subpoenaed. He was given a notice to attend and produce documents to the commission. Was he provided with legal assistance? No. Dr Ryan's solicitors wrote to the Attorney General on 24 September 1993 in these terms:

We are instructed by Dr Ryan in respect of proceedings which are currently before the Independent Commission Against Corruption as a result of a reference by the Parliament on 15 September.

This is the point I raised before. The letter continues:

Our client was served with a notice to attend and produce documents at the commission at 11.30 a.m. on Friday, 1st October. We note that Mr Dougan of the Australian Salaried Medical Officers, wrote to Dr Amos, a director-general, making a similar request on behalf of their client. It is unlikely, however, that Dr Amos would have been in a position to respond to that letter, and accordingly, we believe it appropriate to also write to you.

We would anticipate that our client would instruct us to brief counsel to appear on his behalf, and we would seek agreement to pay the payment of legal costs incurred by Dr Ryan throughout the course of the enquiry. I ask for an urgent reply.

There is no reply, no cheque, no guarantee. Dr Ryan had to appear before the Independent Commission Against Corruption. He had to put his hands in his pocket and pay for his legal representation. That is iniquitous and grossly unfair. If the Parliament makes a reference to the Independent Commission Against Corruption, the reference should refer to the fact that legal costs have to be paid for Dr Ryan. Dr Ryan is suffering from Parkinson's disease. I am not a medical practitioner, but I know people who have suffered from Parkinson's disease. It is a very debilitating, serious illness. Obviously, this circumstance weighs heavily on his mind and on the minds of members of his family. But he had the added impost of knowing that, although he was not the subject of proceedings, he was denied legal costs. He does not have to right to stand in Parliament, unlike the Treasurer, and support his case for costs. The Government would have to admit that. Dr Ryan was caught in the web.

In making a plea that Dr Ryan's legal costs be paid I am not talking about a massive sum of money, but the principle. Yesterday we debated the principle of whether the Government was right in granting legal aid to the former Minister for Police who, the Government claims, at the time to which the allegations relate was conducting his official duties. Sexual misconduct, or allegations of it, form no part of anyone's official duties. On that basis he would hardly have qualified for legal assistance, but the Government gave him a blank cheque. Yet in Dr Ryan's case, the Parliament said he had to go, and the Independent Commission Against Corruption with its enormous powers to get people before it to give evidence and to produce documents, said he had to go.

Despite the inconsistencies in relation to the payment of legal costs, the attitude of the Government towards the Legal Aid Commission and ex gratia payments, this is clearly a case where the Government has erred. It should mend the error of its ways. This man is out of pocket. An injustice has been done to him. It was only because his lawyers did their job properly that he was able to get the benefit of professional legal advice. Anyone who reads the report of the Independent Commission Against Corruption would know what trauma there must be in the minds of witnesses before the commission. It has the most exhaustive powers. Notwithstanding those powers, a person who is to appear before the Independent Commission Against Corruption should be represented. Everyone else was represented at the inquiry.

I refer honourable members to the report dated January 1994. Probably half a floor of 180 Phillip Street attended that inquiry held by the Independent Commission Against Corruption. They were all paid out of the State purse by State taxpayers. However, this Parliament saw fit to pass a resolution and the Government saw fit to ignore the request by Dr Ryan's solicitors to pay his legal costs. It was a grave injustice. Those legal costs should be paid, notwithstanding that the inquiry has concluded. The non granting of legal aid to Dr Ryan is in stark contrast to the blank cheque that the Government has given to a former Minister of the Crown, who is the subject of an inquiry. [*Time expired.*]

Mr HARTCHER (Gosford - Minister for the Environment) [11.37]: Honourable members would appreciate the delicious irony of today's speech by the honourable member for Ashfield. Today he seeks to have legal assistance granted to a person who is not a member of this House and is not a Minister appearing before an inquiry. Yesterday he sought to have legal costs withdrawn from a Minister and member of this

House who is appearing before an inquiry. Dr Ryan did not seek the inquiry, nor did the honourable member for Georges River seek the inquiry of which he is subject. In the most calm and dispassionate way possible one can only say that the thrust of the honourable member for Ashfield's argument is total hypocrisy for party political reasons. Yesterday it suited him to launch an attack on the honourable member for Georges River and it suits him today to pose as the defender of Dr Michael Ryan. His argument has no consistency and no logic.

This argument suits the agenda of the Australian Labor Party. Yesterday's argument also suited the agenda of the Australian Labor Party. To argue for black one day and for white the next does not matter so long as it suits the agenda of the Australian Labor Party. The honourable member for Ashfield is revealed, in his own words, on two consecutive days as being a total hypocrite. The honourable member for Ashfield said that no letter was sent to the solicitors for Dr Michael Ryan, who wrote on 24 September. In fact, a reply was sent. I have a copy of that letter, dated 1 October. I will show it to the honourable member for Ashfield if he would like to see it.

Mr Whelan: I want to know whether it enclosed a cheque - no letter, no cheque.

Mr HARTCHER: A letter was sent and the letter was detailed. I shall set out the simple, clear structural reasons that were applied in this case. In accordance with section 52 of the Independent Commission Against Corruption Act applications for financial assistance are determined on a case by case

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basis, having regard to the particular details provided by the applicant. The applicant - in this case Dr Michael Ryan - bears the onus of providing full details which may persuade the Attorney General to consider that assistance is appropriate in any given case. For the information of honourable members, section 52 of the Act provides that a witness who is appearing or who is about to appear before the commission may apply for legal or financial assistance to the Attorney General, who may approve the provision of assistance if he is of the opinion that this is appropriate having regard to any one or more of the following: first, the prospect of hardship to the witness if assistance is declined; second, the significance of the witness's evidence; or, third, any other matter relating to the public interest.

It should be noted by all honourable members that applications for financial or legal assistance under the Act are to be made prior to or in the course of a hearing. When, as in this case, no hearing is held, there is no basis under section 52 for a grant of assistance. Let it be plain: we are governed by laws and not by men. We have an Act which prescribes the criteria under which legal assistance will be granted. The honourable member for Ashfield and other Opposition members voted for that Act. Opposition members now cannot come before the Parliament seeking to subvert the Act. It clearly sets out the criteria and the circumstances for the granting of legal or financial assistance. This House would be misusing the powers vested in it if it sought to subvert the laws that have been passed by both Houses of the Parliament and given assent by the Governor.

The issue of providing legal or financial assistance in the preparation of material in a case where the person required to provide the material is not called as a witness is being examined by the Attorney General's Department. The matter was not considered by the Committee on the Independent Commission Against Corruption in its report on the inquiry into the operation of section 52 of the Independent Commission Against Corruption Act. That inquiry made a number of recommendations in relation to the provision of legal or financial assistance before the Independent Commission Against Corruption. The inquiry into section 52 resulted from a request from the former Attorney General, the Hon. Peter Collins QC, for the committee to review and report upon the provisions of the Act relating to the provision of legal or financial assistance to witnesses appearing before the ICAC.

The committee was asked to examine three matters, namely: the procedure for making an application for assistance; the matters to which the decision-maker is to have regard; and the identity of the appropriate decision-maker. The committee, as part of its considerations of the issues of section 52 and legal representation, also examined the operation of the ex gratia payment scheme operated by the Premier. These recommendations are being examined by the Attorney General's Department, which also has identified additional issues that require consideration. They include the question of whether assistance should be

provided to prepare material to reply to a notice to produce, whether or not a hearing is subsequently held.

The solicitors for Dr Ryan were advised in writing in the letter of 1 October 1993 of the operation of section 52 of the Independent Commission Against Corruption Act. No further submissions have been received from the solicitors in that matter. The structure for the granting of assistance is laid down by the Act. An application was made by the solicitors, which was considered. There was a formal refusal and a letter sent in reply. That was the end of the matter. The matter ended in October 1993 and nothing further was heard about it until the honourable member for Ashfield put this motion before the House. Dr Ryan was not called to give evidence; he was requested to produce material. He was not a witness in the sense that he was subjected to the problems of examination or cross-examination. He was served with a notice to produce, as the honourable member for Ashfield said, on 17 September. He was not placed in jeopardy, he was required to produce evidence before an inquiry, as are hundreds of other people. And they do not have the benefit of motions moved in the House for them to be given legal assistance.

They are subjected to the ordinary structure laid down by section 52 of the Act. The Parliament is not an appropriate body to be second-guessing decisions about the granting of legal assistance after a private member has been persuaded to bring forward a motion. The whole intent is to ensure that there is a proper and fair structure which is fairly administered. No evidence whatever was adduced by the honourable member for Ashfield that there is either an unfair or an inappropriate structure - the structure has been examined by the parliamentary committee - or an unfair application of the rules. If we are to be governed by laws and not by men we must maintain the principle that the Parliament sets up the structure, the structure is allowed to operate, and only where it is shown to be unfair in its structure or operation should the Parliament seek to intervene. The Parliament should not seek to intervene ad hoc simply because somebody has had the ear of a member of Parliament and enough members of Parliament can be persuaded to support the case. This would set an unfortunate precedent. It would be a bad precedent because it would subvert the structures established by the Parliament - not by the Government - when it passed the Independent Commission Against Corruption Act. The honourable member for Ashfield has had the opportunity to demonstrate whether there is a case of hardship. He has not; he has just said that we all know the circumstances of Dr Michael Ryan. [*Time expired.*]

Mr SCULLY (Smithfield) [11.47]: I am astounded at the mumbo jumbo that has come from the mouth of the Minister for the Environment. He pretends to be a lawyer. He certainly has not convinced this side of the House that Dr Michael Ryan ought not be given his costs. I hope that in a future Opposition the Minister will do a better job of

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putting his case as shadow minister for the environment. His performance today is absolutely pathetic. This motion is about doing right, not about a little pertinent searching to find a section of an Act to justify a wrong. Dr Michael Ryan should be paid his costs. They should be paid today. I am told that his costs total only \$3,500, but Treasurer Peter Collins was given more than \$7,000 per day. This Government stated that that matter arose out of the Minister's duty but I cannot see how being overly sensitive to an article in a suburban newspaper criticising him as shadow minister in any way reflected on his ministerial duties. However, the result of the allegation that he improperly used his position as a Minister to extract the settlement was that a resolution of this House sent the matter to the Independent Commission Against Corruption. Later I will comment on the report. The Treasurer knows that I was extremely dissatisfied with the contents of the report. I hope that we will have an opportunity down the track to debate a motion which deals with the failure to have any cross-examination -

Mr Collins: On a point of order -

Mr SCULLY: - the failure to have the allocations properly accounted for -

Mr DEPUTY-SPEAKER: Order!

Mr SCULLY: Are you going to -

Mr DEPUTY-SPEAKER: Order! The honourable member for Smithfield will resume his seat. If he continues to ignore the Minister's point of order, he will not be continuing his speech.

Mr Collins: The terms of reference are very specific and deal with whether Dr Michael Ryan should have his legal costs met by the State. I draw those terms of reference to your attention and ask that you draw those to the honourable member for Smithfield and that he confine his remarks to the strict terms of this debate and not digress from it with a personal attack on me.

Mr DEPUTY-SPEAKER: Order! I uphold the point of order. I advise the member for Smithfield that when a point of order is taken he will resume his seat immediately.

Mr SCULLY: A comparison is very much in order. In the House in the past few days there has been much discussion about who does and who does not get legal aid. The Treasurer, having denied the honourable member for Wakehurst legal aid, himself took the benefit of something he decided his colleague should not get. Many honourable members would know of a campaign I conducted on behalf of Gwen Hans, the mother of Nicole Hans, against Lewthwaite being released from gaol. Legal aid was granted to John Lewthwaite. He got a QC, he got a solicitor. Gwen Hans was denied legal aid. She was a battler. The battlers do not get legal aid. Ministers of the Crown who engage in certain conduct that is not relevant to their duties get legal aid.

Mr Cochran: Nonsense.

Mr SCULLY: The honourable member for Monaro should go and talk to Gwen Hans. He should try to justify the denial of legal aid to her when she was fighting to keep Lewthwaite in gaol.

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

Mr SCULLY: I am appalled that a National Party member would attempt to justify an approach whereby those under the poverty line do not get legal aid but those who are wealthy and have large salaries will get it. The position is different for someone like Gwen Hans.

[Interruption]

You come out. I am astounded at you.

Mr DEPUTY-SPEAKER: Order! I call the honourable member for Monaro to order for the second time and direct the honourable member for Smithfield to address the Chair.

Mr SCULLY: I am astounded at the reaction of the honourable member for Monaro for he assisted me in putting before the Attorney General the campaign that that man not be let out of gaol. The honourable member for Wakehurst is in the Chamber. I hope that he will speak in this debate. He would be able to talk about the hypocrisy of this Government; he would be able to relate that he had to pay \$100,000 from his own money because of that man sitting over there; he would be able to say why he did not vote for that man to become Premier; and he would be able to say why that man took \$7,000 a day in legal fees but Michael Ryan was left without any financial assistance.

Mr Cochran: On a point of order: there are appropriate ways to address members in the Chamber. "That man" is not an appropriate form of address. I ask you to ask the honourable member for Smithfield to address the Treasurer and others on this side of the Chamber in the appropriate way.

Mr DEPUTY-SPEAKER: Order! The point of order is upheld. A long established practice in this Chamber is that members will refer to other members by their titles.

[Time expired.]

Mr Whelan: Mr Deputy-Speaker -

Mr KERR (Cronulla) [11.52]: I wish to respond to a notice of motion set down by the honourable member for Ashfield, concerning the payment of legal assistance to Dr Michael Ryan in the investigation by the Independent Commission Against Corruption into the settlement of the Treasurer's private defamation action. I emphasise the words "private defamation action". It is a great pity that public funds were taken up to exonerate the Treasurer when it was public knowledge that he had acted at all times quite honourably in this matter. The honourable member for Ashfield and the honourable member for Smithfield should justify to their constituents why money that should have been available for schools, hospitals and police stations was spent on what was a purely political witchhunt.

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Mr Scully: Do you believe that?

Mr KERR: I shall tell the honourable member for Smithfield what I believe. The investigation by the Independent Commission Against Corruption was a picnic for the lawyers, and you provided all of the sandwiches. At the outset, I advise that, in accordance with section 52 of the Independent Commission Against Corruption Act 1988, applications for financial assistance are determined on a case by case basis, having regard to the particular details provided by the applicant. The applicant bears the onus of providing details sufficient to persuade the Attorney General to consider that assistance is appropriate. It is a pity that the honourable member for Ashfield did not remain on the Committee on the Independent Commission Against Corruption. Had he done so, he would have been able to examine the provisions of section 52 in detail - as did the committee. The Minister for the Environment talked about the rule of law and the need for us to be governed by the rule of law and not the rule of men.

Mr Scully: I have not heard of that.

Mr KERR: I am not surprised that the honourable member for Smithfield had not heard of that. For his information, I am talking about the rule of law - a concept that the honourable member for Smithfield has not encountered, certainly not in his public life. My parliamentary committee examined in detail the provisions of section 52 of the Independent Commission Against Corruption Act.

Mr Scully: Oh, "my committee"!

Mr KERR: I chair that parliamentary committee. Perhaps I should say, for the honourable member for Smithfield, "our committee".

Mr Scully: That is better.

Mr KERR: Section 52 of the Act provides that a witness who is appearing or is about to appear before the commission may apply for legal or financial assistance to the Attorney General, who may approve the provision of assistance if he is of the opinion that this is appropriate, having regard to any one or more of the following: the prospect of hardship to the witness if assistance is declined; the significance of the witness' evidence; or any other matter relating to the public interest. It should be noted by all honourable members that applications for financial or legal assistance under the Act are to be made prior to or during the course of a hearing. When, as in this instance, no hearing is held, there is no basis under section 52 for a grant of assistance. That is the law.

The issue of providing assistance in the preparation of material where the person required to provide the material is not called as a witness is being examined by the Attorney General's Department. We would welcome written submissions. The matter was not considered by the parliamentary Committee on the Independent Commission Against Corruption in its report on the inquiry into section 52 of the Independent Commission Against Corruption Act. Solicitors for Dr Ryan were advised in writing of the operation of section

52 of the Independent Commission Against Corruption Act. No further submissions have been received. Why is that? I look forward to hearing from the honourable member for Ashfield in relation to the declined invitation.

Mr Whelan: Mr Acting-Speaker -

Mr Turner: Mr Acting-Speaker -

Mr ACTING-SPEAKER (Mr Hazzard): Order! The honourable member for Myall Lakes has the call.

Mr Scully: Give it to us.

Mr TURNER: (Myall Lakes) [11.57]: The honourable member for Smithfield says, "Give it to us".

Mr ACTING-SPEAKER: Order! Honourable members will refrain from interjecting.

Dr Refshauge: On a point of order: an earlier Acting-Speaker today ruled that all speeches must be absolutely relevant to the motion before the House. The honourable member for Myall Lakes is obviously not complying with that ruling. All we have heard from him is response to interjection.

Mr ACTING-SPEAKER: Order! The honourable member for Myall Lakes has not had the opportunity to start his speech, let alone get to the substance of the debate.

Mr TURNER: For the purposes of the record, I was responding to an interjection made by the honourable member for Smithfield. I was about to say that he said, "Give it to us". I think that the Australian Labor Party should give Dr Ryan his costs, rather than seek those costs through this motion. It was the ALP that referred the inquiry to the Independent Commission Against Corruption, for vexatious and political reasons. It should never have gone to the ICAC. It would never have been sent there, but for the political shenanigans of the Labor Party in its efforts to score a couple of cheap and grubby points. The Labor Party put Dr Ryan before the ICAC; it should pay. To use the analogy of the honourable member for Cronulla, if the amount was \$3,500, they were pretty expensive sandwiches! They were sandwiches that Dr Ryan had to pay for because of the Labor Party's bloody-mindedness about scoring cheap political points at the expense of a sick man, a man suffering from Parkinson's disease.

The honourable member for Ashfield said that Dr Ryan was a man with a lot of problems on his mind. I am well acquainted with Parkinson's disease and its ramifications: my father-in-law suffers severely from it. The Labor Party subjected Dr Ryan to the rigours of the ICAC for its own cheap, grubby, political purposes and now has the hide to come to this Parliament to again try to wash its hands of the whole matter and say that New South Wales should pay for its cheap, political tricks. The matter should probably be referred to the Electoral Commissioner to investigate this sick and deranged campaigning by the

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Labor Party to try to score points. It is about time Labor Party members had a little integrity about what they do with people's lives. They continually pluck people like Dr Ryan out of the public arena, highlight them and put them on a public stage that they probably never wanted to be on.

The honourable member for Smithfield talked about one of the constituents he stood up for. Good luck to him, but he should also think about the people that the Labor Party plucks out of obscurity, like Dr Ryan, and tells that it will be martyrs for the ALP political cause; that it is going to try to catch Peter Collins out with them, but in the meantime it subjects them to the greatest humiliation and legal costs, and then walks away from them. Then the Labor Party tries to put this type of motion to the Parliament; it uses the Independents as a bit of cannon fodder to get payment for them. Other than that it walks away, in this instance leaving Dr Ryan with a \$3,500 bill, but telling him that he may get paid. It is quite astounding that Dr Ryan was lumbered with a \$3,500 bill, as I understand he did not even appear before the ICAC. He was never given a notice to appear.

Mr Scully: No-one appeared.

Mr TURNER: I questioned that right from the start. I find it offensive that the Labor Party should have subjected this man to the rigours of the ICAC for its political purposes. Section 52 does not apply to Dr Ryan and it is regrettable that he has been placed in that position. The Labor Party now wants to try to bend the rules. Rules are rules. The honourable member for South Coast makes it plain from time to time - and this is no criticism of him - that we must abide by the rules of this Parliament; that Parliament is supreme. Parliament made the rules about legal aid. The rules do not suit the Labor Party so it will try to bend them by attempting to succeed with motions like this, trying to save a bit of face for the grubby tricks its members have played. It is time people such as Dr Ryan whom the Labor Party plucks from obscurity and puts on stage realised that they will be dumped at the end. The time of the Parliament should not be wasted to cover up the Labor Party's political shenanigans and its attempts to embarrass the Government by the use of innocent people. I oppose the motion by the honourable member for Ashfield. The ALP should be kicking the can for Dr Ryan out of its own coffers.

Mr WHELAN (Ashfield) [12.02], in reply: What an amazing debate. I shall state the comparison in simple terms: on one hand the Treasurer gets \$7,500 for his legal advisers to attend the ICAC; on the other hand, Dr Michael Ryan gets nothing. As I explained to the House, Dr Michael Ryan was served a notice to attend and produce documents at the commission - a precursor to receiving a summons to attend before the Independent Commission Against Corruption. Just look at the stark comparison: the Treasurer gets \$7,500, the poor public man gets nothing. Who made the decision? The New South Wales Parliament made the decision. The honourable member for Myall Lakes said that Parliament was the supreme body of New South Wales. Well, the supreme body in New South Wales made the decision to refer the matter to the Independent Commission Against Corruption.

The Minister for the Environment compared my attitude yesterday on another motion with my attitude today on this motion. He does not understand the distinction between the Niland inquiry and the powers of the Independent Commission Against Corruption and what it can do. Does the Minister know that the commission can gaol people without hearing? Does the Minister know it can refer people to the Supreme Court for contempt, can put people in gaol, and can arrest people? Is the Minister suggesting that Carmel Niland, who is conducting a private and closed inquiry in relation to the former Minister for Police, has those same powers? Is the Minister suggesting that Carmel Niland has the power to refer the matter to the Office of the Director of Public Prosecutions if something occurs to enable criminal proceedings to commence, in the same way that he and I know how much power the Independent Commission Against Corruption has when it makes a reference or finding?

The Minister for the Environment made an invalid comparison. Another member said that this was a lawyers' picnic. Certainly a large number of firms and barristers were present; Peter Collins had his cake and sandwich and ate them, but Dr Ryan got nothing. There were not even any crumbs on the table for him - there was nothing for him. I cannot understand it. If I wanted to make this a political issue, I would have berated the Parliament about all of the issues. I am talking about a fundamental principle of justice: how the Parliament can send an individual off to the Independent Commission Against Corruption. This Parliament makes a decision, the man is impecunious, he is very sick with Parkinson's disease, and the Parliament says it is not going to help him with his legal costs.

It is fortuitous for the Parliament that Dr Ryan's costs reached only \$3,500. If he had gone into the witness box and, for argument's sake, Commissioner Holland had said that there would be an open inquiry, Dr Ryan would have been responsible for the additional legal costs. It is only by good luck, not good management or beneficence of the Government, that the Government is being asked to write a cheque for \$3,500 to pay this man, to refund his due entitlement, namely, his legal costs in relation to this matter. I repeat: a member of Parliament receives \$7,500 to be legally represented and he does not give evidence; a member of the public gets no legal assistance, gets a notice to attend and produce documents - as his solicitor properly advised him, a precursor to his subsequent appearance in the matter. Of course, there was no appearance of Mr Collins.

Mr Collins got \$7,500 for not appearing; Dr Ryan got nothing for not appearing. Who has to prepare all the briefs? Who prepared the brief for Mr Collins? It was his lawyers. Who prepared the brief for Dr Ryan? It was Dr Ryan's lawyers. Who paid Mr Collins' lawyers? The State paid. Who paid Dr

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Ryan's lawyers? Dr and Mrs Ryan and their family paid the lawyers. That is why it is unfair and why the Government should agree to this motion. The Government has made a heartless response. Unless you are in the Liberal Party, unless you are a former member, you have no right to get any legal assistance in New South Wales. The Government has not heard the end of this matter.

Motion agreed to.

PUBLIC HEARING ON PRIVATE HOSPITAL BED LICENCES

Debate resumed from 3 March.

Mr PHILLIPS (Miranda - Minister for Health) [12.08]: The Deputy Leader of the Opposition moved this motion some time ago in an attempt to pursue his campaign of trying to undermine the development of a private hospital on the St George Hospital site. Any member of the Government or Opposition who drives down the Princes Highway to the St George Hospital site, Kogarah, will see a magnificent private hospital being built in record time. That hospital will complement the Government's \$200 million investment in the St George teaching hospital. The Deputy Leader of the Opposition moved:

That this House calls on the Government to hold public hearings before the granting of private bed licences.

When the Deputy Leader of the Opposition moved the motion, he could not have understood the process involved in the granting of licences or, if he did, he chose to ignore it and move a motion to achieve his political aim of undermining the development of the St George private hospital. If he or any other member is not aware of the process, let me go through it. The Act permits the director-general to grant new private hospital bed licences. That power is exercised to promote the development of private health care services in underserved areas and when the granting of new licences is in the public interest. The distribution of private bed licences needs to be monitored and controlled. If that is not done, all private hospitals and private beds will be in wealthy areas or centralised in the city region, thereby making it competitively difficult for private hospitals to survive and resulting in an unfair distribution of hospitals around Sydney and New South Wales.

The Government wants to encourage a good network of public and private hospitals around New South Wales, because that is the strength of our system. The range of choice and diversity within our system is what makes it better than those of the United Kingdom and America. All applications for new private hospital licences or for the transfer of a licence when a hospital is sold are subject to the scrutiny and approval of the Director-General of Health. I am not involved; my office is not involved. No political process is involved, because the last thing we want is politicians deciding the allocation of private hospital licences. That would lead to the possibility of undue influence or to decisions being made for reasons other than maintaining a good health network. The onus is on the Director-General of Health to fulfil his responsibility of making sure that only fit and proper persons obtain private hospital licences. That is his role as defined in the Act.

In the majority of cases private hospital beds, which are valued at about \$5,000 each, are purchased on the open market. When a private hospital wants to close down or a new private hospital wants to open, the bidding for the beds takes place on the open market. All applications are advertised, as required under the Act, thereby providing an opportunity for public comment and representations from concerned citizens. The New South Wales Department of Health has to take into account all representations made in relation to its intention to give approval in principle or to transfer a licence. The Department of Health can refuse to issue or transfer a licence if the applicants, or any of the applicants, are not fit and proper persons. The department has that right and responsibility.

The Department of Health has previously taken action to remove company directors who were found not to be fit and proper people. Checks on such fitness and propriety are made with the Health Care Complaints Commission and the New South Wales Police Service, and information is obtained from the National Securities Commission to determine the fitness and propriety of applicants, including the directors of applicant corporations. An intense search is carried out. It is not merely a random decision by the Director-General of Health; a proper investigation is carried out through the Health Care Complaints Commission, the Police Service and the National Securities Commission to enable that decision to be made about the fitness and propriety of applicants.

The Act makes provision for the removal of directors who are subsequently found not to be fit and proper persons. That does not mean that the fitness of directors is decided only at the time of the application. If at any time a director who is part of a corporation owning a bed licence is found not to be a fit and proper person, the director-general has not only the right but also the responsibility to remove that person as a director. The holding of public hearings prior to giving in principle approval for a new private hospital development would unnecessarily duplicate the existing public forums already available. These hearings are complemented by local government advertising of development applications.

The holding of public hearings into licensing applications would add considerably to the cost of applications. Those costs would have to be borne by the Government and the applicant, adding further to the cost of health services. The cost of such a process would not be reflected in any equivalent benefit. Public hearings would delay the approval process considerably. Under the Private Hospitals and Day Procedure Centres Act 1988 persons dissatisfied with a decision of the director-general may apply to the Minister for a review of the decision. Such reviews are undertaken by a committee of review. It is the responsibility of the chairperson of

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the committee of review to determine the nature of the investigation to be conducted. An appeal may be made to the District Court concerning a decision to cancel a licence. Other avenues of review are the Office of the Ombudsman and the Independent Commission Against Corruption. Appellants may also access information under the Freedom of Information Act.

There are public advertising programs, accountability and appeal processes, and a whole range of ways in which people, if they are concerned about the fitness of those holding private hospital licences, can have their grievances heard. The Deputy Leader of the Opposition has not given any example of where the present system has failed. Out of all the private hospital organisations, Catholic hospitals, Uniting Church hospitals, HCOA hospitals, the Mater hospital, and St Vincent's Hospital, can he name any directors who are not fit and proper? Can he name one instance where the system is not working? The system works. If there are any complaints they will be properly investigated. This motion is a nonsense. As I have said, it was moved for political purposes by the Deputy Leader of the Opposition in an attempt to stop the St George private hospital development from proceeding. When speaking to the motion, he put forward no proposals as to why and how the changes should occur. The system that is in place works. I ask the House to oppose the motion.

Mr MILLS (Wallsend) [12.18]: Bearing in mind the policies of this Government, the granting of private hospital bed licences raises many issues. The Government is determinedly privatising public hospitals before its seven long years expire next March, so the granting of bed licences to private operators takes on enormous proportions. Honourable members are aware of what I would call the disastrous granting of a bed licence to Mayne Nickless, a trucking company, to run the private hospital at Port Macquarie. The Government also decided that mental health and community health services in Port Macquarie would be run by this private company.

It is illogical and stupid for a trucking company to run these services, but the Government cannot see its own stupidity. This private company with its licence for private beds would want to have as many patients as possible in the hospital, paying big fees. The community health services, especially the mental health services, are designed to keep people out of hospital if possible. It is incredible that the Government has been so stupid and callous in its treatment of the people of Port Macquarie in allowing this profit making trucking company to

provide community health services and mental health services in the area. Those are the ramifications of not having public hearings and not properly considering the framework for issuing large batches of private hospital bed licences.

Mr FRASER (Coffs Harbour) [12.21]: The Minister summed up the purpose of the motion: this is nothing but politics by the Deputy Leader of the Opposition. It suited him to run a scare campaign at the time he moved this motion. If hit-and-run Refshauge had any credibility whatsoever he would introduce a private member's bill or legislation that would change the law to ensure that his proposals were accepted. Honourable members would know from this and an earlier debate that the Deputy Leader of the Opposition did not understand the process in the first place and did not know the measures of accountability already in the system to make sure that private hospital bed licences are granted with nothing but the highest probity. He wanted to run a political argument, to play games with the people of New South Wales in an attempt to scare them over private involvement in the health system in New South Wales.

The Deputy Leader of the Opposition is on record from a public meeting of the local branch of the Labor Party that he called at Coffs Harbour. I can see where he is headed. His idea of public accountability and meetings would be to stack it with his Labor Party mates; to get all his mates in there, stack the meeting, make a lot of noise, get a headline, but do not bring the truth to the surface. When the Deputy Leader of the Opposition came to Coffs Harbour he booked the town hall. When the meeting was held 80 people turned up; probably 50 or 60 of them were members of the Labor Party who had travelled from as far as Port Macquarie. Suddenly he realised that he did not have a case; the people of Coffs Harbour knew him for what he was: hit-and-run Refshauge, or rumours Refshauge, as he is known on the north coast.

The Deputy Leader of the Opposition did not know what to do. During the course of the meeting that night - of which I have a tape - Dr Refshauge stood up and supported private involvement in public health systems. Today we have another rumour and more innuendo from the Deputy Leader of the Opposition in an attempt to convince the people of New South Wales that they are being deceived by the Government about the provision of private hospital beds. The Minister has outlined that this system is of the highest probity. Appeal mechanisms already exist, as do public hearings. The opportunity for public participation in the issuing of any health licence is already in place and is working well.

The Deputy Leader of the Opposition spoke nonsense about what happens in America and tried to scare people in New South Wales into believing that private hospitals would kidnap patients so that they could claim on health insurance to get some money. That is the sort of nonsense and innuendo the Labor Party is putting to the people in New South Wales. It is not working, because all the Deputy Leader of the Opposition ever does is tell the big lie, make the hit and run. He has spoken absolute nonsense and he knows it. The honourable member knows damned well that the system that is in place for the issuing of licences for private hospital beds is excellent. This system was introduced by the former Labor Government but has been put in place by this Government; it is a system that is well respected. It has high probity provisions. A director of a private hospital found not to be a fit and proper person can be removed; the transferring of licences is dealt with in an open public process.

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The lie is there. The silly part about it is that the honourable member has had his headline, and he is not serious today. He sent in the honourable member for Wallsend to speak about a trucking company and to imply that the involvement of that company will result in a truck depot being established in Port Macquarie, simply because that company is involved in the building of a magnificent state-of-the-art hospital in Port Macquarie to provide services in a more efficient way than is possible at present. It is absolute nonsense for the Deputy Leader of the Opposition to imply once again that it is not suitable for a company that has an interest in transport, and the funds to put into private health, not to be involved. The honourable member knows that is absolute rot and nonsense.

As far as I am concerned this is nothing but another Labor lie. The honourable member for Wallsend

might try to speak to people in his electorate about this matter; they would not believe him. The people of Wallsend know that the rot and nonsense spoken about Wallsend District Hospital is not correct. I am confident that the honourable member will not put out a press release in his electorate tomorrow about Mayne Nickless and Port Macquarie Hospital, because he knows damned well that the people in his electorate would laugh at him, throw him out, and say that it is a load of nonsense. *[Time expired.]*

Mr GLACHAN (Albury) [12.26]: All honourable members realise the importance of health issues and of private involvement in the provision of health services in this State and elsewhere. I am sure that the Deputy Leader of the Opposition believes that the legislation he is hoping to introduce will have the effect of making absolutely certain that those who are given a licence to provide private beds in the health system will be people of the very highest integrity, suitable to do the job and able to provide an excellent service. I am sure that the honourable member wants to make certain that there are no backroom deals, that no corruption is involved, that everything is open and aboveboard and done in the proper way. I assure the honourable member that so far as I am concerned the system meets those criteria. The Director-General of Health has the right to grant a licence but does not do so lightly. He must follow well-established principles and systems before granting a licence.

I am sure that the Deputy Leader of the Opposition is aware that the procedures were established by the former Labor Government and have been improved and refined by this Government. There has to be public advertising of the fact that someone is applying for a licence for private beds. No secret is made about that; it is open, the public knows what is to happen and that the application has been made. The Department of Health thoroughly checks the application. The director-general takes seriously his responsibilities when granting private bed licences. Every objection that might be raised by members of the public is considered in detail and checked thoroughly. Other checks are made, as the Minister mentioned, through the Health Care Complaints Commission, the New South Wales Police Service and the National Securities Commission, to make sure that the character of the people involved is beyond reproach.

When these checks are completed, if everything seems to be all right, a provisional licence is given. After whatever conditions applying to that licence are met a final licence can be given - but only then. If buildings are involved those buildings must meet the required standard. Everything has to be open and aboveboard. The approval process consists of two stages: the first is that further checks are made to make sure that everything is done correctly. When the conditions are met the final approval is given. That is not the end of the matter, however, because if a hospital is sold or transferred to other ownership the checks are carried out again.

There are ongoing checks, and from time to time officers of the Department of Health carry out inspections to ensure that everything is up to standard. Complaints received about the operations of private hospitals are looked at very carefully and those involved are compelled to bring the hospital up to the proper standard. This is very necessary because people trade in these beds. The applications are structured in such a way that the beds may not be sold or disposed of - although some beds can be disposed of, and on the market they sell for about \$5,000 each. It is very important that those who obtain a licence to provide health in the private system have very high standards. We do not want to see a trade in beds as there is a trade in taxi plates, for example. That is not to be permitted. As well as that, of course, although those involved are tested at the very highest level for their accountability, there are appeal mechanisms in place to protect them as well.

Dr REFSHAUGE (Marrickville - Deputy Leader of the Opposition) [12.30], in reply: I thank the honourable member for Albury for his thoughtful contribution to this debate; the Minister for explaining that the process of the granting of bed licences is full of checks and balances; the honourable member for Coffs Harbour, who shows his ignorance in this Chamber on a regular basis; and the honourable member for Wallsend for highlighting what he sees as the problems that are occurring in respect of the granting of bed licences to the Mayne Nickless company for the Port Macquarie private hospital. It is fascinating that the Minister for Health believes that politicians should not be involved in political activity.

Mr Phillips: It should not be a political activity.

Dr REFSHAUGE: It is interesting that the Minister believes that there should be no political activity by

politicians. Well, that is his view.

Mr Phillips: You continue to lie. You just cannot help yourself.

Dr REFSHAUGE: You say that this should not be done for a political purpose. If there is no reason for a member of Parliament to do something for a political purpose, it does seem very strange that he would actually want to get into politics. The honourable member for Coffs Harbour might care to

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contemplate the purpose of that meeting he talked about, the idea of getting a new hospital in Coffs Harbour. That hospital was promised, repromised and repromised by the Government. In 1990 the Minister's predecessor issued a press release advising that the Coffs Harbour hospital was on target, was on track. It must be a very long track because this Minister still has not put into the capital works program money for the redevelopment of Coffs Harbour, other than a very small amount for some planning to be done at last, four years after the statement made by his predecessor.

In regard to the Port Macquarie issue, which was mentioned also by the honourable member for Coffs Harbour and the honourable member for Wallsend, it is interesting to reflect on what has happened in respect of the granting of an in principle bed licence for it and on the debate that has taken place about the provision of community health services. Last Friday the Minister announced the privatisation of mental and community health services in Port Macquarie - late on Friday afternoon, not surprisingly. The Minister's press release stated:

Management of community health services for Port Macquarie is to be shared between the Macleay-Hastings District Health Service and the new Port Macquarie Base Hospital.

Mental health and allied health services related to the continuum of clinical care - such as physiotherapy, social work, occupational therapy and outpatients oncology - will be managed by the new hospital.

The history of community health in this country goes back quite some time. It was, by and large, the initiative of the Whitlam Government working in tandem with the principles of the World Health Organization. In health the aim of the government sector is more than just curing disease, and community health seeks to promote health and wellbeing in society as a whole. It is totally inappropriate that these services be privatised. Community health has the philosophical aim of keeping people out of hospital. On the other hand, this private enterprise, profit-orientated hospital has an interest in ensuring that the number of patients is maintained. This philosophical conflict between community health and the private sector is irreconcilable. Community health services must be maintained in the community. I quote from the executive officer of the Australian Community Health Association, Mr Ian Lennie, who said this on the Port Macquarie privatisation of community health services:

This is a radically different process of providing health services - all of the negotiations have taken place behind closed doors.

Mr Lennie accused the Government of conducting a major experiment in the administration of health care. He said that once the services were sold off the Government would have no further involvement and it would be the less profitable services that would be dropped. If the Minister for Health has no interest in the view of the Community Health Association, I suggest he consider what the Public Accounts Committee had to say about this matter. The report of the Public Accounts Committee said:

Some members of the Committee believe that community health services can only be effectively provided in the public sector. It was therefore not possible for the Committee to reach agreement on the preferred arrangements for community health services.

The Committee however agreed that there was insufficient detail in the contract [of this new privatised hospital] regarding community health services.

How is this private company to make appropriate commercial decisions in the provision of community health

services? How does one determine whether the mental health crisis team and social workers are making a profit -

Mr Phillips: On a point of order: the Deputy Leader of the Opposition has strayed far from the subject of the debate, that is, a public inquiry on the issuing of a licence for private hospital beds. He is now talking about the provision of community health services in Port Macquarie. I ask you to call him back to the subject of the motion.

[Time expired.]

Dr Refshauge: On the point of order -

Mr SPEAKER: Order! It would be somewhat academic to hear the member on the point of order because his time for speaking has expired.

Question - That the motion be agreed to - put.

The House divided.

[In Division]

Mr SPEAKER: Order! My attention has been drawn to an irregularity in the pairing arrangements. So that the voting will be correctly recorded, I call off the division and restate the question. The question is, That the motion be agreed to.

Question put.

The House divided.

Ayes, 44

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Mills
Mr A. S. Aquilina	Mr Moss
Mr Bowman	Mr J. H. Murray
Mr Carr	Mr Nagle
Mr Clough	Mr Neilly
Mr Crittenden	Ms Nori
Mr Doyle	Mr E. T. Page
Mr Face	Mr Price
Mr Gaudry	Dr Refshauge
Mr Gibson	Mr Rogan
Mrs Grusovin	Mr Rumble
Ms Harrison	Mr Scully
Mr Harrison	Mr Shedden
Mr Hatton	Mr Sullivan
Mr Hunter	Mr Thompson
Mr Irwin	Mr Whelan
Mr Knight	Mr Yeadon
Mr Knowles	
Mr Langton	<i>Tellers,</i>
Mrs Lo Po'	Mr Beckroge
Mr McBride	Mr Davoren

Noes, 47

Mr Armstrong	Ms Moore
Mr Baird	Mr Morris
Mr Beck	Mr W. T. J. Murray
Mr Blackmore	Mr O'Doherty
Mr Causley	Mr D. L. Page
Mr Chappell	Mr Peacocke
Mrs Chikarovski	Mr Petch
Mr Cochran	Mr Phillips
Mrs Cohen	Mr Photios
Mr Collins	Mr Richardson
Mr Cruickshank	Mr Rixon
Mr Debnam	Mr Schipp
Mr Fraser	Mr Schultz
Mr Glachan	Mrs Skinner
Mr Griffiths	Mr Small
Mr Hartcher	Mr Smith
Mr Hazzard	Mr Souris
Mr Humpherson	Mr Turner
Dr Kernohan	Mr West
Mr Kinross	Mr Windsor
Mr Longley	Mr Zammit
Dr Macdonald	<i>Tellers,</i>
Ms Machin	Mr Jeffery
Mr Merton	Mr Kerr

Pairs

Mr J. J. Aquilina	Mr Downy
Mr Iemma	Mr Fahey
Mr Martin	Mr Tink

Question so resolved in the negative.

Motion negatived.

VICTIMS COMPENSATION TRIBUNAL OPERATIONS

Mr WHELAN (Ashfield) [12.49]: I move:

That a public inquiry be established to examine and to review the provisions of victims compensation and the operations of the Victims Compensation Act 1987 and the Victims Compensation Tribunal with the following terms of reference:

- * To examine the basis upon which a person may be entitled to victims compensation and in particular as to whether the existing definition of an "act of violence" is an adequate or proper statutory means of determining entitlement.
- * To examine the basis upon which compensation is to be determined and in particular as to whether common law principles should apply.

- * To examine the way in which victims compensation applications should be determined and in particular as to whether such applications should be determined by way of a tribunal based system or one operated by the Courts.
- * To examine where applicants for victims compensation should be entitled, as of right, to a hearing as distinct from a determination of the matter without a hearing.
- * To examine the way in which victims of sexual assault have their applications determined with a view to removing delay and anxiety occasioned to such victims.
- * To examine and make recommendations in respect of the availability of counselling and specialist services to the victims of sexual assault and victims of crime generally.
- * To examine the way in which moneys are recovered from offenders.
- * To examine the methods of payment of legal costs and actual expenses in actions against the Victims Compensation Tribunal.
- * To examine the role played by the Attorney General and the Attorney General's Department.

I acknowledge that a great deal of research has already been done in relation to the Victims Compensation Tribunal. One study was undertaken by former Magistrate Brahe and one by the current acting head of the Victims Compensation Tribunal, Dr Elms. The motion was formulated before the appointment of Dr Elms and its terms relate to many of the matters that were in evidence last year, when I raised the matter. Nevertheless, I have moved the motion because it will give me an opportunity to raise many matters for consideration of the Parliament. Victims compensation has been a financial shambles and the Government has failed in its efforts to redress the financial impost on the State and to streamline administration of the tribunal. Practitioners in the field and victims constantly complain about administration of the system. The tribunal could be streamlined in a variety of ways, as stated in the motion.

The Attorney General made a ministerial statement to the Parliament on the matter on 14 December 1993, obviously responding to the matters I had raised. He was wrong in many respects. He said that the rules of the tribunal provide that notice to show cause should be served at the last known address of the debtor. There is major concern that the tribunal had not properly notified the defendants of a restitution order being made against them. The procedures may have changed in the 12 months since the matter was raised but my understanding is that the addresses used by the Victims Compensation Tribunal came from the court papers. Anyone with knowledge of court papers in relation to matters four or five years old would know that the person from whom restitution is sought is likely to have moved on, to have gone interstate or to have disappeared - not available. That has been the principal problem.

The Attorney also said that if a debtor is in prison the matter is generally not proceeded with because the tribunal has no power to order the prisoner's presence at a restitution hearing. Practitioners advise me that many orders have been made against people in prison at the time. Indeed, the Crown Solicitor has obtained judgment against such people. I cannot ascertain why the Attorney said what he said and I want to know why the procedures of the Victims Compensation Tribunal have been applied for some but not for others. In response to criticism of the Victims Compensation Tribunal there was a flurry of activity and in a 15-week period 3,000 restitution orders were issued to recover from offenders compensation paid to victims. I support the making of such orders, but there have been problems in enforcing the massive number of restitution orders. I am advised by practitioners in the field that many

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orders have been issued against people who have moved interstate, who have changed address or who were incorrectly the subject of an order.

I also understand that the orders were made on direction of the director-general. He received his marching orders from the Attorney because there was severe criticism that the Government had not collected the money. The 3,000 orders involve approximately \$29 million. They were issued between March and June 1993. I have

looked through the budget papers to find how much money was recovered. The matter is referred to at page 12 of the 1993 annual report of the tribunal and in the Attorney General's report. If the Government can take such action to recover \$29 million, why can it not establish a monitoring procedure and ensure that restitution orders apply automatically at the time the order is made so that the difficulty does not accumulate to the stage that there is a hurried approach with the rubber-stamping of 3,000 orders?

The situation that was allowed to develop shows total and complete neglect within the Victims Compensation Tribunal. The tribunal has not paid regard to the culpability of the defendant before making an order that the defendant reimburse the tribunal for compensation paid to a victim. Under section 47 of the Victims Compensation Act an offender's culpability must be addressed before an order is made against him. As recorded in *Hansard*, the Attorney General - I will not read what he said - made statements which are wrong. He said that when making an order for payment of compensation the tribunal has regard to the contributory behaviour of the victim. This is not the same as culpability. If culpability of the offender were relevant to how much compensation a victim gets, a person attacked by someone who was mentally deficient or ill would receive less than someone attacked by a person in full control of his faculties. In the former case, regard to the culpability of the offender would decrease compensation payable to the victim. It is hard to believe that regard was paid to culpability when the court records do not logically point - [Time expired.]

Mr HARTCHER (Gosford - Minister for the Environment) [12.59]: The motion calls for the establishment of a public inquiry to examine and review the provisions of the Victims Compensation Act and the operations of the Victims Compensation Tribunal. Although a number of matters have been raised that are inaccurate and need to be rebutted, I must first concentrate on the motion before the House because it raises matters easily disposed of. An inquiry of the type envisaged by the Opposition would be an extraordinary waste of taxpayers' money - although that never stopped the Opposition - and I trust that will be recognised by all honourable members when the facts are revealed. Before I deal with the proposed terms of reference, I remind the House that the Government has instigated a thorough review of the Victims Compensation Act and the procedures and operations of the Victims Compensation Tribunal.

In August 1992 the Attorney General instigated a review of the implementation of the Victims Compensation Act, which was undertaken by Mr Cec Brahe, then Deputy Chief Magistrate and a former chairman of the Victims Compensation Tribunal. The review was prompted by the Attorney General's concern about the types of claims being made to the tribunal. The review conducted by Mr Brahe included a review of the operation of the Victims Compensation Act and the operations of the tribunal, with particular reference to persons entitled to compensation; the nature and the determination of compensation; the review of determination; the payment of legal costs; the recovery of moneys from convicted offenders; and the statistics and management of information maintained by the tribunal.

In September 1992 an issues paper was released. In response, 40 submissions were made from parties including the Law Society, the Bar Association, victims support groups, the Legal Aid Commission, the Chief Judge of the District Court, members of Parliament, community groups, women's groups, solicitors and legal centres, the lesbian and gay legal rights service, the sexual assault committee, the police, the Commission of Ethnic Affairs, the Office of Aboriginal Affairs, and the Youth Advisory Council. It can be seen that there was comprehensive consultation with the community in the review process. To assist Mr Brahe in the conduct of his review and in response to concerns about whether the current scheme of compensation in New South Wales is achieving its objectives, the Attorney General requested the New South Wales Bureau of Crime Statistics and Research -

Mr ACTING-SPEAKER (Mr Rixon): Order! It being after 1.00 p.m., pursuant to sessional orders business is interrupted.

COMMITTEE ON THE OFFICE OF THE OMBUDSMAN

Report: Access and Awareness Inquiry

Mr FRASER (Coffs Harbour) [1.02]: The committee announced this inquiry in the context of comments made by the New South Wales Ombudsman that the right of review available through his office was of no use to people who are not aware of it. Aborigines and people who are of a non-English speaking background, in custody, or resident outside the Sydney area, and people with poor written communication skills were perceived by the Ombudsman as experiencing specific difficulty in gaining access to his office. Similarly, reports, inquiries and surveys undertaken at Commonwealth level, a client survey by the New South Wales Ombudsman and the 1993 management review by KPMG Peat Marwick highlight the low level of awareness of the Ombudsman and his function among such groups and the difficulties experienced by them in gaining access to avenues of administrative review. The results of these studies point to the need for the development of strategies and programs targeted at specific, vulnerable or disadvantaged groups as a means of improving their awareness of the Ombudsman and their access to his office.

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The committee supports the Ombudsman's client surveys and recommends in this report that the practice continue on a regular basis as a valuable means of ensuring that: the office's access and awareness strategies are effective, barriers to easy access are identified, and benchmarks for these programs are established. The collection of relevant statistical information and the development of a comprehensive statistical database are supported as an integral feature of the office's access and awareness programs. As a complement, the committee recommends that the Ombudsman consider preparing an annual access and awareness plan for the office. That report would outline details of initiatives undertaken for each year, outcomes, performance measures and targets.

The recommendations contained in the committee's report reflect the problem areas perceived by witnesses and authors of submissions to the committee. They offer suggestions to the New South Wales Ombudsman for planning the office's access and awareness strategy and are aimed at improving the understanding among the community of the services provided by the office as well as increasing accessibility. The report pinpoints the directions and priorities that the committee feels the Ombudsman should be considering in planning this area of the operations of the office. For example, it proposes that the Ombudsman consider conducting a particular pilot project aimed at a different target group each year, in consultation with representatives of the group selected, and that the effectiveness of each report be measured through feedback and follow-up surveys.

In relation to Aborigines and Torres Strait Islanders, the committee's recommendations include: implementation of a community education plan to be devised in consultation with relevant advisory groups, public meetings on Aboriginal outreach campaigns which would be advertised beforehand in Aboriginal and Torres Strait Islander media; liaison with other bodies providing legal education to Aborigines and Torres Strait Islanders; and consultation with community groups, land councils, legal services and other bodies about their preparedness to access distribution points for information about the Ombudsman's services. Maintenance of a strong contact network with representatives and leaders of these indigenous communities, plus the appointment of a full-time Aboriginal liaison officer were considered viable by the committee.

In relation to young people, the committee recommends that the Ombudsman consider: a series of information pamphlets designed in consultation with experienced youth workers and distributed to outlets such as local youth centres, making regular contributions to young people's publications, a specific information package for educational courses about the Ombudsman, a youth liaison strategy, a youth impact study to evaluate the latter's practice, and a dedicated investigation officer, youth, with specific training and involvement in the office's youth outreach campaign. On the basis of the evidence taken and research material available, the committee felt that individuals in custody, especially young people and members of minority groups, may experience specific problems in relation to access to and awareness of the Ombudsman.

Consequently, it supports the practice of supplying all prisoners, upon their admission to gaol, with information about the Ombudsman and the complaints process. The committee further recommends that the Ombudsman approach service groups visiting specifically disadvantaged groups in custody about distributing

information on the Ombudsman to their clients during prison visits. In order that the office fully utilise media services, especially ethnic media and Aboriginal media, the committee recommends that the Ombudsman consider: advertising in ethnic newspapers, radio, video and magazines in targeted community languages; advertising through radio, newspaper and television servicing Aborigines and Torres Strait Islanders; regularly publicising cases of public interest in major newspapers; producing a casebook series; and publishing public interest and test case notes in the ethnic and Aboriginal media when relevant to those communities.

Language difficulties also were perceived by the committee to be a particular barrier to access and awareness, not only for people of non-English speaking background but also for people with poor literacy or little education. For that reason the committee recommended that the Ombudsman should: continue to improve his office's use of existing interpreting and translation services; consider arranging interpreting services for ethnic and Aboriginal and Torres Strait Islander communities who would be available at the office during specific times advertised in the media beforehand; access complainants by formalising their complaints in writing; continue to encourage his officers to use plain language in all correspondence and documentation; and review the office's publications and written resource material to ensure that all documentation produced by the office accords with a plain language policy.

Another suggestion made by the committee was that the office utilise its customer response information service system to record telephone complaints in document form and provide the documented record of such a complaint to the complainant for verification. The committee is convinced that youth and community workers form a vital link in the information network available to the Ombudsman. As a result, it proposes that the Ombudsman consider developing a training program for community and youth workers, which program should consist of a half-day seminar conducted at the office and lectures and discussions at established service centres. Consultation with the Commission of Ethnic Affairs appears to be another means by which the Ombudsman could obtain expert advice and assistance in liaising with members of particular ethnic community groups.

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The committee also thought that the Ombudsman should emphasise direct contact with private groups through public meetings, lectures and visits. The committee proposed just two features that it deemed central to this program: public meetings in various target communities preceded by advertising in local and ethnic media; and a regular schedule of visits to major regional centres in rural New South Wales, vigorously advertised beforehand in the local media. After gathering evidence, the committee undertook its own survey of Australian ombudsmen in an attempt to place the access and awareness strategies employed by the New South Wales Ombudsman in a wider, contemporary context.

The survey showed that useful information can be derived from the experience of the New South Wales Ombudsman's peers. In view of this, the committee recommends that the Ombudsman consider commencing an information exchange program with other Australian ombudsmen about access and equity issues and public awareness strategies. It further recommends that the New South Wales Ombudsman continue joint public awareness initiatives with other Australian ombudsmen - similar to those already undertaken with the Commonwealth Ombudsman. Any possible arrangements with other intrastate ombudsmen that would facilitate easier access to the office by complainants, plus quicker processing of complaints, likewise seem worth while to the committee.

It is also recommended that the Ombudsman Act 1974 be amended to provide that the Ombudsman may educate and advise public authorities, public officials, and the community about his powers and functions and the services provided by the office; an amendment that gives statutory recognition to a function already performed by the Ombudsman. Of course, the suggestions put to the Ombudsman by the committee in this report raise the issue of the cost of any expanded public awareness strategy. On previous occasions the Ombudsman has presented evidence and submissions to the committee about the costs incurred by his office in relation to access and awareness programs.

The committee has considered these submissions where relevant to previous inquiries, for example the

funds and resources inquiry, and recommends that the Ombudsman consider making provision for the costs of additional access and awareness activities in his annual budget estimates. In presenting this report to the Parliament I place on record my appreciation to the committee staff - Helen Minnican and Vanessa Lovett - for their dedication and work. They have done a terrific job. It has been a fairly wieldy exercise trying to pull together information, and organise hearings and witnesses. I am sure all members of the committee would join me in thanking them for their dedication and effort.

Mr RICHARDSON (The Hills) [1.10]: I endorse the remarks of the committee chairman about the staff of the Ombudsman committee having done a first-class job in preparing this report. I hope some positive benefits for access and awareness of the Ombudsman's office come from the report. The inquiry came about as a result of the Ombudsman's concern regarding access to his office by the community. Three matters primarily led to the inquiry, particularly the KPMG Peat Marwick 1993 management review of his office, which noted the need to raise awareness among Aborigines and Torres Strait Islanders, people from non-English speaking backgrounds, young people, people with a poor level of education, and non-professional members of the workforce.

The Roy Morgan group had also carried out an awareness survey for the Commonwealth. This survey basically confirmed the results of the Peat Marwick review, adding only that throughout Australia more men than women are well aware of the Ombudsman, by a margin of around 10 per cent. I suspect that relates to the kinds of issues that ombudsmen traditionally deal with, which tend to relate to the police and correctional institutions. Women tend to be much more law-abiding and, therefore, do not have such a need for the Ombudsman's office. Roy Morgan found that while only 60 per cent of people nationally were aware of their Ombudsman, 67 per cent were aware in New South Wales. This points to the job that the Ombudsman has been doing in this State.

The third factor contributing to the Ombudsman's concern was a client satisfaction survey carried out by AGB-McNair last year. Five main areas of concern arose from those three surveys and reports: awareness among Aborigines, people from non-English speaking backgrounds, young people, those in custody, and country people. I should like to briefly discuss each of those areas. Apparently the best way to reach the Aboriginal population is through Aboriginal owned and run media outlets. Unfortunately, the only Aboriginal radio station in New South Wales is 2WEB at Bourke. The *Koori News* is a good medium, but reaching Aborigines exclusively through the airwaves is a problem. Pamphlets were not a good means of reaching Aborigines. There has been a problem finding a full-time Aboriginal liaison officer to help improve awareness in conjunction with Aboriginal groups. The Ombudsman is addressing that issue. The suggestion for the employment of part-time field officers was rejected because of cost.

In relation to people from non-English speaking backgrounds, Professor Cheryl Saunders, former President of the Administrative Review Council, identified a cultural problem of some ethnic people: they may come from countries that lack benevolent governments and therefore have a fear of authority and apprehension about government. This needs to be overcome. If the Ombudsman's office is to be accessible to all, no repercussions should flow from an approach by citizens of this State. Some innovative techniques may be needed to access these people. Professor Saunders suggested that the Ombudsman should set up at markets and railway stations. She said also that the dorothy dix style of column run in Vietnamese television magazines

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referring to the all-wise, all-knowing Ombudsman solving problems has proved successful. I commend that approach.

Stepan Kerkyasharian, the Chairman of the Ethnic Affairs Commission, recommended public meetings as a cost-effective way of reaching many people. The Ombudsman suggested renting space at the end of ethnic videos. I am sceptical that this approach would work because when people reach the end of the video they tend to switch it off and rewind it rather than viewing the advertisements at the end. It is not surprising that only 36 per cent of 16- to 24-year-olds are aware of the Ombudsman. In many cases those people would not require his services. Spending large sums of money to tell them something they do not really need to know seems rather pointless. It would be different if they were arrested and taken into custody. I support the recommendation

that youth be given a kit about the Ombudsman when they enter a detention centre.

One interesting finding was that kids need to be kept informed of the progress of their complaint. I should have thought that everyone dealing with the Ombudsman would be treated equally. The committee recommended that a specific person be designated to specialise in complaints from young people, and that youth workers be targeted because apparently their knowledge of the Ombudsman's office is at best patchy. One recommendation was that the Ombudsman should consider producing a series of information pamphlets for young people. The emphasis on pamphlets seems to be a little misguided as significant evidence revealed that pamphlets were not well read. Surely buying space in young people's magazines and buying time on television and radio shows watched or listened to by young people would be more appropriate. [*Time expired.*]

Mr TURNER (Myall Lakes) [1.15]: I congratulate the Ombudsman for already having taken some of the initiatives that have arisen from the report. I was chairman of the Ombudsman committee when the access and awareness inquiry commenced. It arose out of an earlier hearing, particularly from a comment by witness Belinda Jones that many people in the community do not know or do not have access to what the Ombudsman does. That was an issue I considered the committee should look at, and submissions were called for. I chaired public meetings on 29 June and 3 August 1993, when evidence was heard from many people. That has culminated in this report. I congratulate my successor, Andrew Fraser, the honourable member for Coffs Harbour, for finishing the report and doing such a sterling job. I join with him also in congratulating and thanking the staff of the Ombudsman committee for their work.

One reason I called for an inquiry in these terms was that I was concerned with the Ombudsman's continued predilection with the police force, prisoners and local government. My difficulty was that many people in the community did not have access to or awareness of the Ombudsman to the level they perhaps should have. The object of the inquiry was to seek out ways by which other people might attain awareness of or access to the Ombudsman over and above those principal areas in which he is involved. Police are high-profile people and citizens who feel aggrieved with the police can pursue a number of avenues, as can prisoners through wardens, the governor, prison action groups and friends of the prisoner's groups. Many people in the ethnic field did not know what the Ombudsman was, let alone know they had the right to see an Ombudsman if they had a grievance with a State government department. I hope this report will assist in opening up the Office of the Ombudsman to many more people that might seek redress if they feel they have been aggrieved.

I recently received, as I presume my colleagues have, a folder from the Ombudsman titled "NSW Ombudsman". I like to think it is as a result of this report. The folder contains a series of pamphlets outlining in relatively simple terms what the Ombudsman does. It deals with problems with police, prisoners and access and trouble with councils. My earlier comments about police, prisoners and local government are perhaps reflected here, but I presume the Ombudsman believes they are the three major areas that he deals with. The kit shows a corporate image, setting out a guarantee of service and a statement of intent, and has various ethnic brochures and pamphlets. I congratulate the Ombudsman. I am not sure how the pamphlet is distributed, but at this stage it is targeted at members of Parliament whose constituents have problems. It tells them how to process a complaint through the Ombudsman's office and what happens when the complaint gets there.

I have only one concern with the kit. It has a laminated information sheet that is directed to electorate staff. It suggests three steps to take in making a complaint to the Ombudsman. Step 2 says, "Identify yourself as an electorate officer. This will give you priority attention". I would have liked to have seen the laminated sheet without the second sentence relating to priority attention. I am not sure that members of Parliament or their staff should necessarily receive priority over others who approach the Ombudsman unrepresented by members of Parliament. Indeed, perhaps such people should receive priority over those referred by our staff. In any event, our vigorous staff will ensure that the claims of our constituents are dealt with. It may be better if that second sentence was deleted.

Report noted.

COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION

Report: Appointment of Commissioner

Mr NAGLE (Auburn) [1.21]: The committee deliberated for a lengthy period of time on two important issues, procedure and legality, and then heard from Mr Justice O'Keefe. The reference concerned a letter sent by Mr Justice O'Keefe to

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various people on 19 August that commenced, "Great news for Parramatta!" The letter also said, "The National Trust is very grateful to the State Government for its generous grant". As a result of that letter this House and the other place resolved that the parliamentary committee should reconsider Mr Justice O'Keefe's appointment. As was correctly pointed out, and as has been reported in the chairman's foreword to this report, the motion presented some difficulties as the Act does not allow a re-exercise of the veto. It is not correct to interpret section 70(1A) as specifying that evidence relating to the veto must be heard in camera. If the veto power under section 64A had expired, the requirement under section 70(1A) had no effect. Be that as it may, the examination of Mr Justice O'Keefe was held in camera. The issue was raised by the Leader of the Opposition and aired in public. Consequently, the examination should have been heard and determined by the committee in public. In his foreword the chairman says, "The resultant motion reflected the committee's finding . . .". The report, in fact, reflected the findings of some, but not all, members of the committee. The three Labor Party members of the committee, including me, issued a dissenting report, and one member abstained.

The issues that concerned my colleagues and me in our dissenting report were the legality of the hearing, and whether the hearing should have been held in public. I believe that Mr Justice O'Keefe may not have been a person eligible for consideration. That matter will be discussed in another place at another time. We wanted to seek legal advice on that point and on the veto power. It was claimed - and I believe this to be correct - that the word "reconsideration" made the motion of the two Houses ultra vires the Act and, in a sense, the committee did not have the power to reconsider. However, the committee complied with the spirit and intent of the resolution of the Houses, and Mr Justice O'Keefe was good enough to put his side of the story, although he could have refused. Indeed, he had the right to be heard in his own defence, and that is what happened.

The committee had to look at other matters. I was of the opinion, which later proved to be mistaken, that we could examine Mr Justice O'Keefe, return at a later stage, call further evidence and ask questions arising from what he had said. After lengthy discussion, to my surprise that turned out not to be so, and a great deal was left up in the air. That will affect the procedure by which Mr Justice O'Keefe will be appointed in due course. Commissioner of the Independent Commission Against Corruption is one of the most sensitive offices in public administration in New South Wales. To the extent that it would have been achieved, the appointment should have all been done with consensus. The Government's use of its majority on the committee, particularly in relation to pushing the reference through and not allowing the Labor members of the committee to call other witnesses so that the committee could deliberate properly on the whole issue, created an atmosphere of distrust. That atmosphere of distrust will continue for a long time. There is no problem about the man himself. He is amply qualified to be the Commissioner of the Independent Commission Against Corruption, and will probably be a good commissioner except for the problem of the political sensitivity that has been created among a large section of the community. It is a sad day when we have a debate about a man who has served the community in local government, as a Justice of the Supreme Court, and as president of the National Trust.

Mr O'DOHERTY (Ku-ring-gai) [1.26]: As a member of the Committee on the Independent Commission Against Corruption, I believe it is important to put right one or two of the things said by the honourable member for Auburn. This appointment has been politicised by the Leader of the Opposition, and by no-one else. Aided and abetted by members of the Opposition, he has turned what should have been one of the most important bipartisan government appointments into a political joke. He has done that for party political ends. That makes the debate most dishonest. The Opposition is playing a dangerous game six months before an election. The committee ran headlong into that dangerous game when it met to deliberate on the Parliament's reference to it.

As the honourable member for Auburn said, the reference caused difficulty for the committee, which does not have the power to reconsider the veto. The reference should have been more correctly worded to reflect the powers available to the committee under the Act. Nonetheless, in the spirit of the Act and the debate in Parliament the committee proceeded to examine Mr O'Keefe's letter, as the chairman notes in the foreword to the report. To say, first, that the committee could have examined the matter in public and, second, that Opposition members of the committee did not have sufficient time to pursue the issue properly are both deliberate falsehoods.

Mr Nagle: That is an outrageous lie, and you know it. You are a disgrace.

Mr O'DOHERTY: The honourable member has had his chance, and he is wrong. The reference from the Parliament, flawed though it may have been in some respects, specifically asked the committee to examine the proposed appointment. Section 70(1A) provides that the hearing of a matter relating to the proposed appointment of a commissioner must be held in camera. The honourable member for Auburn, who continually reminds me that he is a barrister and I am not, knows the meaning of the word "must" in law. In fact, he explained it to me recently. I thank him for his legal advice, which was free on that occasion. One does not always get free advice from barristers. He knows that the committee had to deliberate in private. If there was no chance for the Opposition to make more public allegations about Mr Justice O'Keefe, so be it. That was the Opposition's problem. The Opposition decided to refer the matter to the committee. The Opposition mucked up the strategy.

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To suggest that the Opposition was gagged in any way or did not have the opportunity to hear other witnesses and to pursue the matter fully - which is suggested both by what the honourable member just said and by the dissenting report - is also completely wrong; it is a falsehood. The minutes reflect the fact that the Opposition did not put forward any motion to hear any other witnesses. I am bound by the Act and am not able to speak about how the committee deliberated. However, the minutes reflect the fact that the Opposition moved no motion to hear other witnesses and was not gagged. The debate was allowed to continue until the matter had been fully heard. The Opposition has politicised this appointment. It does so to its own detriment, but most importantly to the detriment of the people of New South Wales. The Opposition must be held accountable for that.

Mr KERR (Cronulla) [1.30]: The comments of the honourable member for Auburn were interesting. He indicated that, apart from the incident of the letter, he believed that Mr Justice O'Keefe would make a good commissioner for the Independent Commission Against Corruption. I understood him to say that Mr O'Keefe is a good man. I certainly subscribe to the view that Mr O'Keefe is a good man and no-one with any knowledge of his extensive public service would quibble with that. Recently I read an extract from a book called *The Granny Killer*. That book related to the murders that occurred in Mosman. Those who want to form an appreciation of the character of Mr Justice O'Keefe should read that book. The book states that at the time of those murders at Mosman the resources and facilities of Mosman Council were made available to police.

The book then details how Mr O'Keefe worked with police to ensure that an atmosphere of calm prevailed in the community. The contribution he made to his own community was significant. The work he did on behalf of the community is a matter for which we should all be grateful, whether or not we live in the Mosman municipality. The honourable member for Auburn said he believed the motion passed by the House was ultra vires. That statement is a reflection on the legal capacity of the Opposition, because it was the Leader of the Opposition who moved the motion. Perhaps in future drafting matters the Leader of the Opposition will avail himself of the legal expertise of the honourable member for Auburn.

Mr O'Doherty: His free advice is worth exactly what you pay for it.

Mr KERR: The honourable member for Ku-ring-gai says that that member's free advice is worth exactly

what you pay for it. No decision by any court or appropriate body supports the statement that the motion was ultra vires. The committee had a presumption of regularity when it met to deliberate on the matter. The committee, being aware of the spirit in which the motion was moved, considered Mr O'Keefe's suitability for appointment and in doing so was bound by the provisions of the Act. Other criticisms were levelled in the dissenting report, concerning witnesses not being made available to give evidence. We have not heard what that evidence was or who those witnesses were.

The House will observe from the report that correspondence was noted from Roger Wilkins and the Minister for Planning, and Minister for Housing. Yet in the minutes of the meeting there was no motion that Mr Wilkins or Mr Webster be called as witnesses. There was no motion before the committee that any additional material be put before the committee. It is a matter of record that Mr Justice O'Keefe made himself available to the committee for an extensive time. The honourable member for Auburn quite fairly acknowledges that Mr Justice O'Keefe made himself available to the people's representatives, although there was no requirement for him to do so.

However, as the honourable member for Auburn has said, the Leader of the Opposition laid grave charges against Mr Justice O'Keefe. The charges, in summary, are that Mr Justice O'Keefe may have made himself a party to a partisan exercise. If he did so, he would not only be unfit to be the Commissioner of the Independent Commission Against Corruption but would be unfit to be a judge of this State. Yet there has been no suggestion, from any quarter that I am aware of, that Mr Justice O'Keefe should resign from the bench. The *Hansard* record of the debate on this motion would not show that any such course of action was urged.

The public charges by the Leader of the Opposition were responded to publicly by Mr Justice O'Keefe and a statement was issued by him, also publicly, answering those charges. That is a matter of record. Though it is said that no-one who is a controversial figure or who has been involved in controversy is qualified to be the ICAC commissioner, it seems that any member of this Parliament who is in a minority can prevent the appointment of any future commissioner simply by manufacturing a controversy about that person. Anyone who has been in public life - that is a wider term than political life - will, of necessity, perhaps make a stand on matters that are controversial. One cannot be 100 per cent agreeable when one enters any facet of public life.

The ICAC is an important institution and was subject, under the Act, to a full-scale review by the committee. The committee recommended that a new section be inserted in the Independent Commission Against Corruption Act entrenching the requirement for the ICAC to apply objective standards established and recognised at law - I emphasise that - in any findings which it makes about names or identifiable individuals in public reports. It is therefore important that the ICAC be headed by a person of the calibre of Mr Justice O'Keefe. In all conscience I believe Mr Justice O'Keefe is a man of integrity.

Mr GAUDRY (Newcastle) [1.38]: I draw attention to the report, and in particular to the dissenting report of the honourable member for Auburn, myself and the Hon. Jan Burnswoods MLC. At the conclusion of the report is a series of

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statements that clearly outline the difficulty that the Opposition had with the whole approach to this matter. Members of the committee determined at the beginning of discussions that a more appropriate procedure could be followed in regard to its deliberations. We were concerned about whether or not we came under section 70(1A) of the Act. Opposition members wanted that matter tested and reported on. The honourable member for South Coast said that the most appropriate way to proceed would be to conduct proceedings in public as the matter had been raised and canvassed publicly. The issue, which was canvassed at length, was determined after a vote by Government members.

Opposition members were concerned that members of Parliament were not party to the deliberations. The Parliament referred these matters to the Committee on the Independent Commission Against Corruption and members of Parliament were not able to participate in the committee process. However, they were able to obtain material, which was tabled in this House, from Mr Justice O'Keefe, who appeared before the committee, which was handed out prior to the deliberations of the committee. Members are also aware of the committee's

decision, which is referred to in its report. Five committee members voted in favour of that decision, four voted against it and the honourable member for South Coast abstained from voting. This very constrained report is quite different from usual, detailed committee reports. The committee spent a great deal of time in its deliberative session, prior to the calling of witnesses, trying to reach agreement on the matters that had been referred to it.

Report noted.

[Mr Acting-Speaker (Mr Rixon) left the chair at 1.43 p.m. The House resumed at 2.15 p.m.]

Ms LUCY WANG

Ministerial Statement

Mr WEST (Orange - Minister for Police, and Minister for Emergency Services [2.15]: This morning I received advice from the New South Wales Police Service concerning Ms Lucy Wang, the fiancée of the late member for Cabramatta. I am advised by the police that at 6.30 p.m. yesterday Ms Wang was reported missing by the brother of the late John Newman, Peter Naumenko. Apparently Ms Wang was last seen by a neighbour on Tuesday evening. Following the report, a number of relatives visited the home, and while there was no sign of forced entry, Ms Wang was not located. Police are taking this matter seriously, and have canvassed neighbours and known friends, as well as checking with churches and hospitals in the area.

The personal safety of Ms Wang has been an issue addressed by the police since John Newman's murder. She was provided with 24-hour police security at her residence. That situation persisted during that week until Friday, 9 September when, at her request, and in consultation with family members and police, a decision was taken to discontinue the security arrangements. However, obviously there was constant police liaison with Ms Wang during the course of the murder investigation. I have also been advised that the police are unaware of any actual threat to Ms Wang's safety. Nevertheless, I am also advised that Ms Wang was assessed last week by the witness protection unit and offered protection. As I understand it, Ms Wang declined that protection, as is her right.

However, I am satisfied that the police are taking the matter seriously and that all appropriate inquiries are being made. I join with the police in encouraging Ms Wang to re-establish contact with the police if she is able. The police share the family's concern for her welfare, as I am sure does every member of this House.

[Notices of Motions]

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

QUESTIONS WITHOUT NOTICE

HAWKESBURY-NEPEAN RIVER SYSTEM POLLUTION

Mr CARR: My question is directed to the Premier. Does a report on effluent in the Hawkesbury-Nepean river system say that the Water Board's treatment plants have caused pollution levels which now greatly exceed safe limits? Why have the Premier and the Minister not informed the people of western Sydney of this health risk?

Mr FAHEY: The greatest pollutants in Sydney are the lies of the Leader of the Opposition. A constant

barrage of pollution comes from the Leader of the Opposition on all issues. Of course, he continues to run around spreading the lies about what the Water Board is or is not doing. The reality is that under this man as the Minister for Planning and Environment, Sydney's beaches were closed 50 per cent of the time. Under this coalition Government the beaches of Sydney are now closed only 5 per cent of the time. That results from an enormous effort and a commitment that has never ceased to ensure that through the guidance of the Environment Protection Authority, and under its monitoring, agencies like the Water Board continue to spend money on capital programs and continue to ensure that the outlets into the Hawkesbury-Nepean system are continually improved.

The facts and statistics show quite clearly that there has been a much improved Hawkesbury-Nepean system as a result of the efforts of the Government. The Government will not cease those efforts but will continue to ensure that the utmost effort is made to make the Hawkesbury-Nepean system the cleanest possible with modern technology and with every single effort being made. With the support of the councils under the trust that was established solely for

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that purpose, that seems to be occurring. Today we see another lie - one more lie. Quite clearly the Leader of the Opposition is becoming so used to telling lies that in the past week when the Chief Secretary indicated that the Leader of the Opposition was a liar on no less than 17 occasions, not once was any objection raised.

In my 10 years in this Parliament that is unprecedented. I believe the Leader of the Opposition should get up and make a personal explanation as to why he is so happy at being called a liar. Maybe the resident expert on standing orders, the honourable member for St Marys, should jump to give an explanation. Or maybe the honourable member for Liverpool should jump to try to defend his leader; he should show loyalty to his leader. Maybe he is not able to jump because he has been kneecapped by the Leader of the Opposition and he cannot get to his feet these days. The public of New South Wales know that the Leader of the Opposition is full of rubbish and they will show that on 25 March.

CASINO CONTROL AUTHORITY LICENSING INQUIRY

Mr HUMPHERSON: My question without notice is addressed to the Chief Secretary, and Minister for Administrative Services.

Mr SPEAKER: Order! There is far too much interjection. The House, as well as the Minister, would like to have the benefit of the question. I call the honourable member for Blacktown to order.

Mr HUMPHERSON: Has the Casino Control Authority's inquiry resumed in public today? What is the purpose of the hearing?

Mrs COHEN: I commend the honourable member for his interest in this issue, which is of such importance to the State.

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

Mrs COHEN: The Casino Control Authority's public inquiry resumed today as part of its ongoing investigations into the preferred applicant for the Sydney casino.

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

Mrs COHEN: The inquiry is being conducted by the President of the New South Wales Bar Association, Mr Murray Tobias QC, who is the authority's legal member. Under the Casino Control Act 1992 the authority has a responsibility not to grant a licence unless and until it is fully satisfied as to the suitability of the applicant. Provision has been made in this Act for the holding of inquiries as part of the authority's investigation. The

current inquiry, therefore, fulfils an important purpose of assisting the Casino Control Authority in its probity investigations. In its announcement of the inquiry, the authority also indicated that it would provide a forum for the Leader of the Opposition and others to bring forward under the protection of absolute privilege any concerns about Showboat and its business associates.

It is interesting to note that, after first attacking the Casino Control Authority and refusing to cooperate with its investigations, the Leader of the Opposition was then forced, by the weight of public pressure, to do an about-turn and provide his information to the authority's inquiry. However, it appears that this is where his cooperation has ended. I am informed that the authority has written and asked a representative of Mr Carr's office to appear before the inquiry but, surprise, surprise, as yet no response has been received. It seems to me that Mr Carr is having the same trouble with his mail as the honourable member for St Marys is having with his cheques. I am not really surprised that the Leader of the Opposition has failed to front the inquiry. He is no doubt afraid that he might be cross-examined and asked to substantiate his complaints and reveal the source of the confidential Louisiana police report which was central to his submission.

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

Mrs COHEN: The Leader of the Opposition was obviously happy to parade this document all around town and make all sorts of allegations when he thought he would not be challenged.

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

Mrs COHEN: He was happy to play his game of trying to undermine the authority so that he could achieve the Labor Party's agenda to take over the process and sell off the casino licence as it wished. But once anyone asks him to justify his claims in the clear light of a public inquiry, he is nowhere to be seen. It is the true action of a coward.

Mr SPEAKER: Order! There is far too much interjection in the Chamber. There is also a very high level of audible conversation among members. I ask members to desist from conversations which prevent other members from hearing what is being said in the House.

Mrs COHEN: I note that when media inquiries have been made of the Leader of the Opposition or of his office about the police report and how it was obtained, the response has been along the lines, "I will not reveal my sources". That might sound like a reasonable excuse if the source had been confidential, but the Leader of the Opposition has been at great pains to assure us that it was anything but confidential and that it was publicly available.

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

Mrs COHEN: Which is it? It has to be one or the other.

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

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Mrs COHEN: Either it is a confidential document and the Leader of the Opposition has lied to the public, or it is a publicly sourced document and there is absolutely no reason for him to protect the source.

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

Mrs COHEN: It is now day seven since I challenged the Leader of the Opposition to explain his publicly

available sources.

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

Mrs COHEN: The Leader of the Opposition can put this query to rest if he says that it was a confidential document. However, I fail to see how he can sit there and be branded a liar day after day, and not say that it is a confidential source after all or reveal from which publicly available source he obtained that report.

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

Mrs COHEN: The Leader of the Opposition, in his total arrogance, not only has contempt for proper and independent processes, but shows a total contempt for the people of New South Wales by believing that they will continually accept his lies. It is time he named his source.

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

TAREE HOSPITAL EMERGENCY DEPARTMENT

Dr REFSHAUGE: My question is directed to the Minister for Health. Has Taree hospital's most senior doctor told the Department of Health that there is a serious risk of avoidable death or injury occurring at the hospital? Does he say that this is due to a lack of resources in the hospital's emergency department?

Mr PHILLIPS: I am unaware of any particular letter from a doctor in Taree expressing concern about the Taree hospital. The strategy of the Opposition always is about finding individual areas of complaint, individual areas of concern, and attempting to dress them up and say that that is how the whole health system works.

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

Mr PHILLIPS: That is clearly their political agenda.

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

Mr PHILLIPS: What they refuse to tell the community, what they refuse to tell this Parliament and what they refuse to be truthful about on the television and on the radio is what is really happening in health care. We all know who talks about budget cuts - they do. What is the truth about health care in budgets? When we came to government \$3 billion was spent. After seven successive years of budget increases we are now at a record \$5.7 billion for health services spending in New South Wales.

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

Mr PHILLIPS: That was with no thanks to the Federal Government, whose share of that spending continues to fall. Opposition members fail to say to the community that we are treating record numbers of patients.

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

Mr PHILLIPS: We are treating record numbers of in-patients and outpatients. We are treating 1.1 million in-patients. That figure is going up. At what rate?

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

Mr PHILLIPS: At what rate is it going up? Fifty thousand additional patients last year, 44,000 the year before that, and we will treat record numbers of patients this year.

Dr Refshauge: On a point of order: the question was clearly about Taree and the potential for an accidental death from misdiagnosis in Taree. It has nothing to do with what the Minister is talking about. He appears to be trying to beat the Chief Secretary for tedious repetition.

Mr SPEAKER: Order! The Deputy Leader of the Opposition well knows that no point of order is involved.

Mr PHILLIPS: What he also failed to tell the people of New South Wales is what is really happening to our new hospital network. People know we are building a new hospital network and a new network of health services in New South Wales to undo the 12 years of Labor neglect.

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

Mr PHILLIPS: I will tell you about hospitals.

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

Mr PHILLIPS: You want me to tell you about closures? How many hospitals underwent major redevelopment during your 12 years of government? Tell us. Go on, tell us. Fifty?

Mr SPEAKER: Order! I call the Minister for Multicultural and Ethnic Affairs to order.

Mr PHILLIPS: I have forgotten the exact figure, but in Labor's last year of government -

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Mr SPEAKER: Order! I remind honourable members of the warning I gave yesterday that members who persisted in unruly interjection would immediately be placed on three calls to order.

Mr PHILLIPS: The figure I am talking about is the one that has been published for capital expenditure on new hospitals under Labor's last government and on new hospitals under this Government. We heard an interjection, a nonsense claim of 50. How could Labor build 50 hospitals in its last year when capital expenditure was \$45 million? Capital expenditure by this Government this year is over \$400 million. This is another lie that continues to be peddled by the other side. As for the issues raised by the doctor in Taree, something in the health system concerns me: the propensity of people who work in the system and who have a problem to blame it on the Government. The Deputy Leader of the Opposition knows that if a clinical matter is of major concern to the medical profession and the system there are processes, committees, the complaints commission, medical committees at the hospital and a range of processes by which medical issues can be addressed. It is not for me as a politician, as an accountant, or as a manager to address the question; nor would it be for him if he were the Minister.

Mr SPEAKER: Order! I call the Minister for Industrial Relations and Employment to order.

Mr PHILLIPS: Doctors can pursue two processes to address those problems so that they will be properly covered.

HEALTH POLICY

Mr GLACHAN: Can the Minister for Health tell the House whether the Government's six-year program for improving the New South Wales health system is bringing benefits to health consumers? Are some members of the Opposition now endorsing the Government's strategy?

Mr PHILLIPS: Honourable members of this House know that the goal of this Government is and has been to build the best health system in the world. Honourable members in this House also know that we are achieving that. The quality and the excellence of the system is too often ignored. Australia, particularly New South Wales, is looked upon with envy by almost every other country in the world. Further, the equality that is being developed in a whole range of disciplines is one of the great untold stories of our health system. It is untold because the Opposition has spent six years slamming and attacking everything that we have done in health care.

There has been not one word of recognition, not one word of acceptance from the Opposition. The resource allocation formula has been one of the great success stories of this Government. It has moved the funding to where the people live and to where they need services. It has been better than anything any other State has come up with and it has rectified the 12 years of inequity and neglect that the Labor Party fostered. As I said, Labor has spent the past six years criticising the Greiner and Fahey governments on health care, but we have systematically, clearly and transparently rebuilt and improved hospitals and the health system in New South Wales. It is a record second to none.

The Opposition claims that the provision of public health services is this Government's biggest headache. Let us examine that claim. This Government has expanded the budget for health services for seven years straight. Expenditure has grown from just over \$3 billion in 1988 to a record \$5.75 billion, with an increase of more than \$419 million this year. One billion dollars will go to the greater west. More than a billion dollars will flow to rural New South Wales - both record figures. Our capital spending is now a record \$1,850 million a year, with \$450 million being spent this year alone. Record numbers of patients are being treated. Not only are an extra 1,000 patients being treated each week in our hospitals; an extra 3,000 patients a week are being treated through our emergency departments.

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

Mr PHILLIPS: Every member of this House knows that what I am saying is true. The honourable member for Maroubra, the Leader of the Opposition, clearly recognises what we are doing at the Royal Women's Hospital at Randwick and the Prince of Wales Children's Hospital and with the upgrading of Prince Henry Hospital. The honourable member for Kogarah and the honourable member for Hurstville know exactly what we are doing at St George Hospital, with the improvements. They know the good job we are doing in the health sector. The honourable member for Bankstown, Doug Shedden, knows the good job we are doing for the people in his area.

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

Mr PHILLIPS: The honourable member for Penrith, Faye Lo Po', knows exactly what we are doing for health care for people in her area.

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

Mr PHILLIPS: The honourable member for Liverpool clearly knows what we are doing for health care in the west. Why does he not speak up? His colleagues have deserted him. We will stick by him.

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

Mr PHILLIPS: The members for Wyong, Peats, Camden, Sutherland, Albury, Murwillumbah, Port Macquarie and Hawkesbury, more and more know -

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Mr McManus: On a point of order: the Minister, in naming all those members, has neglected the Wollongong region.

Mr SPEAKER: Order! I warn the honourable member for Bulli against taking spurious points of order. If he raises another such point of order he may have an early mark for the day.

Mr PHILLIPS: I am glad the honourable member for Bulli spoke. I can understand why he now is leaving the Chamber. Members would recognise that Wollongong, the Illawarra, is not really considered Liberal heartland, but in our decisions on health care we announced recently an upgrade of more than \$50 million for clinical services in the Illawarra.

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

Mr PHILLIPS: Opposition members know what is happening in health care but, strangely, the honourable member for Marrickville remains silent. I have a report of a speech given by the honourable member for Marrickville, the most revealing speech about health care that we have ever heard from the Labor Party. In a speech on 2 September - not long ago - to an audience comprising doctors, nurses, hospital administrators, hospital board members, health bureaucrats, people who deliver health care in this State, the story was different. He was speaking to people whom he knows he cannot lie to, or fool. This speech revealed Labor's private, truthful attitude to health care. In his 2 September speech Dr Refshauge endorsed the Government's approach to health and what it has achieved. Let me quote five passages from that substantial speech. The first is:

But we often ignore what actually is happening in our health care system - the quality that has been developed, the excellence that is there, the fact that Australia really is seen with envy by almost anywhere else in the world.

I agree.

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

Mr PHILLIPS: The second quote is:

The quality that is being developed in a whole range, not only of medical disciplines but allied health professionals, nursing and management disciplines as well, I think is one of the great unsung stories of our health system.

I agree. The third quote is:

I think of the excitement of what I do when I think I or my family is sick and need to see somebody in a hospital. Living in the middle of Stanmore, I've got about half a dozen hospitals within easy reach of 15 minutes or less and more than half of them are teaching hospitals; I have stunning options.

I agree. The fourth quote is:

In general, apart from what I have said about isolated areas, in general I certainly support the Resource Allocation Formula. I think it is better than any other smaller State has tried as far as getting equity or funding the system. I think it provides input for a whole range of variables that look at the future rather than just looking at the past and I think that is important.

I agree. Next comes the quote of quotes.

Dr Refshauge: Not more!

Mr PHILLIPS: Does the Deputy Leader of the Opposition, the shadow minister for health, know what he said on 2 September? Does he know what the quote of quotes is? Do all Opposition members know what the Deputy Leader of the Opposition, and shadow minister for health really thinks about the New South Wales health system? The quote of quotes reads:

It is I think the best in the world, certainly, it is the envy of most of the world -

He also said:

I think we should be pretty proud of what we have got there. There's plenty to do -

Dr Refshauge: There is plenty to do.

Mr PHILLIPS: If Opposition members would care to be quiet, I shall carry on with the quotation -

but let's not knock what we have been doing. I think a lot of it has been very good.

I definitely agree with that. We now know what the Labor Party really thinks about the health system. It is not what Opposition members say when they are interviewed on television; it is not what they say during election campaigns when they trot out people to shroud wave and scare the community; it is not what they put in brochures to distribute in letterboxes. This is what Labor Party Opposition members say when they are talking to health professionals across the board - 200 to 300 of them. For six years the Opposition has told us that nothing the Government does is right; nothing this Government built was done as an initiative of the Government; none of the funding the Government made was adequate for the Opposition; nothing the Government announced would solve any problem; and, according to the Labor Party, the Government is ruining the health system and there is a crisis. All of the untruthful wretches on the Opposition benches know that.

Mr SPEAKER: Order! There is far too much interjection. I call the honourable member for Wyong to order.

Mr PHILLIPS: Every honourable member knows that the Government is leading, and continues to lead, in a range of policy areas. We are the Government that is moving resources to the greater west of New South Wales, which used to be a Labor Party constituency.

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

Mr PHILLIPS: It is New South Wales that is leading the production of a national health policy, not the Labor Government in Canberra. It is New South Wales that is setting the direction of the national health policy. It is New South Wales that is leading -

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

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Mr PHILLIPS: - in health recovery; women's health policy, customer focus; mental health policy, which was praised by the Burdekin report; waiting lists; and emergency initiatives that the Labor Party never thought of. This Government is moving resources and is building a new network of hospitals and a new network of health services of which we are very proud. The Labor Party has bagged the Government over the past six years. That was the Labor Party's public face - its lies produced for nothing more than cheap headlines and prime time television.

Mr Carr: We have never done that.

Mr PHILLIPS: The Leader of the Opposition says that he never does that. What was he doing bashing down the door of the cardiac unit at Prince Henry Hospital? He barged uninvited into the cardiac unit to create -

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

Mr PHILLIPS: What is the Labor Party doing establishing false 008 number lines? When people call those numbers they cannot get any help. The Labor Party takes its case, trots it out in front of the television screens -

Mr SPEAKER: Order! I call the Chief Secretary to order for the third time.

Mr PHILLIPS: - and uses it for its ugly political games. We should remember that the Deputy Leader of the Opposition says that he has stunning options in health care and hospitals. In his speech he acknowledges that the efficiency targets, the productivity gains of this Government, are warranted and generate significant productivity in improvements.

Dr Refshauge: I do not.

Mr PHILLIPS: Read it in your speech. I am happy to highlight it for you.

Dr Refshauge: You are a flaming liar.

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

Mr PHILLIPS: The Deputy Leader of the Opposition says, "That doesn't mean that I'm going soft on efficiency. I think there are a lot of efficiencies . . . that we can still look at . . ." He says that he supports the direction of this Government to get efficiency gains out of the health system. Let me conclude by reading what the Deputy Leader of the Opposition sees as his role.

Mr Beckroge: On a point of order: I realise that Opposition members have been interjecting and causing the Minister to extend his answer. He started his answer with 27 minutes of question time remaining; he has been talking now for more than 13 minutes. I ask you, Mr Speaker, to direct him to conclude his answer.

Mr SPEAKER: Order! I am sure the Minister for Health is drawing his answer to a conclusion.

Mr PHILLIPS: I apologise to the House but it is an extensive speech and there is so much good stuff in it. I could not resist. This is how the Deputy Leader of the Opposition sees his role and the problems in health:

. . .you actually hear those who make public nuisance of themselves like criticising you, probably myself included.

Making a public nuisance of himself and criticising. I agree that that is a difficulty in health. Today the Government and I received the best endorsement we will ever have of our health policy. The Labor Party admits today that after six years of Liberal-National Party Government the New South Wales health system and its hospitals are the best in the world. Remember, the best health system and hospitals in the world. The best in the world. Every member of the Government and I agree.

Mr SPEAKER: Order! I trust that all honourable members, having given some vent to their more exuberant feelings, will now discipline themselves for the remainder of question time.

CHILD ABUSE INVESTIGATIONS

Mrs GRUSOVIN: My question without notice is addressed to the Minister for Community Services, Minister for Aboriginal Affairs, and Minister for the Ageing. Does the Minister's department require urgent child abuse cases to be investigated within one day of notification? Why has his department produced documentation which shows that in some regions it is failing to comply with this requirement in 30 per cent of cases? Why are children's lives being put at risk in this way?

Mr LONGLEY: Child abuse is perhaps one of the most serious and most disturbing of all crimes that occur in our community. The Government has done more for child protection than has ever been done in the past, particularly more than occurred under any former Labor government. This Government has real achievements in child protection. When I see the Opposition dancing to the strings of the Leader of the Opposition, trying to politicise the most difficult and sensitive human issues in the community, I feel nothing but the disgust that every member of our community feels. The Government has committed more resources to child protection than was ever the case under the Labor Party. The Labor Opposition has great difficulty understanding these issues. Opposition members might understand better the Government's level of commitment compared with that of the previous Labor Government if I show them this graph.

Mr SPEAKER: Order! Though it has been the practice over the years for members of Parliament to exhibit a certain amount of visual material within the Parliament, the restriction on the display of visual material is based on the fact that the official record of the Parliament is in words and no other form. The displaying of graphs or other material in the Parliament cannot be placed on the record. I have allowed the Minister indulgence to date but I ask him to desist from using that type of material to illustrate his answer.

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Mr LONGLEY: Labor spent \$27 million; this Government has spent \$50 million, the highest amount ever spent on child protection. That is indicative of the Government's commitment to the protection of children. The Labor Party indulges in a continual series of lies on the most serious and significant issue confronting our society today. It is essential. We have demonstrated our commitment; we have more district officers working in this area, we have continually devoted more resources, and we lead Australia in piloting new programs and working in preventive areas. It is beyond comprehension that the Opposition can even remotely contemplate trying to politicise this most sensitive, human and difficult community problem. It is appalling that the Labor Party pretends that it has genuine interest but tries to politicise the same issue. This Government has done more for child protection than the Labor Party has ever contemplated.

DROUGHT RELIEF

Mr SMALL: Has the Minister for Agriculture and Fisheries, and Minister for Mines assessed the details of the Commonwealth drought assistance package? Does the package contain any shortfalls which will limit the relief it should provide to drought affected New South Wales farmers?

Mr CAUSLEY: The question asked by the honourable member for Murray is obviously pertinent after the announcement last night of the Commonwealth Government's measures, which have been so long in coming, to help the serious drought across Australia. It is worth referring to a comment that the Prime Minister made three or four weeks ago in Dubbo, in the central west. He was asked a question on the drought and he said, "It is a natural part of life. You have got to learn to live with it". It is amazing that no-one in the Canberra press gallery had the fibre to tackle him and ask where were his sympathies and whether he realised that Australia was in the grip of one of the most serious droughts this century. Of course, he did not understand. The Premier of Queensland had to drag him kicking into Queensland - he came nowhere near New South Wales - to see the plight of farmers.

Before that Australia knew of the crisis in the bush. Channel 9 and the *Daily Telegraph Mirror* ran a program called "Farmhand" to ask ordinary Australian people to support their fellows in the bush who were

starving, who could not get even the basic necessities of life because they had not had any income for four years and had no ability to access welfare. Everyone in Australia, with the exception of the Prime Minister, knew there was a problem. He milked everything he possibly could out of it. He spent a week with the media examining the problem and then said, "I am very concerned about this and I will come up with a program to help". Let us have a look at the program. As usual, Canberra is only looking for the headline. The headline is \$164 million, but honourable members should look behind the headline. I once warned people to always look at the small print from Canberra. I doubt whether much of that money will be accessed, because the small print means many people will not be eligible to access the money.

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

Mr CAUSLEY: The honourable member for Port Stephens is shaking his head. He was telling untruths about this package on radio this morning. He said the State Government should do this and should do that. If he listens, he will hear what the Government has to say.

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

Mr CAUSLEY: Obviously, most of the package involves welfare. I applaud that because, as I said, most of the families in the bush cannot access that resource. They are doing it hard. They cannot put food on the table or educate their children. Welfare is important. However, the criteria provide that the drought must be serious. Who decides whether the drought is serious? Federal Cabinet will not take the advice of the States, so it will decide whether the drought is serious. That narrows down the field enormously. Senator Collins said that it narrows down the field to probably 3,000 farmers across Australia. I would say that possibly fewer than 1,000 farmers in New South Wales will qualify for the relief. The big figure is \$164 million: the reality is that very little of it will be available to farmers. That is what usually happens in Canberra.

Obviously this drought involves other issues. In 1992 a national drought strategy was agreed on. I do not think anyone would disagree with that, but the drought started in 1991. The price of wool crashed. The undertaker in Canberra landed us with interest rates of 23 per cent for almost three years. Those factors crippled small business and the farming community. They did not have any resources available to support themselves or their stock. What did we hear from the Prime Minister about stock, the valuable asset Australia will need if it is ever to escape from the effects of the drought? Where will the recovery come from? We heard absolutely nothing about how farmers would be supported.

The honourable member for Broken Hill is laughing. He may be interested to learn that Federal Cabinet considers that Cobar is not a drought area. I suppose he would applaud that. The honourable member for Bathurst is probably playing pool again; he is not in the House. He would applaud the fact that Bathurst has not been drought declared. I know the honourable member for Lismore is concerned that Casino has not been drought declared. Very few areas in New South Wales qualify, and very few people in individual areas qualify. As I said, for some time I have been calling on Senator Collins to tell us what he will do to help the States provide relief for the stock. At present it is almost impossible for farmers to obtain fodder unless they go to Victoria. The Government has extended the freight subsidy

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limit to 1,500 kilometres, and the State pays half of that. What have we heard from the Commonwealth about freight support? Absolutely nothing. Some farmers have lost almost all of their equity in their properties. Some of them have lost as much as 80 per cent of their equity. Yet the Federal Government says, "Borrow more money to feed your stock, and we will pay some of the interest". Farmers do not have the resources to borrow money.

Mr Bowman: What are you going to do about it?

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

Mr CAUSLEY: We are doing something about it. Since 1991 this State has spent \$33 million on

subsidising the transport of grain, water and stock across the State. The Federal Government has walked away from it; it would not provide any support at all. The State Government is doing something about it. Even though the Federal Government has changed the rules, the New South Wales Government will support the measures contained in the Federal package. Unfortunately, very few people in this State will be able to access anything from that package. I am absolutely amazed that within five minutes the National Farmers Federation supported the package. I knew the federation had lost touch with the bush, but I did not believe that it had lost touch to that extent. The federation took the money and ran to Canberra. It is now part of the cocktail set. That is where the real problem lies. The federation is not supporting the farmers of this State. It has become part of the club in Canberra. When one becomes part of the club in Canberra, one loses all reason, one loses touch with reality and all track of what is going on in the bush. As time goes by, people will start to realise what a hoax this package is.

RURAL FINANCIAL COUNSELLING SERVICES

Mr AMERY: My question is addressed to the Minister for Consumer Affairs. Have 14 rural financial counselling services, including the statewide 008 service, not received State funding for 1994-95? Has the budget for financial counselling been halved so that most of the resources will go to city based services? Why has the Minister taken this decision during the current drought, which has just been mentioned by the Minister for Agriculture and Fisheries?

Ms MACHIN: Honourable members can be guaranteed that there will be no surprises from the honourable member for Mount Druitt. Yesterday a Government member asked a question that the honourable for Mount Druitt intended to ask. He was anticipated once again, because we are ahead of the game. Bearing in mind that he has just had a meeting with representatives of a number of services, including probably the Penrith financial counselling service - which is hardly what one would call a rural service - this question certainly comes as no surprise. The only group in need of real financial counselling is that lot on the other side of the House. It is best to give them the counselling they need, but they do not appear to be learning the lessons. They then have the hide to use the word "drought" in this House. Hands up those Opposition members who have actually been west of the Blue Mountains in the past few days! Not many hands are going up. Most of them would not know where Dubbo is, or what a paddock is.

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

Ms MACHIN: As someone has said, the Leader of the Opposition would not know which end of a sheep eats grass. The facts are that under my administration funding for financial counselling in New South Wales has been increased in the past year by 12.7 per cent. That includes a couple of programs - our mainstream program is run by the Department of Consumer Affairs - as well as a 008 number. The 008 service has an interesting history. It started from the Government's recession buster package. Why did the Government introduce a recession buster package? Because we had a recession. Who gave us the recession? The Labor Party. The Government started a 008 service that has been extremely well received and has done a very good job. There have been no funding cuts by my department. As I said, funding has been increased by 12.7 per cent in the past year. The Government will continue to support financial counselling services. We commend the work they have done both in the city and in rural New South Wales. It goes to show how bad their maths are or how good a liar the honourable member is when he can turn a 12.7 per cent increase in funding to a funding cut. I can show him the dollars. The Government is delivering once again.

LUCAS HEIGHTS NUCLEAR FACILITY

Mr KERR: Is the Minister for the Environment aware of a secret meeting between the Federal Labor Senator, John Faulkner, and Labor members of Sutherland Shire Council? Did the meeting discuss the future of the Lucas Heights nuclear facility?

Mr HARTCHER: I commend the honourable member for Cronulla for his interest in what happens in the Sutherland shire. On 8 September a meeting took place between Federal Senator, John Faulkner, who is also Minister for the Environment, and some Labor members of Sutherland Shire Council. That meeting was not public nor was it publicised.

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

Mr HARTCHER: At that meeting the Sutherland shire councillors, members of the Australian Labor Party, gave to Senator Faulkner a report commissioned by Sutherland Shire Council.

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

Mr HARTCHER: The report dealt with the nuclear reactor at Lucas Heights. The nuclear reactor at Lucas Heights is operated by the Australian Nuclear
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Scientific and Technology Organisation - ANSTO. This report was by the environmental barrister Tim Robertson, of Queen's Counsel. Tim Robertson stated in his report:

As it stands the Lucas Heights reactor does not have an effective regulator, cannot be prosecuted for breaching standards or operating guidelines - even if it did so deliberately - and is under no obligation to compensate the victims of accidental discharges of radiation.

The report further states that Lucas Heights is the most hazardous industrial site in New South Wales. Despite the fact that this was a publicly funded report, commissioned by the council, handed privately to a Federal Labor Senator and revealing that this facility is the most hazardous in New South Wales, no copy has been made available by Sutherland Shire Council or its officers to the New South Wales Environment Protection Authority. The facility at Lucas Heights is well known as a nuclear reactor. Repeated attempts have been made by the New South Wales Government to have New South Wales environmental law applied to it.

Following a raid conducted in June 1992 by the New South Wales Environment Protection Authority, the Federal Labor Government introduced a special Act, the Australian Nuclear Science and Technology Organisation (Amendment) Act, to exclude the ANSTO facility from the purview of New South Wales environment laws. That is the present situation, despite repeated requests by the New South Wales Government to be allowed to monitor and control that particular facility. The concern about this incident on 8 September is that public moneys expended for a report on a matter in Sutherland Shire Council - a matter dealing with a major hazard to the people of Sutherland shire and potentially to the people of Sydney - was not given by the Labor mayor of Sutherland to the Environment Protection Authority, was not given to me, and was not given officially and formally to the Federal Government, but was given privately to the mayor's left-wing factional colleague Senator Faulkner.

That concern is exacerbated by the fact that the Labor mayor of Sutherland has waged a campaign in the public and in the media against this particular facility. At every opportunity she has attacked the facility and gained maximum media exposure for doing so, but when given a detailed and comprehensive report on the legal aspects prepared by Tim Robertson QC, who is well regarded as an environmental lawyer, she has not been prepared to give it to me or the New South Wales authorities, she has not given it publicly to the Federal authorities or to the Federal Government but has given it privately to other left wing councillors at a meeting with a left wing Labor Senator.

Mr SPEAKER: Order! I call the Minister for Multicultural and Ethnic Affairs to order for the second time.

Mr HARTCHER: It is exactly like a shepherd handing the lambs to the wolves.

Mr Anderson: So you say.

Mr HARTCHER: The honourable member for Liverpool, the ultimate lamb being led to the slaughter, interjects. Of all the people in this place to interject it has to be the honourable member for Liverpool. The honourable member for St Marys was led quickly to the slaughter by the Leader of the Opposition, but the honourable member for Liverpool quickly knew the death of a thousand cuts as he frantically searched for a seat in this House. The interjection about lambs by the honourable member for Liverpool reminds me of a hoax letter distributed in this House yesterday asking members of Parliament if they would like to be photographed with an animal at the zoo and, if so, that could be arranged through my office. I was amazed at the number of Labor members who would like to take up such an invitation.

Mr SPEAKER: Order! There is far too much interjection from both sides of the Chamber. Question time has now proceeded well past its normal duration, and continual interjection will prolong it even further. I ask honourable members to listen to the Minister in silence.

Mr HARTCHER: The honourable member for Liverpool could be photographed with a polar bear because he is out in the cold. The honourable member for Kogarah could be photographed with a hyena. The Leader of the Opposition would look superb with his totem animal, a lyre bird. I could run through the whole list but we do not have time this afternoon. Many members of the shadow government, and the honourable member for Campbelltown volunteers a goose.

Mr SPEAKER: Order! I have already warned honourable members that constant interjections will unnecessarily prolong question time. That the House is in reasonable humour is no excuse for conduct that delays proceedings. I will have to take a dim view of such conduct from now on.

Mr HARTCHER: But for interjections, I could draw my answer to a close. Do members opposite want to talk about *Abuse of Power*? There is always silence from the left wing when confronted with this document. It is a Labor Party document that was circulated throughout New South Wales Labor and, interestingly enough, bears the notation "Confidential" -

Mr Knight: On a point of order: Mr Speaker, you have referred to the length of question time today and have urged members on both sides not to prolong it. If the Minister would confine his comments to answering the question he would not contribute to the prolonging of question time.

Mr SPEAKER: Order! I uphold the point of order and ask the Minister for the Environment to return to the leave of the question. He did indicate he was about to conclude his answer and that seemed appropriate.

Mr HARTCHER: The operation of the Lucas Heights facility, as raised by the honourable member for Cronulla, is of serious concern to this

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Government, to the people of Sutherland shire, to the honourable member for Sutherland, to the honourable member for Miranda and to the honourable member for Cronulla. It is extremely disappointing, nay, a cause of great concern, that Sutherland Shire Council, or certain aldermen of it, take a somewhat different attitude in the sense that they are prepared to reveal this document privately to the Federal Minister but not reveal it to the State Minister; to give it privately to the Federal bureaucracy but not give it to the State bureaucrats, who could be expected to seek to protect the environment and to protect the interests of the people of Sutherland. The Labor mayor of Sutherland stands accused of duplicity, stands accused of hypocrisy, and stands accused of not acting in the interests of the people she has pledged to protect.

GARDENS OF STONE NATIONAL PARK

Ms MOORE: My question is directed to the Minister for the Environment. When will the Government declare the Gardens of Stone a national park in the western Blue Mountains, which has been agreed to by the National Parks and Wildlife Service, the Department of Conservation and Land Management, the Department of

Mineral Resources and State Forests?

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

Mr HARTCHER: I thank the honourable member for Bligh for her question. In so doing, I acknowledge the fact that in my almost three years as Minister she has asked me as many questions about the environment as has the honourable member for Blacktown. The honourable member's grand total is two and the grand total of the honourable member for Blacktown is two questions on the environment - in my three years as Minister. The honourable member for Blacktown, quite appropriately, hangs her head in shame at her total lack of interest in environmental matters. Never would I expect a good question, such as the Gardens of Stone national park question, to come from the honourable member for Blacktown.

This Government is committed to the national parks system in this State and, of course, is committed to enhancing and protecting it. I was particularly pleased to note the Government's announcements in respect of the Cochran National Park on the central coast; the Ourimbah Creek Nature Reserve; Wombina Nature Reserve, which the honourable member for The Entrance has never visited but should know well; Cudgera, in the electorate of the honourable member for South Coast; and, of course, the cream of national parks on the east coast of Australia, Jervis Bay National Park. The development of that park is progressing well. It will be the finest coastal park, not only on the east coast, but throughout the whole of Australia.

It is a magnificent endowment to the people of this State and full marks must go to the Minister for Planning in another place; to the Minister for Land and Water Conservation, a great supporter of the national parks system; and to the National Parks and Wildlife Service for its determination to build up that national parks system. The Government is looking at the possibility of setting aside more areas for national parks, among them, of course, the Gardens of Stone proposal which, as the honourable member for Bligh has said, is supported by the National Parks and Wildlife Service, State Forests and the Department of Mineral Resources. It is a matter of organising the final boundaries.

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

Mr HARTCHER: Members of the Australian Labor Party are seeking to interject. When they interject they like to talk about power; they like to talk about the abuse of power.

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

Mr HARTCHER: I recommend this excellent document to all honourable members. It is marked "Confidential. Internal ALP Circulation Only", but that does not mean it is not freely available from my office. Any honourable member who would like a copy is invited to have one.

Mr Mills: On a point of order: for more than a minute the Minister has been addressing a document which has no relevance to the Gardens of Stone question. I ask you to direct that he return to the ambit of the question.

Mr SPEAKER: Order! I am anxious that question time conclude reasonably soon as it has continued well past its normal finishing time. I ask the Minister to return to answering the question.

Mr HARTCHER: We will discuss *Abuse of Power* on another occasion, I am sure. An excellent motion moved by the honourable member for Davidson in this House will provide ample opportunity to debate the Australian Labor Party and its preselection system.

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

Mr HARTCHER: Did the honourable member interject?

Mr SPEAKER: Order! I direct that the Minister for the Environment return to the ambit of the question.

Mr HARTCHER: The Government is intent on progressing that excellent proposal. As further information is made available, I will inform the honourable member for Bligh.

FIRST AID BROCHURE

Dr KERNOHAN: My question is addressed to the Minister for Health. Is the Minister aware of a first aid brochure which has been endorsed by some Labor Party candidates? Do some of the first aid methods therein pose a serious risk to infants and children?

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Mr PHILLIPS: I am sure the honourable member's question is of interest to every member of this Parliament, particularly those who are mothers or fathers, grandmothers or grandfathers. When it comes to emergency first aid treatment for children at home, when any of our children take poison, or receive a cut or burn, parents want to know that they have access to accurate advice on which they can rely. It has been brought to my attention that the Labor candidate for Camden, Peter Primrose, and the Federal Labor member for Macquarie, Maggie Deahm, have been distributing information on child first aid that is incorrect and poses a health risk.

I refer to a brochure entitled *First Aid In The Home. Your Child Safety. An Information Guide for Parents*, which has been distributed to households in the Camden area. On the back of the brochure is the following notation, "Printed, authorised by and with the compliments of Peter Primrose, State Labor Candidate". In respect of three of the items contained in the brochure I have received advice from the Chief Health Officer and from the children's hospital. In respect of cuts and grazes the brochure says, "SEE YOUR DOCTOR IF: The wound is longer than 1 cm - it may need stitching". The Royal Alexandra Hospital for Children recommends that cuts of less than one centimetre may still need stitching if the wound is stab-like or penetrating. Unfortunately, it gets worse. In respect of burns and scalds the brochure says, "Cool affected areas as quickly as possible under cold, gently running water until the part has returned to normal body temperature (usually up to 10 minutes)".

Mr Gibson: I'll bet it is 11.

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

Mr PHILLIPS: The honourable member for Londonderry obviously finds it amusing that inaccurate health information has been placed in people's letterboxes.

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

Mr PHILLIPS: The document says 10 minutes. The advice that I have received from the Chief Health Officer is to apply cold water to burns for 30 minutes. If a child has sustained a burn, that step is extremely important. The third item of concern in this brochure is "POISONING Medicinal/general substances, eg plants, oral medications, detergents" and relates to this statement, "Try to induce vomiting by giving syrup of ipecac to drink". A member opposite seeks to interject. I do not understand why those Labor Party candidates and honourable members opposite want to treat this matter so lightly. I say to the Leader of the Opposition: pull your troops into order. Your credibility is already in trouble. The ugly face of Labor.

Mr SPEAKER: Order! It has been a long and difficult question time, and I now have a long list of members who are on one to three calls to order. I deem all those members to be on three calls to order. Yesterday I exercised a degree of tolerance regarding the Deputy Leader of the Opposition when he had a fourth

call to order. I used my judgment, in the interests of maintaining proper order in the House. However, I warn honourable members that if they regard the toleration and consideration of the Speaker as licence to flout the authority of the Chair, they will soon learn that on appropriate occasions the Chair will be as firm as it is tolerant. I ask all honourable members who have been called to order now to bear in mind that they are on three calls to order.

Mr PHILLIPS: It is obviously a tough day for the Leader of the Opposition. The third section of the brochure under the heading "Poisoning" says, "Try to induce vomiting by giving syrup of ipecac to drink . . ." I have two advices on this procedure. The first is from the Chief Health Officer, who says, "Ipecac is only recommended for certain types of poisoning if more than 30 minutes from medical health". We are talking about distribution in areas where, obviously, health care is usually close at hand. Second, experts from the Royal Alexandra Hospital for Children state, "This treatment is no longer recommended because it has potential side effects". This is a serious matter. The department has advised me that it has organised meetings for this morning on this very important issue.

The department will be meeting with the South Western Sydney Area Health Service to undertake an information campaign to ensure that residents of the Camden area have the correct information in the home in relation to child safety and first aid. We will also be conducting investigations, and I hope that the Leader of the Opposition and others will be able to help us, as to where this erroneous brochure is being distributed, so that we can take remedial action and give people the correct advice. I can understand the Australian Labor Party wanting to use health to get votes, but when it does so it should do it accurately. I invite the ALP, if it intends to publish any information on health, to contact the children's hospital or the public health unit and make sure that its information is accurate. Once again the ALP has been caught out today spreading misinformation on serious health matters. It is becoming a worrying trend. I am sure that the Deputy Leader of the Opposition would agree with me.

DEATH OF JOHN PAUL NEWMAN, MEMBER FOR CABRAMATTA

Mr WEST: On 20 September the honourable member for Liverpool asked a question concerning an appearance on the *Four Corners* program by Chief Inspector Allan Leek, patrol commander at Cabramatta. I undertook to seek advice on the matter and report back to the House. I have now been advised by the New South Wales Police Service that the appearance of Chief Inspector Leek was approved by the appropriate senior officers in accordance with service policy. I am also advised that at no time did the chief inspector divulge any confidential

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information either orally or in writing to any person involved in the *Four Corners* program. I might say that from my perspective, and from the perspective of the community, from which I have had a number of reports, Chief Inspector Allan Leek has done an admirable job of keeping the public fully informed of progress in this investigation. Despite intense media interest, he has refused to be drawn on speculation concerning suspects and motives, and that is entirely proper.

PETITIONS

Retail Price of Fuel in Country Areas

Petition praying that the House ensure that the Industry Commission recommends that the retail price of fuel in country areas be limited to the average Sydney price plus real freight, received from **Mr Beckroge**.

Guildford Railway Station Bicycle Storage

Petition praying that secure bicycle storage facilities be provided at Guildford Railway Station, received from **Mr Yeadon**.

Newcastle Rail Services

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

M5 Motorway Noise Attenuation

Petition praying that additional noise attenuation be provided on the M5 Motorway, received from **Mr Langton**.

Marshall Street, Rankin Park, Bushland Corridor

Petition praying that the Marshall Street reserve at Rankin Park be retained as a bushland corridor for local environmental and recreational purposes, received from **Mr Mills**.

Picton-Tahmoor-Thirlmere Sewerage Scheme

Petition praying that an environmentally sensitive sewerage system for the Picton-Tahmoor-Thirlmere area and other population centres in the Wollondilly be commenced immediately, received from **Dr Refshauge**.

Granville Police Station

Petition praying that additional police resources be provided at Granville Police Station, received from **Mr Yeadon**.

Camp Mackay

Petition praying that Camp Mackay not be sold, received from **Mr Price**.

Warilla Police Station

Petition praying that more police be allocated to Warilla Police Station, received from **Mr Rumble**.

Cardiff South Public School Crossing Supervisor

Petition praying that a school crossing supervisor be provided for the Lake Avenue crossing outside Cardiff South Primary School, received from **Mr Mills**.

Bulli, Coledale and Port Kembla District Hospitals

Petition praying that the present level of services be retained at Coledale, Bulli and Port Kembla district hospitals, received from **Mr Sullivan**.

Canterbury Hospital

Petition praying that Canterbury Hospital be retained and upgraded on its present site and that present services continue during the upgrading, received from **Mr Davoren**.

Shellharbour Public Hospital Children's Ward

Petition praying that the children's ward of Shellharbour Public Hospital be reopened, received from **Mr**

Rumble.

Demolition Contractors

Petition praying that because of the high fatality and injury rate in the demolition industry, immediate action be taken to license demolition contractors, received from **Mr Price**.

BUSINESS OF THE HOUSE

Printing of Papers

Motion by Mr West agreed to:

That the following papers be printed:

Report and Determination of the Parliamentary Remuneration Tribunal, pursuant to section 13(1) of the Parliamentary Remuneration Act 1989, dated 20 May 1994.

Report and Determination No. 2 of the Government Pricing Tribunal concerning charges by the Water Board for Water, Sewerage and Drainage Services, dated 20 May 1994.

Report and Determination No. 3 of the Government Pricing Tribunal concerning charges by the Hunter Water Corporation for Water, Sewerage and Drainage Services, dated 20 May 1994.

Reports and Determinations Nos 4 and 5 of the Government Pricing Tribunal concerning Public Transport Fares, dated 23 May 1994.

Report and Determination No. 6 of the Government Pricing Tribunal concerning charges by Gosford City Council for Water, Sewerage and Drainage Services, dated 3 June 1994.

Report and Determination No. 7 of the Government Pricing Tribunal concerning charges by Wyong Council for Water, Sewerage and Drainage Services, dated 3 June 1994.

Environmental Impact Statement Strategy Progress Report as required under schedule 4 of the Timber Industry (Interim Protection) Act 1992, dated 30 June 1994.

Report of the Murray-Darling Basin Commission for the year ended 30 June 1993.

Report of the Sydney Cove Redevelopment Authority for the year ended 31 March 1994.

Report of the Director-General of the Department of Health under section 301 of the Mental Health Act 1990 for the year ended 30 June 1994.

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Report of the New South Wales Youth Advisory Council for 1993.

Report of the Sydney College of Divinity for 1993.

Report of the Avondale College for 1993.

Report of the Animal Research Review Panel New South Wales for year ended 30 June 1993.

Report of the Rural Lands Protection Boards Association for 1993.

Memorandum and Articles of Association of the Milk Distribution Services (NSW) Pty Limited.

Report of the Conveyancers Licensing Committee for year ended 30 June 1994.

Report of the Legal Fees and Costs Board for year ended 30 June 1994.

Supreme Court of New South Wales, Common Law Division, Practice Note No. 81: Differential Case Management, Sydney.

REGULATION REVIEW COMMITTEE

Report: Repeal of Principal Statutory Rules

Mr CRUICKSHANK (Murrumbidgee) [3.42]: I lay upon the table the report of the Regulation Review Committee upon the operation of the Subordinate Legislation Act 1989 with respect to the postponement of the staged repeal of principal statutory rules.

Ordered to be printed.

LEGISLATION COMMITTEE ON THE ENDANGERED AND OTHER THREATENED SPECIES CONSERVATION BILL

Motion, by leave, by Mr West agreed to:

That so much of the standing and sessional orders be suspended to allow the reporting date for the Legislation Committee on the Endangered and Other Threatened Species Conservation Bill being extended to 18 October 1994.

SELECT COMMITTEE UPON THE SYDNEY MARKET AUTHORITY

Motion, by leave, by Mr West agreed to:

That the reporting date for the Select Committee upon the Sydney Market Authority be extended to 17 November 1994.

BUSINESS OF THE HOUSE

Consideration of Urgent Motion: Suspension of Standing and Sessional Orders

Motion by Mr Carr agreed to:

That standing and sessional orders be suspended to allow:

(1) Consideration forthwith of the following motion:

That this House censures the Premier for breaching his promise on wilderness.

(2) The following time limits to apply to the debate:

Mover of the motion and Premier
Any other member
Premier in reply

Unlimited
20 minutes
20 minutes

PREMIER, AND MINISTER FOR ECONOMIC DEVELOPMENT**Censure**

Mr CARR (Maroubra - Leader of the Opposition) [3.44]: I move:

That this House censures the Premier for breaching his promise on wilderness.

What a shameful performance! After seven years in government there has been this backdown on a major issue of land use planning, and what a dishonest performance it was. No wonder this Government is despised by every environmentalist in the nation. No wonder every citizen committed to nature conservation regards this Government as an absolute disaster. With the present Minister for the Environment it is no wonder that we see headlines declaring that the Greens have united to defeat the Fahey Government. No wonder this Minister sits goggle-eyed in his office looking at and seeking guidance from the framed portrait of the man whose philosophy and performance have inspired his own political career. Yes, I can reveal it to the House, his hero is Alexander Downer, the man who has guided him through the shoals of Liberal Party politics and the only man who can give him guidance in this crisis. Yes, Chris Hartcher prays before a framed photograph of the Federal Liberal leader.

The farce of wilderness protection which began on 23 December last year finally resolved itself on 9 September this year - bear the date in mind - with the most humiliating backdown imaginable. Back on Christmas Eve last year the Premier held out a Christmas stocking; this month he handed out a dirty old football sock. Santa Claus becomes Scrooge. The Government did not have the guts to do that before the Parramatta by-election and it was put off. The day the Government crept into the halls to make this announcement was the day of John Newman's funeral, so proud the Government was of this disgraceful backdown! It settled on the day of John Newman's funeral to make that announcement. Now we can understand what has happened to Government members since the Parramatta by-election, in the context of the personal trauma that occurred. For example, the Chief Secretary, and Minister for Administrative Services quite literally is not herself. It is my interpretation, after viewing the available evidence, that she was kidnapped two weeks ago by aliens and the Government is putting a robot in her place every question time.

Government members are a wonderful group: they are all fighting, competing and arguing for positions in the future shadow ministry. Already they are fighting for the spoils of opposition. The Premier was asked how he slept after the Parramatta defeat and he said, "I slept like a baby: I woke up every two hours and cried". The Treasurer sits there like Pontius Pilate. He is above the fray. He has washed his hands of the whole lot. He has been receiving medical treatment since I dropped the bombshell on him on Tuesday. As for the Minister for Transport,

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and Minister for Roads, his cathedral voice has been heard over the telephone system asking for jobs in the private sector. The latest bulletin from the Public Service Association is that another Minister's staff phoned him this week asking for the guidelines when the change of government occurs. Do you know whose staff it was? Yes, the staff of the Minister for the Environment.

Mr O'Doherty: On a point of order: the only way in which the remarks of the Leader of the Opposition relate to wilderness -

Mr SPEAKER: Order! The honourable member will not debate the matter; he will state the point of order he is raising.

Mr O'Doherty: The only way in which the speech relates to wilderness, the substance of the motion, is in regard to the endangered species of the Leader of the Opposition himself.

Mr SPEAKER: Order! I presume the honourable member for Ku-ring-gai is raising a point of relevance. It had already occurred to me that since the Leader of the Opposition started speaking he had made not a single comment relevant to the question before the House. I ask him now to come back to the motion that he moved.

Mr CARR: Mr Speaker, I can tell you a bit about the wilderness the honourable member for Ku-ring-gai is in. He was seen at a recent meeting of an extremist group in his own electorate - yes, his own Liberal Party State Council. The Premier made the great gift of 350,000 hectares of wilderness. The word "declared" was stamped on each description. It was "Wilderness Declared, 23 December" - a Christmas present to our grandchildren. In truth, it was a collection of squiggles, holes and lines drawn on maps, which looked more like a game of snakes and ladders. It was a deception. The Premier was proposing to declare areas as wilderness that I as the former Minister had declared as wilderness. One of those areas was the area of Washpool, which is in the national park system and has been managed as a wilderness area since the mid-1980s.

Opposition members are reasonable. We decided that we would let the Government prove itself. We urged the Premier to go on from the start he had made. We knew that the Minister for the Environment was labouring under some disadvantages but I shall not embarrass him by disclosing them. The Premier is less interested in wilderness and in conservation than any Premier since Askin. Tom Lewis had a better record than the present Premier. The Premier inspects the azaleas in his garden at Bowral and thinks that he is on a bushwalk. The decision he had taken was a major land use decision for New South Wales: it was about implementing the Wilderness Act passed by this Parliament without dissent in 1987. That legislation provides for the conservation of wilderness through a public nomination process -

Mr W. T. J. Murray: What about nature conservation?

Mr CARR: Nature conservation has the honourable member for Barwon on its side. The honourable member for Barwon should bear in mind that we are not talking about the coast here. He should calm down. There are no development opportunities and no wetlands to destroy. The Wilderness Act delineates land, both public and private, which either is, or is capable of being restored to, wilderness. The Act sets descriptions for the management of wilderness and regulates use and development within such areas. The implementation of that legislation, meeting the public expectation that the Government would save those precious areas of high conservation value, was a major land use decision waiting to be made, and the Government really made us wait.

For six years the Government considered that legislation. For six years Government members examined nominations and weighed evidence. And for six years the National Party said, "Not on your life". The National Party attempted to block any move on wilderness, as it has vetoed any extension to the national park system since the Government came to office in 1988. As Minister for the Environment, Tim Moore's defence of the record was to tell environmental groups that he could not give them anything, that all he could attempt to do was to hold the line. Tim Moore used to say that under a coalition government the Liberal Party was doing well if bulldozers did not move into the Royal National Park. Tim Moore used to describe his work as a defensive operation - he made it sound like the defence of Leningrad. Tim Moore would say that the Liberal Party was keeping the barbarians at bay, which was all that could be expected. Conservationists, knowing the instincts, predilections and the nature of National Party members, felt grateful that at least they could hold the line. Naturally, expectations were raised when,

'Twas the night before Christmas
And all through the house
Not a creature was stirring,
Not even a mouse.

And Santa tripped in, accompanied by his little friend in green, the little pixie - what a touching tableau it was. They opened the sack and laid presents out on the table for the delectation of the public. I was quite moved as the first reports came through. I thought that there had been a conversion rivalling that of St Paul's, that there would be a huge gain for nature conservation. As it turned out, even on first analysis, the gift was very modest.

All of a sudden there was such a reaction. The honourable member for Monaro and other Government members were issuing their resignations. It was rather like listening to cyclone weather reports, "Out of the Government, no we are back in again, out of the Government, back in for a time, out of the Government, back into the Government".

Resignation notices from Government members were as regular as weather bulletins at the end of each news report. Someone had resigned, then was back

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in for the time being; someone else had resigned, then was waiting on a report from the Premier. What a way to run a government! The Minister for the Environment was the strategic genius at the heart of it all. It is no wonder that Ted Pickering is worried. The other day he had all the Cabinet around him and he issued those things that were given to Hitler's Cabinet in 1945: suicide capsules. The Minister for Multicultural and Ethnic Affairs, and Minister Assisting the Minister for Justice was fooled. He said, "Oh, I am just like Goering". For a few seconds he was walking around with a silly smile on his face. He has a suicide capsule, I swear it - just ask him. Suicide capsules are being handed around. Cabinet Ministers are carrying suicide capsules, close to their persons and they are waiting for the big event. They are waiting for next March.

The Government took five or six years sifting through wilderness declarations. Then there came the big Christmas announcement. The announcement was broadcast over the airwaves as people were organising their Christmas holidays. I had made normal Christmas arrangements and was at the airport when the news came through. I was shocked at the suggestion of a split in the Government as threats of resignations came thick and fast. All of a sudden it became very clear that the Government had no coherent decision making process. The Premier was forced to say publicly that the proposals branded "declared" in print, in English - the national language of this country - were only proposals for discussion. Almost overnight their status had been altered. On 18 January the Premier said:

I am not going to indicate in any shape or form just what the final hectares or acreage might be, other than to say there will be wilderness areas and I am looking forward to some input that flows from this meeting.

The meeting he referred to was one of the many crisis meetings allocated to determining the issue. It is no wonder that Government members are defecting. I mentioned the cathedral voice of the Minister for Transport. The other day he was heard on the phone making arrangements for after March 1995. One can only imagine how his price in the marketplace is falling. After the Parramatta by-election, his market price is going down faster than that of the State Bank. Cabinet solidarity had to be abandoned on this occasion because both the Minister for Land and Water Conservation and the Minister for Agriculture and Fisheries, and Minister for Mines, members of the Cabinet subcommittee that recommended the December 1993 declarations to Cabinet, were persuaded that for this purpose Cabinet solidarity ought to be abandoned.

Indeed, the Minister for Land and Water Conservation said later that the plan he had been part of "should have been thrown in the bin". The Minister for Land and Water Conservation was part of that plan, he put it all together, he put up the recommendations - a tick here, a tick there; a wilderness here, a sort of wilderness there. The Minister for Land and Water Conservation was the great architect of that. The Deputy Premier at a meeting at Jindabyne in January, addressing a group of ecologists - his heroic performance - decided that as a matter of policy Cabinet solidarity would be ditched on this occasion.

In a deliberate and premeditated breach of that principle, he wrote to the *Land* newspaper, in a letter published on 10 February, saying that statements made by his little friend the Minister for the Environment "lacked credibility". That was very unkind. Everything said by the Minister for the Environment, in the view of his Cabinet colleague the Deputy Premier, lacked credibility. That assessment comes from a bloke who works with the Minister for the Environment in Cabinet: someone who judges his performance and assesses everything that comes out of his department. The Deputy Premier brands the Minister for the Environment as someone who has no credibility. The Opposition agrees with the Deputy Premier. How right he was.

He announced wilderness areas but later backed off. On 17 May he announced that new national parks

would be established, but as much as 16 months later there has been no progress on that front. The honourable member for Monaro claimed that the National Parks and Wildlife Service misled its Minister who, in turn, duped a gullible Cabinet. Threats to resign continued to be issued throughout the process. Members might remember the famous press release in the government party room on 15 February which showed that the Government had simply failed to resolve this issue. What better way to illustrate the indecision, the drift and the incapacity of this Premier to govern than the tortured and limp form of words cobbled together to be announced later.

A major land use decision was the Wilderness Act passed by this Parliament without dissent in 1987. It gave us the capacity to save precious areas that, once saved, would register for all time how this continent looked and how systems of nature flourished before 1788. That is the challenge of wilderness protection. Finally, after several years in office, the Government said, "We are going to sift through declarations and we will make a Christmas gift". After the announcement on 23 December all the decision making fell to pieces. The pace was set not by a brave and competent Premier or even by a halfway competent Minister for the Environment - because he lacks those qualities - but by going to the Nationals to see how much they would accept. What they veto, the State does not get. This Government has lowest common denominator conservation. If the National Party will not have it, it will not have a chance. That is why there has been no gain for nature conservation since 1988. It is the Tim Moore philosophy: we are doing well if we hold the line; if we go backwards, do not be surprised.

That is how the bold promise of 23 December came to peter out. The Premier announced that he wanted to establish management trusts of interest groups to assist in the management of proposed wilderness areas. World Heritage parks in some cases would be run by loggers, miners, graziers;

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everyone with a land use alternative to that of nature conservation would run these areas. The lowest common denominator was conservation and the Minister for the Environment lived with it; he was prepared to cop it. The Opposition had its differences with Tim Moore until other matters drove him out of politics, but he was a knowledgeable and sincere environmentalist.

[Interruption]

Let it pass, Wal. Your own enthusiasm for protection of any of the natural areas in this State has gone unnoticed. Control your enthusiasm. Wal, a great ecologist you are not. Tim Moore at least knew what he was about and he attempted to do a little good when he could sneak it through. Previous environment Ministers in Labor governments treated the task seriously. That is why national park areas were increased by 100 per cent during the period of the Wran-Unsworth Labor government. That is why the International Union for the Conservation of Nature declared, when the rainforest was put on the World Heritage list, that New South Wales had one of the five best national park systems in the world. Our initiatives in wetlands protection and conservation of rainforests were considered landmarks in national terms. We were setting the pace in New South Wales. Now the pace is set by the National Party letting through only what it chooses. In his crazy weakness the Premier, without any knowledge of conservation and without any commitment to it, is willing to allow an incompetent Minister to give the National Party what it seeks. It is lowest common denominator conservation. On 10 September the *Sydney Morning Herald* remarked on the final decision:

The public consultation process has been presented. It was designed to conform with the Wilderness Act, yet it has all the signs of a surrender to those interests most able to put members of the Coalition, mainly National Party members and rural based Liberals, in fear of their seats.

Let us consider the areas excluded from the Government's final decision. The Macleay Gorges promise made by the Premier, covering 94,000 hectares, was completely dumped to placate the honourable member for Tamworth and northern New South Wales Nationals. The Lost World, Guy Fawkes and Deua announcements were all halved; the Nadgee wilderness, which is not a big area, was reduced by 5,000 hectares. That was our last coastal wilderness. One would think the Government would have acted decisively to save that and pass it on to future generations. I have mentioned the coast, Wal is excited. Coastal resorts; destroy the wetlands;

pull out the mangroves, put up resorts, develop new subdivisions. I heard Wal suck in his breath as soon as I mentioned the coast.

Mr Causley: On a point of order: perhaps the honourable member for Barwon is excited about the comment made by the Leader of the Opposition but that may be only because the Leader of the Opposition has failed to remind the Parliament that he was the one who approved it.

Mr SPEAKER: Order! I issued a warning earlier in the day regarding spurious points of order.

Mr CARR: The Minister speaks with the deviousness of the truly stupid. That cannot be affected; it cannot be assumed. One has to be truly stupid to deliver that sort of statement.

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

Mr CARR: In other words, wilderness policy in this State is now set according to the Richter scale of National Party preference. The bottom line is that you get as many skerricks as the National Party will allow. The proud days when New South Wales led the world in setting the standards on lead-free petrol or in saving our rainforests and putting them on the World Heritage list, declaring huge coastal shelves to be gifts for future generations, when New South Wales led the world in nature conservation, ended with the change of government in 1988. I give notice that they will resume with the change of government in March next year.

The Premier and the Minister knew the ruse was up and running. After all, why else announce the wilderness decision 45 minutes before a state funeral commenced at Cabramatta? If you are proud of what you end up with, why would you announce it when national attention, not just State attention, was centred on a church in the community of Cabramatta? That is how proud Government members were. But they have failed. The significance of the backdown is clear to everyone. For those interested in how decisions were made in State politics after 23 December the backdown became the focus of attention. People will not let it pass.

The motion has two aims. First, it will send a message to this Premier and Minister for the Environment that the people of New South Wales will not be treated with contempt on conservation issues. The Government was lazy; it offered nothing; in a flawed decision making process it cobbled something together for the announcement on 23 December. The Nationals and conservative Liberals clawed it back. Cabinet solidarity was abandoned; there was a jungle of contradictory statements. And after 23 December it was not until all this time later, earlier this month, that the Government tried to sneak out, while no-one was listening, to announce the hopeless final result.

The whole thing is dishonest and deceptive; it reflects appallingly on the capacity of this Premier, his knowledge of nature conservation and land management issues and his total lack of commitment to them. Greiner and Moore had a deeper knowledge of these sorts of issues than he evinces, and more than this apology for an environment Minister evinces. This motion tells the people of the State that the Parliament has a strong regard for conservation issues and that the people of this State want a Government which has a vision for conservation of our natural environment. The motion puts the Government on notice that this Parliament does not accept the Government's weak and inadequate policies on

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wilderness. Let me give a clear and unequivocal message to the conservation movement of this State: Labor regards the announcement by the Premier in December of last year and the revision of the plan in September of this year as both being woefully inadequate - a minimalist approach.

As the architect of the Wilderness Act I have a strong personal commitment to its proper implementation. Accordingly, Labor remains committed to the declaration under the historic Wilderness Act of 1987 of 10 new wilderness areas when in government. This will be made in conjunction with our other longstanding commitment to declare 20 new national parks in our first year of office. On 12 November 1987 I moved in this House the second reading of the Wilderness Bill on behalf of the Labor Government. On that occasion I said:

... if we fail in the task now before us, if we do not accept the responsibility to protect some of what remains, then we must surely and rightly expect the condemnation of this and future generations.

Today, seven years later, I challenge this Parliament to do just that: to express condemnation of this Government's inept, dithering and ultimately dishonest wilderness policy.

Mr FAHEY (Southern Highlands - Premier, and Minister for Economic Development) [4.11]: The motion moved by the Leader of the Opposition is in direct contrast to the public statements he has made in respect of the Government's efforts and subsequent decisions regarding wilderness in this State. After the Leader of the Opposition returned in January from his annual or biannual sojourn to the coffee shops of Venice, he indicated publicly that there would be no declaration of wilderness by this Government because it was not prepared to take the Act or the nominations that have been made under the Act seriously.

When I became Premier a number of matters needed to be attended to. They included the nominations for wilderness that had been under consideration for some time by various officers, agencies and people with responsibility in government, but on which no decision had been made. It became apparent that these nominations had become bogged down. The Government set about dealing with the many nominations. They covered a vast area of land in New South Wales and had little regard to the definition in the Act or to the fact that people lived adjacent to the nominated areas, for generations people had exercised certain rights, participated in recreational activities and, in some instances, had carried out activities related to their livelihood in and around the areas that were being nominated.

After a number of the areas had been examined they were considered by Cabinet in an informal way. Subsequent to that a subcommittee was formed. All of this is on the record. Honourable members would not know from listening to the Leader of the Opposition that any effort had been made. He has simply trifled with the House. He attempted to show that he can throw jokes around when delivering a speech prepared by Mr Freudenberg or someone in his office. He endeavoured to bring some mirth into the process. We took this matter seriously and ultimately made a decision. Despite these statements made by the Leader of the Opposition that no wilderness areas would be declared by this Government, 113,000 hectares have been declared - the largest single declaration of wilderness in this State's history. That decision came about after consultation with numerous parties, particularly those who lived in the areas and had a particular knowledge and interest in the usage of the areas being nominated.

If the Government has made a mistake at all in respect of wilderness, it has been that it took into account the views of others, those who would be affected; it took into account that the declarations may preclude legitimate uses; that by sticking rigidly to the nominated regions areas might be included which by no definition could ever be considered as wilderness areas. After the proposed wilderness declarations were announced last year, we set about a very rigorous and meticulous process of dealing with each area in a manner that allowed input from those who were affected: farmers, those who had a recreational activity, be it with a four-wheel drive vehicle, a two-wheel drive vehicle or a horse. We listened to them and asked them to tell us whether they had used the nominated areas for any form of activity.

We did not simply take their word for it. We also asked the Surveyor General to act in an impartial manner, proceed to the areas, call meetings to interview the parties concerned, and to assure the Government that what was being stated as a usage, whether legitimate or not, was in fact a genuine usage. An interesting point about the announcement that was made in respect of the ultimate decision for the declaration of 113,000 hectares is that we also made it clear that anyone who wanted a copy of the Surveyor General's comprehensive report could have one. Only the *Sydney Morning Herald* asked for a copy - not the Leader of the Opposition or the spokesperson on wilderness and environmental matters. The announcement was made that the report was available and the honourable member for Blacktown has not asked for one.

Members of the Opposition rely so heavily on trying to get hold of reports through the back door these days that when one says they can have it directly up-front they start to worry and say there cannot be anything in

it that is going to be of any value to them, so they do not want it. That was a legitimate exercise, and I congratulate the Surveyor General on participating in it. We sat down with many of the interest groups and asked them to give us their views on what was appropriate in respect of the proposed declarations. They gave us those views. That, of course, followed the proposals being announced.

Prior to December last year 11,000 submissions were received about these nominations and, from memory, they ran at approximately fifty-fifty in terms of being in favour or against. There were those who filled in pro-forma documents and those who put together a substantial argument, many in their own

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handwriting, indicating that they had enjoyed certain rights in respect of specific areas - not just themselves but their families going back two or three generations who had land holdings adjacent to the national parks and the areas that were being nominated.

Going back even further, it is interesting to note what was really behind the Wilderness Act 1987. It was an attempt by the then Minister for Planning and Environment, now the Leader of the Opposition, to divide the Liberal Party and the National Party on declarations of wilderness and on the question of determining what a wilderness might be. Unfortunately it was a poorly drafted Act, and that is something that ought to be sensibly considered, especially in regard to the definition. Not only does the definition apply to what might be there at the present time that is untouched but it also refers to the fact that there may well be a parcel of land that is capable of returning to its original state, it may be restored to a substantially unmodified state. How long is a piece of string? The specified area must be in an undisturbed state at present, but it may also be capable of being restored to that state. It must be of sufficient size to make its maintenance in such a state feasible, and the area must be capable of providing opportunities for solitude and appropriate self-reliant recreation.

The one thing that the Leader of the Opposition failed to have regard to - and until this year when this Government ultimately responded, probably governments in this State failed to consider - was that if areas are set aside that one wishes to determine as being for recreational purposes under a plan of management for a national park, and one has areas that one believes are wilderness, they must be maintained.

A maintenance factor is involved. Resources and personnel are needed to control feral animals, noxious weeds and things of that nature. No government has ever provided funds for that type of maintenance. When the present Leader of the Opposition was Minister for Planning and Environment, he scaled down his department to an almost non-existent government agency. He gave little or no support to the National Parks and Wildlife Service. However, its helicopter was kept on stand-by so that his lunch box could be flown in when he decided he needed the solitude of a walk through the bush. The Government has addressed the funding problem.

[Interruption]

The honourable member for Blacktown can scoff about funding being addressed, but no government agency -

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

Mr FAHEY: - of the nature of the National Parks and Wildlife Service -

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

Mr FAHEY: Her cynicism falls upon deaf ears every time she goes out into the community because she is a hypocrite and has no credibility whatsoever. She cannot accept the facts on any issue. Like most members of the Opposition, she is not interested in facts.

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

Mr FAHEY: The funding provided by the Government was designed to ensure people could live in harmony with surrounding national park and wilderness areas. That has been a problem forever and a day. Wilderness areas - forests, grazing land adjacent to them, and even Crown land for that matter - were being destroyed because of a lack of maintenance. National parks and potential wilderness areas were being destroyed because weeds and animals of every shape and form were flourishing unchecked. That has been changed forever by this Government. I am proud to have been associated with that change, as is every member on this side of the House.

Ms Allan: Why did you make the announcement on the day of the funeral?

Mr FAHEY: It was announced some months ago and it has subsequently been backed up in the budget. In relation to wilderness areas, the Government undertook a process of consultation. The views of different parties were accepted, and I believe the Government got it right. We got it right for this reason: in the nominated areas there is positive evidence of grave sites, bridle trails, old stockyards, cottage foundations, four-wheel drive activity, and the shafts and steel from old mine sites. Are they wilderness areas? Let us be serious about what a wilderness area is.

Mr SPEAKER: Order! I call the honourable member for Newcastle to order for the second time. He will have an opportunity to speak in the debate at a later time.

Mr FAHEY: The plan of management for a national park cannot be used to lock out recreational users of the area, whether that recreation takes the form of using four-wheel drive vehicles, trail bikes, or horses, or indulging in the various forms of fishing that have been popular for so many years. To proceed with the original proposals would have meant saying to those who had used the nominated areas for recreational purposes for a considerable period of time, "Sorry, from now on you will have to go into the area on foot, and that is the only way you will ever get in there in the future". As I have said, an extensive consultation process was undertaken by me, several of the Ministers involved and several members of Parliament whose electorates were affected by the proposed wilderness nominations. The input to that consultation process made it abundantly clear that, for the reasons I have explained, the original nominations simply did not fall within the definition of wilderness areas. Honourable members should not lose sight of the fact that these areas are used for recreational

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purposes. The opportunity to use the areas for recreational purposes could not be removed. In fact, it is essential to ensure that, through cooperation between those administering the plan of management and local recreational users, the national parks are enhanced and the wilderness areas preserved.

The Minister has said clearly that those interested members of the local community will have an opportunity to give a clear indication to the advisory trust as to how these areas might be preserved for posterity for use by future generations. We will ensure that activities of a recreational nature will be permitted in appropriate places and that legitimate wilderness areas are not disturbed. During his contribution the Leader of the Opposition trifled with the motion. If it accused the Government of anything, it was of consultation. I regard the consultation process undertaken in public life as a badge of courage. People have a right to be heard, and we should listen. One should not always take what people say for granted, but what people say should be checked out. In this instance it was checked out not by any members of Parliament but by the Surveyor General, and by the Surveyor General speaking to those in the nominated areas.

I am proud of the fact that this Government has been responsible for the largest single declaration of wilderness area. The Government took the necessary time and went to the trouble of getting the process right. It would have been a grave mistake and a disservice to future generations if the Government had not gone through that process and declared areas as wilderness, thereby precluding people using stock routes - in the Mount Kosciuszko area, for example - that they have been using for generations. If the Government precluded the families who have been using those stock routes for generations from continuing to do so, it would be doing a disservice to those families, to future generations and to those who have benefited from that activity. An area that accommodates stock routes and contains evidence of other forms of activity such as mine shafts and building foundations could not be described as a wilderness area. It is also important to remember what else

this Government has done in regard to the environment, because the debate about the environment, which has continued for a long time, is relevant to the motion before the Chair.

That debate centres around the fact that whenever someone wants to do something with land, out of the woodwork comes someone with an objection. When someone says they would like to do something, whether mining or another activity, someone else says, "No, I am sorry, there is something wrong with that. There is a reason why you cannot go near it". The Government has recognised the problem and moved with the Natural Resources Audit Council to undertake a mapping exercise, an auditing of the natural resources of the State. People involved in the mining industry say that declarations made in the past have locked up wilderness areas and thereby destroyed them forever, with little or no regard to what might be there or its value. That may have been so in the past.

I want to be sure and my Government wants to be sure, for the benefit of future generations, that we know what we are talking about when we deal with land in this State. That is the role that the Natural Resources Audit Council is undertaking at this stage. At a meeting I had with the chairman and some of the officers of the council earlier this week they indicated the considerable progress they had made in the north-east of the State. The Government is moving forward to remove the uncertainty about what is there. Let us confine the debate to what is actual and factual rather than what is simply in the minds of those who choose to object.

The great debate on the environment centres around whether a forest contains regrowth or old growth. This is the first Government to have taken that issue seriously. Earlier this year in the south-east of the State the Minister for Land and Water Conservation and I announced that it is about time we did something about growing the timber, establishing plantations. We announced a program of eucalyptus plantations that will take us very close to being self-sufficient in timber through the plantation process in 20 to 25 years time. We are developing the stock for the future. I do not want my children, and my colleagues do not want their children, to hear the same silly arguments that we have been hearing for years about whether there should or should not be a timber industry, and if there should be, where. That argument continues forever simply because there is some timber activity. Let us get our timber industry in place by growing the resource ourselves. We are on the front foot in this regard to ensure that the argument is legitimate.

The Government has taken action regarding wilderness; it has accepted what the Act itself determines and made legitimate decisions based upon an extensive consultative process. To have done it any other way would have been to discard and walk away from so many people who had a right to have input on this matter. We have not taken that course and never will. Other issues affecting existing nominations need to be considered and we will continue to consider them using the same consultative process. There will not be a knee-jerk reaction as occurred when the Leader of the Opposition had some responsibility in this area. The Leader of the Opposition paid no regard whatsoever to past, current or future usage of any particular area, the natural resources that might be locked up by such a declaration, or the value of that use for future generations.

One cannot run blind on such matters and ignore the facts. The Government did not ignore the facts in this matter and ultimately made a declaration of the largest single wilderness area in this State's history. We will continue to honour our obligations and responsibilities to create wilderness, and we will do it in a legitimate and responsible way, as happened with the last declaration. This motion is simply a farce. If it had any substance it would have been moved last week when this House returned. The Opposition has not discussed this subject. In the months leading up to

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the decision made on 9 September there has been no discussion, because the Leader of the Opposition took the view that the Government did not have the guts to declare anything wilderness. The Government had the guts and did it right.

The Leader of the Opposition said that the Government made the announcement on the day of the funeral of the late member for Cabramatta. Initially the announcement was to be made two days earlier. The matter was an agenda item for Cabinet in Armidale on the Tuesday before the announcement. Cabinet that day, because of the death of the member for Cabramatta, did not have an opportunity to deal with much business.

Some members of Cabinet, including myself, did not remain in Armidale in view of the tragedy, but returned to Sydney for obvious reasons. There was a further Cabinet meeting on the Thursday to conclude the business that had not been dealt with the previous Tuesday. Shortly after that Cabinet meeting, as is always the case, announcements were made.

Ms Allan: That is rubbish. You were just too gutless to do it.

Mr FAHEY: It is not rubbish; it is fact. If the honourable member has nothing to say at any time she lets her mouth exercise itself with a load of drivel.

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

Mr FAHEY: The Government's commitment to a legitimate and appropriate declaration of wilderness is obvious. That process will continue and other legitimate nominations will get recognition by this Government. A decision that a nomination is not legitimate will be made only after a very full and careful analysis of the process of use by locals, after ensuring that there is proper management and that all who seek legitimately to have recreational activity in our forests or national parks outside our cities are considered. I assure the House that we will continue to do that for many years to come.

Ms ALLAN (Blacktown) [4.36]: For the last seven years the coalition has been consistent about one thing: its single-minded desire to dismantle nature conservation in this State and in particular wilderness protection. First, it was through the Wilderness (Private Property Rights) Amendment Bill 1992, a private member's bill introduced by the honourable member for Oxley. Then a bill was introduced seeking to amend legislation administered by the Minister for the Environment. It is interesting to note that the Premier referred to the great desire on the part of this Government to amend the Wilderness Act. Unfortunately amendments to the Act have not been forthcoming, despite recognition by the Premier that such amendments are necessary. When the honourable member for Oxley introduced his legislation in 1992 the Minister for the Environment remained silent, unable to speak, incapable of explaining his position about a matter for which he is responsible. Presumably there was some discussion in Cabinet at some stage, at the time when he was Minister.

It is not only in this House that the Minister for the Environment is struck dumb when it comes to wilderness. Apparently he was incapable of speaking also at the joint party meeting on 15 February which debated the Cabinet's December 1993 wilderness decision. The Premier has launched an overhaul of the Wilderness Act - without consultation with the community - simply to please the anti environment rednecks, particularly in his own party. In the midst of this dark depth for conservation came the announcement of the Premier and the Minister for the Environment on 23 December 1993 of a so-called Christmas present for New South Wales, the declaration of 11 wilderness areas totalling 350,000 hectares.

As the Leader of the Opposition has already outlined, this announcement was made only two days before Christmas and was "a welcome gift to the community of New South Wales, particularly for the children", as I remember the press reports of the time. It was a cruel hoax by the Premier and the Minister for the Environment so that we would not scrutinise too carefully the exact nature of the decision that was being announced. I was preparing the Christmas turkey at the time I heard the dulcet tones of the Premier and the Minister for the Environment making their announcement. That turkey was undercooked that year, just like the decision announced on 23 December.

The ineptitude of the December 1993 wilderness announcement by the Premier and the Minister for the Environment has been well illustrated. I will reiterate some of the points made and I will make additional points in relation to that announcement. Firstly, the bogus nature of the announcement made no real advance in wilderness protection. It was largely protecting areas that were already well protected. Secondly, the ineptitude was revealed by the abysmal lack of community consultation that had occurred during the wilderness process.

Thirdly, the ineptitude has been demonstrated by the delay in determining the wilderness nominations.

Some of those wilderness nominations took five years to determine. Of course, in the December announcement, the Premier and the Minister for the Environment got it wrong. Fourthly, the ineptitude of the Premier and the Minister has been demonstrated by their failure, in the eight months since the December announcement, to precisely resolve the Government's position on wilderness. If ever a government has been lost, adrift in the political wilderness, it is this Government. But one thing is guaranteed. The Premier will be incapable of leading those opposite out of the wilderness in the next six months, and the speech we heard today from the Premier - that defensive rave from the Premier to justify the decisions that were made on wilderness in December and again this month - not only confirmed my feeling and belief and that of the Labor Party that the Premier does not have the ability to do the job in the next six months, but also convinced the environment movement of this State of that fact.

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On 27 August the environment movement of New South Wales convened an environment in crisis conference. It was largely a conference that excluded politicians. It was an attempt by the environment movement to identify its key elections goals in the lead-up to the next State election. A variety of topics were debated and at least 22 topic areas were eventually carried by the conference. At that stage, wilderness was simply one of those topic areas. There were a number of components to the eventual declaration on wilderness that was accepted by the conference. The first of those - which was carried unanimously by the environment in crisis conference - was that the New South Wales Government should be called upon to defend the Wilderness Act in its entirety and, under the Act, declare all wilderness in New South Wales by the year 2000.

That is a bold but absolutely essential goal that the conference had for wilderness and for the next few governments of this State in the lead-up to the year 2000. Interestingly enough, that conference took place before this most recent backdown on wilderness by the State Government, by the Premier and by the Minister for the Environment. Had this backdown been announced by 27 August, we would have seen the wilderness agenda item elevated probably to the very first topic of concern to that conference. No doubt the Minister for the Environment has received this booklet but what he has failed to understand is that, because of this outrageous decision that he and the Premier have made since that conference, the New South Wales environment movement is now even more united in its opposition to this Government.

As a member of the Opposition, I am delighted by the fact that the environment movement is united. The Minister for the Environment thinks it is amusing that in one decision that he and the Premier have made in the last four weeks they have united what is otherwise usually a fairly fragmented movement in this State, the environment movement. The Opposition is delighted that the conservation movement is united and it is particularly delighted that the movement has elevated the wilderness protection issue to one of primary concern over the next six months.

Mr W. T. J. Murray: So are we.

Ms ALLAN: The former Deputy Premier said, "So are we". That just shows how out of touch he is. He has obviously ignored virtually every editorial and news item that has occurred in the coastal and metropolitan press on this issue in the past few weeks. Whether you like it or not, Wal, that is where the seats are located that you are going to have to win in order for this Government to be returned next March, and you are not going to be able to do it. You have hung an almighty albatross around this Premier's neck. You may not like him, Wal, but he does not deserve electoral defeat as his payment from you.

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

Ms ALLAN: Nor does the Minister for the Environment. No matter how inept he is, he does not deserve it - from you, Wal, in particular, because you had your long years as Deputy Premier and you had your ministerial car but you are not going to let this Minister have the opportunity to also have it.

Mr Hartcher: Give the kids a go, Wal.

Ms ALLAN: Yes, give them a go, Wal.

Mr SPEAKER: Order! I remind the honourable member for Blacktown that members should be referred to in the Chamber by the names of their electorate and not by their Christian names or surnames. I direct the member to do that in future.

Ms ALLAN: It was an outburst of affection, Mr Speaker. I apologise. The areas announced by the Premier on 23 December for declaration as wilderness are overwhelmingly existing national parks and nature reserves, already protected in the parks system. So similar are they, for example, that even the Premier in his speech kept leaping from wilderness to national park, because he was never quite sure at any particular moment during that speech exactly what he was referring to or exactly where he was physically located at the time. Even some of the areas within parks and announced as wilderness areas by the Premier are already zoned as wilderness. To reach the figure of 350,000 hectares of wilderness, the December announcement included the Washpool wilderness area of 31,161 hectares, which includes the 24,500 hectares declared in May 1985, plus areas within the Gibraltar Range National Park declared as wilderness in 1982.

Such was the duplicity of this shallow and ineffective Government when it announced the December proposal. Honourable members should look at the wilderness areas announced in December 1993. If there was any competing interest, wilderness protection had the lowest priority. For example, Deua wilderness area was carved up into three separate wilderness areas by trails; the Washpool area was carved into two by trails; the Lost World wilderness area was carved into three by trails; and the Guy Fawkes area was carved into two by a stock route. Of course, we have heard about the value of stock routes from the Premier. The greatest joke of all that was visited on the people of New South Wales is the Macleay Gorges wilderness area. It was cut in two by a rail with four major holes in the middle - a quadruple donut wilderness resembling a child's finger painting.

These contortions are a far cry from the definition of wilderness in the 1976 Hilmer report, which was "a core area free of major indentations". Even the December announcement contained major indentations. The Government's definition of wilderness - where it has definitions, and the Premier has already shown himself to be very confused about what wilderness actually is - appears to be major indentations surrounded by something no special interest group wants. This was the area announced on 23 December. Now, in September, the Government has abandoned two-thirds of the wilderness plan of December. A humiliating backdown by an indecisive Premier, and an even more hopeless environment

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Minister. Why the backdown? The future Premier, the present Leader of the Opposition, has already talked briefly about that. On the day after the Premier's announcement on 23 December, the honourable member for Monaro was reported in the *Sydney Morning Herald* in the following terms:

I have notified the National Party I will resign from the Government . . . if the declarations are gazetted.

On the same day the following report appeared in respect of the honourable member for Burrinjuck:

Liberal MP for Burrinjuck, Alby Schultz, said "I have lost totally any respect for the Coalition from the Premier through to the Deputy Premier".

In the *Australian* of 24 December the honourable member for Burrinjuck is reported as having said:

Mr Fahey is one of the weakest leaders I have ever seen in my time in the Coalition.

Those are the words of the honourable member for Burrinjuck, so laugh at him the next time he is in the Chamber. It was not me speaking this time; it was the honourable member for Burrinjuck, using what I think were actually kind words, even words of praise. That is the honourable member for Burrinjuck speaking about one of his colleagues - at that stage, at least. This was a really wild and woolly Christmas period. On 28 December the honourable member for Dubbo commented:

The Deputy Premier has been toadying to the Premier on this wilderness issue and helping him to pamper to the green basket-weavers in metropolitan electorates.

At least the honourable member for Dubbo has more political nous than some of his other National Party colleagues. At least he recognises that that is where this Government will have to win seats if it is to get itself re-elected next March. The crisis continued throughout January. It must have been a tough holiday for the Minister for the Environment. The honourable member for Monaro told the *Sydney Morning Herald*:

I am unmovable, unshakeable and immutable on this issue.

Mr Hartcher: Is that me?

Ms ALLAN: It is not you. You have never said that. You are a jelly-like creature who has never ever said that you are unmovable, unshakeable and immutable. You shake when you talk, as you are shaking now when you laugh. It was the honourable member for Monaro, your political *bête noire* in the party room. In the 16 January edition of the *Sydney Morning Herald* he is reported as having said:

My position has never changed and never did change. If the declarations go through I will resign.

As January went on other National Party members of Parliament got in on the act. The National Party whip, the honourable member for Oxley, has had a longstanding interest in wilderness areas, as I have already stated. The honourable member for Bega also confirmed that he would resign and sit on the crossbenches. The honourable member for Dubbo had another say as January wore on and, apparently acting as a commentator, said:

If Cabinet solidarity is used as a weapon against a substantial use of Government members you have a crisis.

So we had a crisis. Unfortunately, most of those characters did not resign from the National Party. They organised themselves. They got together as bullyboys in the party room and made sure that this very weak-kneed Minister for the Environment and the Premier adopted their line. It is now the credibility of the Premier that is on the line. The final sell-out earlier this month reinforces the point. Nothing defines a government's capacity to govern more than how it develops policies to resolve great issues of public debate and concern. Even the speech of the Premier in the last half an hour reflects how little he is fully aware of and how little he has been properly briefed on this issue. For example, he talked at some length about the widespread public consultatory process that occurred on the wilderness issue and concluded that results of the various submissions that had been made to the National Parks and Wildlife Service and others, perhaps even to the Surveyor General, were about fifty-fifty.

That is not true. I suspect that it is really a reflection on the advisers to the Premier that he is not being properly briefed on this issue. If one looks at the percentage supporting the various submissions for the nominated wilderness areas during this process, the very lowest was 54 per cent for Goodradigbee, but most of them were in the 70s - 78 per cent for Deua, 79 per cent for Lost World, 77 per cent for Macleay Gorges, 79 per cent for Washpool, 76 per cent for Guy Fawkes, et cetera. A lot of letters were received for Binghi, 70 per cent of which were in support of the declaration of the wilderness area. A physical supplanting is going on in the chair. The Minister for the Environment is so inept, so ineffectual and so irrelevant to the process of wilderness nomination that he is not even allowed to sit in the chair while the Premier is away. The Deputy Premier entered the Chamber and strongarmed him out of the chair. We know that the Deputy Premier is still recuperating -

Mr Armstrong: On a point of order: there has to be a little bit of commonsense in this place. May I inform the honourable member, who is questioning why the Minister for the Environment left the chair, that the Minister is responding to a call of nature. Even those who live in a wilderness would certainly appreciate that. May the records show that the honourable member for Blacktown introduced this particular subject into the

debate, thus demeaning the quality of debate, demeaning the principles of this House and now the Opposition does not like to get a sensible, practical response.

Ms ALLAN: I am not going to comment any further on the incontinence of the Minister for the Environment. But what is very important -

Mr Armstrong: I ask that the honourable member for Blacktown withdraw that offensive remark. She has insinuated that the Minister for the Environment is incontinent, not incompetent. The honourable member is trifling with the House.

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Mr SPEAKER: Order! I ask the honourable member for Blacktown to withdraw that reference to the Minister for the Environment.

Ms ALLAN: I withdraw it. I have no evidence of that. This debate has made it obvious that the wilderness policy needs to be developed in a coherent and sensitive fashion. Everyone in the Chamber would fully appreciate the very contentious nature of this issue. What is also obvious is that a policy has not been developed. Despite this Government's six years of opportunity to develop effective policies on wilderness in this State, it has not been able to bring to the community of New South Wales a package that actually satisfies the needs of conservation, or some of the smaller interest groups dotted around the State who have very strong views about the wilderness debate. The Government is in an embarrassing situation. In September both the Premier and the Minister for the Environment, who is not in the Chamber, will have to do a major retreat. This situation need not have arisen. The Premier did not have to come out before December - [*Time expired.*]

Mr ARMSTRONG (Lachlan - Deputy Premier, Minister for Public Works, and Minister for Ports) [4.56]: Democracy is the basis of this Parliament, but for all of its benefits it has a few weaknesses. From time to time it produces honourable members in this place who have a very narrow field of knowledge. There is nothing wrong with having a narrow field of knowledge; often it is specialised. Indeed, it is necessary that the Parliament have honourable members who have experience and knowledge in a diversity of fields because the responsibilities of the Parliament are to serve the entire community with all its diversified interests. But that does not mean that honourable members participating in debates, in the decision making process, have an even fundamental knowledge of the subject material they are trying to address. There is no doubt that environmental activities, environmental management, the wilderness, national parks, land management, and management of environmental matters are significant and of strategic importance, not only to the great majority of New South Welshmen but also to our economy and to our presentation to other nations.

It is a reflection on democracy that from time to time in this Parliament we have to put up with speakers from the Opposition who literally have no knowledge of their subject material in this type of debate. People on the Opposition benches use subjects as important as this for no reason other than their spurious brand of low level politics. The Opposition in this Parliament lacks credibility, lacks visible direction, lacks a visible base of support within the community and lacks respect within the professional areas that give advice to members of Parliament and that give advice on matters as important as wilderness and the management thereof. It is bereft of people with good individual knowledge and it collectively lacks the wisdom, the knowledge but, most importantly, the willpower to learn to do something about it.

There is no doubt that the intention of the Government to make new wilderness declarations in this State in the past 12 months or so has been meritorious. Our Government has honoured virtually every commitment it made when it came to power in 1988. This was one of those commitments. We have not only honoured the commitment; we have had extensive and exhaustive consultation with the broader community. Various groups have expressed an interest in the issue and they have been accommodated. Hundreds of individuals have been listened to and their views have been accepted with the honesty that they were given by the Government. This has resulted in the Government coming to a sensible conclusion on a matter that at the very best was going to be difficult. We knew that, the Opposition knew that and the environmental groups knew that. The definition of

"wilderness" introduced by the previous Government was quite specific. The Premier referred to it earlier this afternoon. This part of the Wilderness Act of 1987, referring to the Director of National Parks and Wildlife, states:

Identification of Wilderness

6.(1) An area of land shall not be identified as wilderness by the Director unless the Director is of the opinion that:

- (a) the area is, together with its plant and animal communities, in a state that has not been substantially modified by humans and their works or is capable of being restored to such a state;
- (b) the area is of sufficient size to make its maintenance in such state feasible; and
- (c) the area is capable of providing opportunities for solitude and appropriate self-reliant recreation.

(2) In forming an opinion under subsection (1) the Director may consider any relevant circumstance, including:

- (a) the period of time within which the area of land could reasonably be restored to a substantially unmodified state;
- (b) whether, despite development which would otherwise render it unsuitable, the area of land is needed for the management of an existing or proposed wilderness area; and
- (c) any written representations received by the Director from any person (including a statutory authority) as to whether the area of land should be identified as wilderness.

Mr W. T. J. Murray: Now Carr wants to rewrite the definition.

Mr ARMSTRONG: Indeed. But who was it in the previous Labor Government that introduced this definition? The Leader of the Opposition, who was then masquerading as some sort of Minister for the environment. Now he wants to do another Carr turnaround. The bottom line is this: the areas that were submitted to this Government for consideration of their declaration as wilderness contained some very beautiful areas and land which was settled very early. The Goodradigbee area was settled in the early 1800s up to the snowline by old families such as the McKechnies, the Cochrans, the Wests, the Westons and the Lindleys. The area was grazed until the 1940s. I think of families such as the Reids from

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Cooinbil in the Riverina, the Faulkners - only some of them - and the Southwells from Hall and Weetangera in the Canberra area. A legacy of early settlement are the beautiful old huts such as Oldfield's hut and the hut at Blue Waterholes that have been preserved by various environmental groups.

Mr Cochran: By the Kosciusko Huts Association.

Mr ARMSTRONG: Yes. Such areas are a valuable part of our history. How many books have been written about the areas? One of the most popular snow resorts is Blue Cow. The name comes from the history of the area: it was named after a roan cow. I was sent a book recently by Tom Barry from Jindabyne. Members of his family were some of the oldest settlers in the area. In fact, the Barry Way was named after his father. The book contains photographs and wonderful short stories about the history of the area. The people who opened up the country cared for it in relation to soil erosion, feral animals and noxious weeds. They tried to manage the land in a manner compatible with the development of Australia. They did an outstanding job.

But of course people lived there: they built houses and huts, put up fences, tethered their horses in yards, marked their lambs in yards, and used arsenic in dip to keep ticks out of their sheep. The country is full of ticks. The settlers ate apples and now apple trees grow throughout the area. Weeds from the old country such as stinkwort, ragwort and St John's wort were introduced. It would do members of the Opposition good to take a hoe with them to the area to cut out a bit of stinkwort, ragwort and St John's wort. Then they might know

what they are talking about. They should get their hands dirty.

Mr Knowles: Have you been digging out any ragwort, Chris?

Mr ARMSTRONG: I think there is even Labor wort there. There are introduced species such as fox there. There is great debate about whether the Australian dingo is native but there is no doubt that the Australian dingo in the mountains has been interfered with by man with the introduction of other species. This Government showed its preparedness to declare wilderness areas and an absolute commitment to ensure that areas that it did declare were truly wilderness within the definitions of the Act. They had to have the capacity to be restored to their pristine state after being modified by man.

This Government, unlike the previous Government, was not about to embark on an act of hypocrisy for short-term imagined political benefit. It would not make proclamations about land that were fundamentally untrue. For those reasons the Government consulted people with knowledge of the matter. The Surveyor General was asked to assess and report on the lands. He talked to many of the families I mentioned - the Oldfields, the Wests and others who can name every creek and hill and who know about the types of soil in the area and the rainfall and the fires that have gone through the area. Indeed, they have probably contributed many times to preventing the area being burned out.

The Surveyor General gave the Government vital information that contributed significantly to the Government's decision announced by the Premier on 9 September. As the Premier said, it is arguably the largest declaration of wilderness areas in this State's history. It was this Government that did it; not the Labor Party, which was in power for 12 years. What did it do? There was a fair bit of talk but that was about it. There was talk but no declaration of wilderness areas. During that time the national parks became full of ragwort, stinkwort, St John's wort, Paterson's curse and lantana. Labor removed funding and allowed beautiful areas of New South Wales to deteriorate.

The Labor Party has no credibility when it suggests that the Government has not been responsible. By any benchmark of commonsense and to anyone who has a basic appreciation of what has occurred, the Government has acted with probity, honesty and responsibility to ensure that true wilderness is recognised and protected. The Government also recognises that the people who live in New South Wales have a right to recreation, be they fishermen, mountain bike riders, drivers of four-wheel drive vehicles or backpackers. The elderly, the very young and the handicapped have rights of access. There is no reason why our children should not have access to those facilities. I do not know about Opposition members, but I know that a number of Government members take their children and grandchildren to responsibly enjoy those beautiful areas when the young ones are no more than three and four years of age.

Clearly, the Government has acted in a completely responsible way. I challenge the Opposition to successfully and sincerely point out where that statement is inaccurate. The Leader of the Opposition in his rantings and ravings always reminds me of a constipated blowfly - all eyes and noise. His rantings and ravings today reminded me of a mouth with legs. The Leader of the Opposition referred to a letter to the editor that appeared in the *Land* newspaper, a wonderful rural publication, on 10 March. He has tried to make political mileage out of that letter, saying that it suggests some sort of split between the National Party and the Liberal Party. He says that there is some problem between the Minister for the Environment and me. I bet he has not even read the letter. Actually, I think he relies on the Deputy Leader of the Opposition to read things for him - and we saw what happened to him, we know how well the Deputy Leader of the Opposition goes.

This Government and its Ministers are honest. We are not like the Australian Labor Party. In the Government there are no backroom deals; there is no knifing behind the scenes; there is no throwing out of hard-working members, as happened to the member for Liverpool; there is no dudding behind the scenes, as happened to the member for Riverstone. This Government and this Minister for the Environment are honest. Ministers who have differences of opinion are happy to debate them at any time in public. This is a government for the people of New South Wales and it will remain that way. There is complete agreement

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between the National Party and the Liberal Party and between Ministers and backbenchers on the way that the Government has managed this process. It is an example of democracy at work.

Government members will not be gagged. Government backbenchers will not be gagged. Government members are not like Labor Party members. We will not go down that fatal path that the Labor Party takes so often, the path of eventual self-destruction. Government members do not need to resort to the sorts of tactics that had a good man like the honourable member for Liverpool called from his successful career after the 1988 election. The Labor Party said, "Peter, come back, we need you. Come back and save us. Come back and lead us". Of course, once the Labor Party had the honourable member for Liverpool back they gave him the greatest shafting of all time; they tried to throw him out in the wilderness.

Mr Rixon: The Leader of the Opposition did that.

Mr ARMSTRONG: That is right, and that is why every fortnight or so small groups of Labor Party members get together to try to get the numbers to throw out the Leader of the Opposition. The bottom line is, however, that they cannot trust each other long enough to get the numbers together. That is their problem - they do not have the loyalty or the capacity to debate matters between themselves with honesty, probity and integrity. Government members do have honesty, probity and integrity. Our grandchildren are entitled to ride on the path established by the Man from Snowy River. They are entitled to enjoy the benefits of the unique Australian topography that we have in New South Wales. There is no way that the Government will deny the broader population the sensible usage and management of our sensitive and beautiful areas.

Mr Gaudry: Shorten your stirrups a bit.

Mr ARMSTRONG: You would not know what that means. There is no doubt that the areas now declared as wilderness by the Government are worth while and fit well into the associated national parks. The national trail ride up through the north is a wonderful feature that has been supported by this Government. I have left a most important aspect to the end of my speech. The most important thing is funding. This Government in its budget presented some 10 days ago doubled the funding for national parks so that they can be managed properly. This Government made a financial commitment towards the eradication of feral animals and noxious weeds from national parks and wilderness areas. This Government has said that it will establish local community trusts; that the community will be able to manage these areas. This Government has brought in proper management.

All of these achievements are things that the previous Labor Government would not do. The Labor Government did not provide funding for the eradication of noxious weeds or feral animals; it would not manage fire problems and it would not allow local communities to have a say. The Labor Government would not allow local communities a responsible hand in the lands that they have developed and that they love so much. Labor Party Opposition members are isolated. They do not understand. They are two-bob politicians. Opposition members are only ever interested in two-bob politics. This debate is a waste of the time of Parliament. This motion has been moved by the Opposition, which is pretty desperate - particularly after the bucketing of the Deputy Leader of the Opposition this afternoon. If this kind of debate is the best Opposition members can do, they will remain on the Opposition benches. May they enjoy their time in the wilderness of this House, which is probably as close as any of them will get in the near future.

Mr ACTING-SPEAKER (Mr Glachan): Order! The time being 5.15 p.m., in accordance with sessional orders the debate is interrupted.

PRIVATE MEMBERS' STATEMENTS

WARRINGAH COUNCIL LOCAL ENVIRONMENTAL PLAN

Mr HAZZARD (Wakehurst) [5.15]: Yesterday a constituent of mine in Wakehurst, Ms Jennifer Gillis, came to see me here in Parliament to express her concerns at what she perceived as delay and inactivity by Warringah Council in the preparation of its broad-ranging local environmental plan. Ms Gillis pointed out that she had been to council on a couple of occasions, the latest being last Monday, to inquire about the local environmental plan being prepared by Warringah Council. She noted that the *Manly Daily* of 3 June had confirmed that the Minister for Planning, and Minister for Housing, Robert Webster, had visited Warringah Council to discuss progress of the drafting of the local environmental plan, with particular reference to getting the council to a stage at which it would impose appropriate guidelines for the approval of dual occupancy developments. The article of 3 June by Peter Alexander stated:

Mr Webster was told that the Council's draft Local Environmental Plan would be completed by mid August and after public consultation would be ready for gazettal by the middle of December.

At that meeting were the mayor of Warringah and the honourable member for Davidson. The article also quoted a senior council officer who was alleged to have said, "The Council could be in a position by the end of December to present the LEP for gazettal with exemptions". Ms Gillis has written to me today confirming her concerns. I quote from her letter dated 22 September:

On Monday 19 September 1994 I visited Warringah Council and spoke with -

here she names a council officer whom I do not intend to name because she asked me not to name the officer in the House -

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in order to find out when the LEP would be finalised. He replied that the consultants would probably have it finished mid October, then it would have to be submitted to Council. The next step would be to submit the LEP to the Department of Planning for a Certificate of approval. Then hopefully it would be exhibited to the public February or March of 1995.

I then stated to -

the same council officer -

that the Minister Robert Webster visited council way back in June of this year and handed over a grant of \$5000 to enable Council to finalise their LEP. I also noted that you -

there she refers to me -

had made arrangements for officers of the Department of Planning to work in conjunction with staff of Warringah Council in order to expedite matters. The officer replied that Mr Hazzard was 'naive' to say that such a plan could be finalised quickly.

It would appear that I have been naive, as has the Minister for Planning, and Minister for Housing, in accepting the word of that council as to when the local environmental plan would be drafted, presented and gazetted. I am naive, I suppose, for having relied on the public assurances given by the council in the presence of the honourable member for Davidson, the Minister for Planning, and Minister for Housing and the *Manly Daily* representatives at the meeting held in early June. The problem here lies entirely with the council and whether or not in its dealings with constituents it is displaying the integrity that we as constituents would expect. It would seem that any undertakings given by our council, even to a Minister of the Crown and representatives of our local newspaper, the *Manly Daily*, cannot be relied upon by the residents of Warringah. Ms Gillis said in her letter that when constituents raised with council the issue of standards for dual occupancy the council's answer was simply, "It is State legislation and there is nothing we can do about it". Her comment on that is, "Obviously they can do something about it, but haven't". She then states:

The issues to be addressed are -

- 1 Why is Warringah Council taking so long to complete their LEP and submit it to the Department of Planning,
- 2 Four months have elapsed since the grant was made, surely a firm of independent consultants, together with "specialised" staff of Warringah Council can do better than this . . . taking into consideration your efforts
 - (a) arranging for the Minister to come out and consult with members of Council, and
 - (b) having the foresight to arrange for officers of the Department to work with Warringah Council staff.

I have checked with the Department of Planning and it appears that it has not been informed about the delays. The honourable member for Davidson, Andrew Humpherson, and I are getting quite frustrated and fed up with Warringah Council telling the residents one thing and then doing the other. I am informed, and I believe, that the last meeting that took place with the Department of Planning was on 7 July. Department of Planning officers stand ready, willing and able to work with council officers but it appears that, except for a few phone calls, council has not seen fit to brief the department in the past 2½ months.

I was told that at the last meeting on 7 July council only looked at the dual occupancy issues and there was no further update on the myriad issues that will come into the new LEP. Unless council keeps the Department of Planning properly informed about what is going on, the two-way communication that the honourable member for Davidson and I arranged through the Minister's office will be useless. Naive I might be, but I believe that anyone who gives his word on a particular arrangement should stick to it. And if the commitment cannot be maintained, despite public undertakings, that should be made clear. The problem is one of management; it is a matter of setting objectives for staff to reach; and it is one that council needs to address. [*Time expired.*]

Mr DOWNEY (Sutherland - Minister for Sport, Recreation and Racing) [5.20]: It will give me great pleasure to refer the complaints of the honourable member for Wakehurst about Warringah Council to my colleague the Minister for Planning whom I am sure will be interested in his comments. As members are well aware, I hold certain views about local government officers in this State. One view is that they tend to blame everyone else but themselves for their own failings. Obviously, a good case has been established against Warringah Council because it is not prepared to take any action to rectify its own problems about dual occupancy in the Warringah shire area. It simply wants to blame the State Government. That is nothing but a cowardly backdown by the council. It will give me great pleasure to refer these representations to the Minister for Planning.

BROADMEADOW RAILWAY LOCOMOTIVE WORKSHOPS

Mr GAUDRY (Newcastle) [5.22]: I advised the office of the Minister for Transport that I would be raising this matter this afternoon, therefore I ask the Minister for Sport, Recreation and Racing to refer these representations to the Minister for Transport. The matter concerns workers at the Broadmeadow rail locomotive workshops, which are targeted for closure by the Government in December. The problem concerns the memorandum of understanding between workers at the Broadmeadow depot and management of the State Rail Authority about regrading those workers under new work classifications and the movement of those workers to new grades. The workers were told they would be transferred to the appropriate employee operator grades provided they agreed to undertake training; those accepting a redundancy would be transferred. Those conditions were accepted by the SRA.

On 30 September 46 workers targeted for redundancy were told that they would not be made redundant on the reclassified grades. That will have a severe impact on the hourly rates of pay on which they will leave the SRA. The workers are quite adamant that the reclassified grades decision was made and accepted when the locomotive management project memorandum of understanding was signed by representatives of the union

representing various

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sectors of workers within the SRA at Broadmeadow, and by Mr A. Parkinson, manager of rolling stock, maintenance; Mr R. Condello, rolling stock, maintenance, north region; and Mr R. Schwarzer, group general manager, who is at present acting chief executive of the SRA. I ask the Minister to treat with sympathy the workers who will leave the SRA with redundancy payments because they have been placed in a difficult position.

What is happening with the trip maintenance facility planned to open at Port Waratah in June 1995? Are the workers presently at the Broadmeadow locomotive workshops to be maintained in employment until that time in their new grades and transferred to that facility when it is opened? The Minister announced at the opening of the Clyde workshops on Kooragang Island that the Port Waratah facility would be opened with work guaranteed for the men from Broadmeadow rail locomotive workshops. Plenty of work is available at the workshops; in fact, work is being removed. A memorandum of 21 July states that locomotives from foreign depots are not being worked on at Broadmeadow but are being taken back to home depots to be worked on under the term "dead attached". Rail work that could be done at Broadmeadow locomotive workshops - which will remain open at least until December, according to the memorandum - is being taken from the Newcastle area, which has adequately trained staff and workers who wish to remain employed with State Rail and wish to continue with the available retraining.

I ask the Minister to provide an answer to those three issues. The 46 workers who were taking redundancy payments in September as part of the agreement were given to understand that they would become redundant under the reclassified trade group or employee operated group. Can the Minister ensure ongoing work for the remaining workers at Broadmeadow locomotive workshops? When will the trip maintenance facility open? Funds have been given in the budget to commence construction. Will the workers be guaranteed employment at that place? [*Time expired.*]

WARRINGAH COUNCIL LOCAL ENVIRONMENTAL PLAN

Mr HUMPHERSON (Davidson) [5.27]: I join my colleague the honourable member for Wakehurst in expressing grave disappointment at Warringah Council for its lack of action in seeking to gain an exemption from dual occupancy legislation. The honourable member for Wakehurst and I have pursued this issue with council for more than a year. In the early part of 1993 at a council meeting we indicated that if council had any concerns about dual occupancy, it should raise them. Councillors were silent. In June last year the Minister for Planning informed the council that it could gain an exemption from dual occupancy if it put in place its own LEP and undertook housing studies. The council did not take up that option for more than 12 months.

In June this year at a meeting with the Minister for Planning, Robert Webster, council indicated it would accept a grant of some \$5,000 towards a housing study, and gave an undertaking that a draft LEP would be available for public exhibition by the end of August and an exemption from dual occupancy for gazettal by the end of this year. Council has now completely reneged on that undertaking and has walked away from it. It is most likely that the motive for this action is the involvement of the Local Government Association and its president, Peter Woods. He has indicated to councils that in order to put pressure on the State Government they should delay any action concerning gaining exemption from dual occupancy.

Warringah Council has heeded that advice and is going slow. It has walked away from a public commitment that it gave to the Minister for Planning, two local parliamentary members and representatives of the *Manly Daily* local newspaper. The public view put by the council is that it is aghast at the State imposed legislation, yet privately supports dual occupancy. Many councillors have direct association with dual occupancy applications and accept the concept of the proposed increase in housing density. However, every time a contentious application comes up, those councillors are at the forefront in criticising the State Government. For 15 months Warringah Council has been able to gain an exemption from dual occupancy but has done next to nothing about it.

A number of applications for dual occupancy have been made in my electorate. One recently drawn to my attention in Frenchs Forest was the Carnarvon Drive area where 14 dual occupancies are proposed in one cul-de-sac - 14 lots, 14 dual occupancies, 28 dwellings involving up to three storeys. That sort of development is completely out of character with the local area. The only way they would be approved and built would be if the council continues its negligence, as it has over the past 15 months.

The residents of the Warringah Council area are sick and tired of problems with dual occupancy developments which have inadequate regard for neighbouring privacy, overshadowing of adjacent properties, lack of local characters, and parking and traffic problems. That council has had the ability, along with eight other councils in New South Wales, to gain an exemption from dual occupancy but has done next to nothing about it. Many councils throughout Sydney and New South Wales are close to gaining exemption but Warringah is lagging well behind.

The council gave a very clear and unequivocal undertaking that it would seek an exemption but it has done very little. The council promised to take up a Department of Planning offer to fast-track a dual occupancy exemption but, in effect, that offer has been rejected. The Department of Planning has not been approached by the council in recent months to fast-track this dual occupancy exemption. This underscores what seems to be a deliberate political motive of the council to slow down the dual occupancy exemption. And, if that is not an overtly political move to slow down the process, the council

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must be incompetent, along with every councillor. The council has to take responsibility now. It has had 15 months to gain an exemption and has done nothing. If the council does not gain an exemption from dual occupancy by the end of the year, it must be branded either politically motivated or completely incompetent. *[Time expired.]*

Mr DOWNEY (Sutherland - Minister for Sport, Recreation and Racing) [5.32]: This matter obviously relates to what the member for Wakehurst had to say earlier this evening. The member for Davidson has cause for concern. It seems apparent that Warringah Council is being totally political on this issue, as are other councils. Eight councils already have been exempted from the dual occupancy provisions. There seems to be absolutely no reason that this council - if it get its act together and gets on with the job of serving the people of Warringah shire in the way they should be served - should not be able to gain exemption, if it wants that. The council seems to lack the resolve to do that. I will have great pleasure in forwarding concerns of the honourable member for Davidson to the Minister for Planning.

DROUGHT RELIEF

Mr McMANUS (Bulli) [5.33]: More than 80 per cent of this State is being ravaged by drought. Our farmers are in dire straits and their prospects are not particularly rosy. There is very little rain in sight. Bushfires are blazing. In the past couple of days the Keating Government has stated that it will put together a package of assistance for the farmers of this State, Queensland and other parts of our country. That is most welcome news.

One purpose of this speech is to acknowledge the presence in Parliament today of a very heroic lady, Mrs Kim McCall, who seeks the support of all parties in her endeavours. For the past three years Mrs McCall has been organising the delivery of fodder to the drought affected farmers of the State. Although the Government has been allocating millions of dollars to meet certain rural needs, particularly the personal needs of farmers who require such things as food, she is having great difficulty gaining funding to ensure that she can continue her role of taking much needed fodder to the farmers in the west of our State. With a small committee of six people she has organised a delivery for the first week of October. She is faced with arranging a 75-semitrailer convoy to deliver up to 20,000 bales to the rural community. She has been promised a donation of \$8,000 from a fuel company to assist in moving that convoy. However, her work is being hampered by red tape at State government level.

Mrs McCall advises me that she has been in contact with the Premier's Department and the Department of Agriculture. She has raised \$40,000 from community organisations and the public and presently has the ability to pick up bales of hay in Victoria at a cost of about \$71,000. Unless she gets some government assistance before the end of this week those bales of hay will be sold to people in other States who probably share the same problem of fodder shortage. There is a grave necessity for us to acquire these bales of hay. I call on the Government to urgently give her at least a dollar for dollar grant to enable her to purchase that hay for \$71,000 so that it can be delivered to our fodder starved farm animals.

The Government will probably say, "We have not got the funding", but that is not the case. The *Sydney Morning Herald* of 16 September reported that the Government has put away \$200 million for a "rainy day" program, what we would call a slush fund but they may call a contingency fund. The money is there, and available. The Government admitted that it is there for very needy causes. I can think of no more urgent cause than this, and I am sure that National Party members will agree. This woman has dedicated three years of her life to assisting the rural community. She is not seeking a handout, she is seeking some assistance from the Government, a government that has the money available. I hope that the Minister will ensure that she will be given the opportunity to continue her efforts on behalf of our farming community. She should be recognised by the Government as someone who is giving heroic service to our State and someone who deserves adequate and appropriate finances to allow her and her committee to continue their work.

BAULKHAM HILLS COUNCIL DUAL OCCUPANCY POLICY

Mr MERTON (Baulkham Hills) [5.38]: Some of my colleagues on this side of the Chamber have already raised in this debate the issue of dual occupancy. Dual occupancy is a problem for the residents of Baulkham Hills. I have been approached by many people in respect of this matter, in particular by Mr Restuccia of 21 Dremeday Street, Northmead. Mr Restuccia came to Australia in 1956. He originally lived at Mascot. He came out to Baulkham Hills and visited some friends who had a place at Kellyville. He believed it was excellent environment in which to bring up his children. He moved to Baulkham Hills some years later.

Mr Restuccia is a full-time worker who works hard between the hours of 6.00 a.m. and 6.00 p.m. He is the owner of a property that has become affected because of a dual occupancy application for the property next door. He has been informed by the real estate agents that his property has diminished in value to the extent of something like \$18,000 to \$30,000 because of the possible approval of a dual occupancy on the adjoining lot. Mr Restuccia asked me to make some inquiries on his behalf. I have done so and the results are very interesting. He has been informed by representatives of Baulkham Hills Council that it is entirely a matter for the State Government, and that the council has no say about what would happen in respect of the dual occupancy application.

As I understand it, with regard to dual occupancy applications Baulkham Hills Council has approved 96 per cent and refused 4 per cent, Ku-ring-gai Council has approved 64 per cent and refused 36 per cent and Hornsby Council has

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approved 83 per cent and refused 17 per cent. In respect of applications that have not been approved, Hornsby Council has been successful in 22 of 48 appeals against its refusal to grant dual occupancy applications. In other words, the council has had a 50 per cent success rate. Ku-ring-gai Council had a 30 per cent success rate in having its decisions upheld. Mr Restuccia has objected to the dual occupancy on a number of grounds. He believes that it infringes upon his privacy and upon his children's use of the backyard. He has engaged the services of David Tow Planning and Research, which has prepared a report about Mr Restuccia's property. The report is lengthy but in essence it states:

1. The Proposal fails to comply with Clause 2.1(3) - Limit on Developments of Council's DCP No. 5, the result of which would be a cumulatively detrimental impact upon the streetscape.

2. The Proposal in isolation would have an unacceptable impact upon the streetscape of Dremeday St due to:
 - (a) the need to locate a parking space in front of the existing dwelling;
 - (b) the loss of significant vegetation at the front of the site; and
 - (c) the provision of a car port at the side of the existing dwelling, the details for which have not satisfied Clause 2.5(7) - External Appearance and Design of DCP No. 5.
3. The Proposal does not comply with the open space requirements of DCP No. 5 in terms of the quantity and quality of open space that would be available for future residents of the existing dwelling.
4. The open space proposed for the existing dwelling would not comply with Clause 2.7 - Privacy, of DCP No. 5.

I know the Minister has given Baulkham Hills Council a sum of money to carry out a housing plan so that a local environmental plan can be prepared. However, at this stage that plan has not been completed and residents such as Mr Restuccia have no alternative but to try to get the council to take up each matter as it arises. I ask the council to look carefully at these types of applications. All of Mr Restuccia's children are asthmatics. He is concerned about their environment and the effect the dual occupancy will have on his home. He is also concerned, of course, about the depreciation in value of his particular property as a result of the proposed dual occupancy. This is a serious matter and I ask the Minister to look at it in an effort to protect residents like Mr Restuccia. [*Time expired.*]

Mr DOWNY (Sutherland - Minister for Sport, Recreation and Racing) [5.43]: This is the third time this evening the House has heard about dual occupancy. I will pass on the representations of the honourable member for Baulkham Hills to the Minister for Planning.

INGLEBURN FIRE STATION PROPOSED CLOSURE

Mr KNOWLES (Moorebank) [5.44]: On behalf of all of the residents of Ingleburn I urge the Minister for Police, and Minister for Emergency Services to retain the Ingleburn fire station. On 15 December 1993 I was advised that New South Wales Fire Brigades intended to close Ingleburn fire station to make way for a new station to be constructed at St Andrews. Although everyone acknowledges the need for a fire station at St Andrews, Ingleburn residents and business owners were shocked and outraged by this news. They asked why one fire station should be closed so that another can be built. As a result of considerable community pressure the former Minister for Police, and Minister for Emergency Services agreed to review the decision to close Ingleburn fire station. At the same time he agreed to establish a liaison group consisting of myself, Mr Drew Percival, the president of the Ingleburn Chamber of Commerce and Industry, and Mr Reg Varley, one of the senior retained firefighters at the Ingleburn fire station, to work with central fire brigade staff in the conduct of the review.

My first meeting under that review process with the then acting commissioner, Mr Stan Hearne, demonstrated that the mind-set of New South Wales Fire Brigades had already been determined. Its decision was to be final: Ingleburn would close. In fact, it spent approximately two hours trying to convince Mr Varley and me that the theoretical model that established their standards of fire cover could result in Ingleburn fire station being closed with no effective loss of protection to the town. Of course that ludicrous assertion was not accepted. Clearly all that New South Wales Fire Brigades did was apply a computer model without ever having been on the ground to test the model's assumption. When they actually visited the area some months later they discovered a major and potentially hazardous hole in their plan.

In simple terms the plan of New South Wales Fire Brigades to close Ingleburn fire station and replace it with a new station at St Andrews would result in the entire Ingleburn town centre and a significant proportion of the Ingleburn industrial estate being exposed to serious risk. These two areas contain the worst type of fire

hazard in the Campbelltown area and, for that matter, the Sydney region. There are category 3 hazards, including the Ingleburn commercial centre and the Ingleburn public school. There are category 2 hazards in the industrial estate, and there is even a category 1 hazard, classified by New South Fire Brigades as the most dangerous hazard, that will be left totally unprotected if Ingleburn fire station were to close.

If the Ingleburn fire station is closed, thousands of lives will be put at risk. That is not my assertion; it is based on scientific analysis and the subsequent standards of fire cover adopted by New South Wales Fire Brigades. At a more recent meeting of the liaison group the Executive Officer of New South Wales Fire Brigades, Mr Ross Freeman, clearly recognised that his organisation had got it very wrong. I thank Mr Freeman for at least having the honesty and decency to instruct his staff to go back to the drawing board. With hindsight, it has become clear that New South Wales Fire Brigades was simply trying to spread its resources much too thinly.

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The Ingleburn fire station is strategically located in the centre of the town's central business district area and must be retained. Similarly, given the enormous population growth and industry development on the western side of the main southern railway line, there is also an urgent need to commission and construct the St Andrews fire station. I believe that the simple issue of this Government's hopeless priorities is at the root of the problem. There simply has not been enough money available to allow the maintenance of an adequate fire station system in my region. It has been assumed that the willingness of the hardworking volunteers attached to Ingleburn and Macquarie Fields fire stations will always continue and that they will fill the gaps.

Sadly, I have to advise the House that the morale of volunteer fire fighters at Ingleburn has been at rock bottom since the Government announced the station closure last December. My community will never forget that the announcement to close the local fire station was made without proper investigation and ignored the reality of the local circumstances. The last three annual reports of New South Wales Fire Brigades indicate that Campbelltown and its local government area has had more reported fires than any other local government area in the State. If that fact is combined with the massive growth in population, it becomes fairly obvious that the Government should be providing more, rather than fewer, services. I understand the Minister is considering a report which re-assesses the decision to close the fire station. I have no doubt that if commonsense prevails the Minister will back off and leave the fire station open. I ask the Minister only to speed up his announcement so that my community and the hardworking men and women associated with Ingleburn fire station can get back to work. [*Time expired.*]

MURRUMBIDGEE ELECTORATE MOBILE MAMMOGRAPHY FACILITIES

Mr CRUICKSHANK (Murrumbidgee) [5.49]: I raise a matter of serious concern relating to the activities undertaken by a hardworking committee in the Griffith, Hay, Leeton, Narrandera, Barmedman and Temora areas to raise money for a mobile mammography unit. Everyone will agree that if this cancer was prevalent in men, probably a heck of a lot more would be done than has been done to date by the Government. There have been bursts in encouraging breast cancer awareness and the ways of detecting or preventing the disease, but they have been spasmodic. In 1992 in the Griffith area a committee established to appeal for donations had spectacular success. Unfortunately that committee is on hold after raising \$60,000. For the last 12 to 18 months the committee has been unable to determine its future direction, when it will receive the mobile unit, or whether it will eventually get it at all. The Minister for Health, on 15 July 1993, said:

To this end, I am delighted to hear of the community fundraising initiative established in Griffith by yourself and other community members. The efforts being undertaken, particularly in the light of the difficult economic times faced by many rural communities, reflects the determination and concern of the Griffith community to achieve, as soon as practicable, the highest quality service for their component of the State Program.

I would like to know what has happened since then. A mobile mammography unit is needed - not additions to

the fixed units. In a democratic health service this facility must be taken to the people in outlying areas where there is no public transport. People who reside in little towns like Carrathool, Booligal or Hay cannot be expected to travel to Griffith; they will not do that. This unwillingness to travel long distances was recognised during the tuberculosis eradication campaign when TB vans were located in the main streets of almost every town in Australia. That worked, and worked extremely well in country areas. An editorial appeared in the *Area News* in April this year: "Encourage breast cancer testing. Don't prevent it". Do not prevent it: that is what I am emphasising.

It seems to me that powers are working away to prevent the provision of this facility in the Griffith area and in other areas. I believe that a deal has been done by bureaucrats and Calvary Hospital in Wagga Wagga, which has the only assessment centre. A fixed unit has been set up in the Griffith area despite protests by people who were carrying out the fundraising. They wanted a mobile unit. No-one is listening. What consultation has there been by public servants and the Department of Health with the people in the area who were to be served by the assessment centre? What consultation took place? Were tenders advertised? If not, why not? Some fanciful ideas have been advanced to put a 100 kilometre limit around the fixed unit in Griffith; if one lives within a 100 kilometre radius of Griffith, one is entitled to use the fixed unit. However, places like Yoogali and Bilbul, which are only 10 or 15 kilometres from Griffith, are too far away for some people to make use of the fixed unit.

The Griffith area wants a mobile unit that will travel around from village to village and be entirely democratic as to who it serves. If the rule was that there would be a fixed unit in a major town, Griffith would have a fixed unit, but Leeton and Narrandera would not be able to have one. A mobile unit is needed there. Another not so brilliant idea was proposed to bus the ladies in from certain outlying areas, bringing them to Griffith or other fixed units to have mammography screening. That is a nonsense. Not even one quarter of the outlying population would attend screening facilities if that were to be the case. [*Time expired.*]

Mr DOWNEY (Sutherland - Minister for Sport, Recreation and Racing) [5.54]: I will ensure that the honourable member's concerns are raised with the Minister. Obviously, any community that works hard to raise funds for such a unit should be encouraged. I will ensure those concerns are brought to the attention of the Minister for Health.

HILTON HOTEL BOMBING INQUIRY

Ms ALLAN (Blacktown) [5.55]: Once again I raise a concern of a constituent, Mr Terry Griffiths of Seven Hills, about a matter that over a number of

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years has received considerable airing in this Parliament: the Hilton bombing. On 9 December, 1991, Parliament voted unanimously for the motion moved by the honourable member for South Coast to support a top level, open, joint State-Federal inquiry into the bombing of the Sydney Hilton Hotel on 13 February, 1978. Quite a lengthy debate occurred in this Chamber at that time about the reasons for having the inquiry. Amongst other things that occurred during that debate, the then Attorney General promised the Federal Government full cooperation from the New South Wales Government if the Federal Government decided to establish an inquiry.

Unfortunately that inquiry has not eventuated, despite the unanimous decision of Parliament in December 1991. This failure to initiate the inquiry is why I am continually mentioning the problems encountered by my constituent Terry Griffiths and which, more importantly, continues to place my constituent before the Parliament, before the Government and, more recently, before the new royal commission into the Police Service headed by Mr Justice Woods, in an attempt to gain recognition for a thorough inquiry into what happened in February 1978. I have long admired the courage of Terry Griffiths. He is one who, as a result of his witnessing and involvement on the day, has been emotionally and physically scarred for life.

On that day three people were killed as a result of the explosion. As a result, Anderson, Dunn and Alister were sentenced to gaol, where they spent seven years for a crime they did not commit - conspiring to kill a man

named Cameron, the National Front leader. A number of questions remain because the inquiry has not occurred. These are the questions that Terry Griffiths is constantly seeking to bring before the public: who was responsible; and, more importantly, was there a cover-up in relation to the Hilton bombing? Mr Griffiths, myself and others, including the then Attorney General, Mr Peter Collins, believe that the answers lie with the Commonwealth and State officials who failed in their duty to find the truth on that occasion. Terry Griffiths believes it is now appropriate for Mr Justice Woods to investigate this matter before the forthcoming royal commission.

Terry Griffiths is finding difficulty in persuading Mr Justice Woods that that is the correct way to go. So far he has prepared a submission which has not been presented to the commission. He will be seeking legal assistance from the commission to facilitate the preparation of his submission and eventually his evidence before the commission. To that purpose I must admit that I have put a question on notice to the present Attorney General seeking assistance for Mr Griffiths. Today I emphasise that it is time for the Federal Government to act on this issue. I am making representations to the Federal Minister for Justice, the Hon. Duncan Kerr, to act on the suggestion that this Parliament made in May 1991: that there be a full Federal-State inquiry.

I would like Mr Justice Woods to investigate this matter when he commences the hearings into the royal commission into the police force. If he chooses not to - and there is an amount of evidence building to suggest that he may be seeking to limit the terms of reference of that inquiry rather than to extend them - it is absolutely essential that the Federal Government does not delay the investigation of this issue any longer. It is not only a matter of simple justice, it is also a matter of getting to the bottom of the issue that is now 16 years down the track. It is a question of whether entrenched corruption within the New South Wales and Federal police forces resulted in the Hilton bombing; whether that resulted in the Cameron conspiracy; and whether it resulted in the wrongful arrest of Tim Anderson and Evan Pederick.

These are vital questions which crusaders like Terry Griffiths have been seeking to raise for many years. So far they have met with almost intransigence from not only bureaucracies but the parliaments at both State and Federal level. I would like the Federal Minister for Justice to convene an inquiry. I would like a commitment from the current New South Wales Attorney General, just as his predecessor made, to cooperate fully with such an inquiry. I would welcome, at long last, some real recognition for the campaign waged by Terry Griffiths.

MAITLAND ELECTORATE ACCESS ROADS TO NEW ENGLAND HIGHWAY

Mr BLACKMORE (Maitland) [5.59]: I bring to the attention of the House, and particularly to the attention of the Minister for Transport, and Minister for Roads, a situation in the electorate of Maitland which is far from satisfactory. I refer particularly to two newer suburbs in Maitland, known as Metford and Ashtonfield, each of which has two entry and two exit points that empty on to the New England Highway. The irony of the situation is that at one point when attempting to access the highway motorists enter an 80 kilometre per hour zone and at the other, eastward towards Newcastle, motorists enter a 100 kilometre per hour zone.

Back in the middle 1980s the Department of Housing commenced a rather large subdivision in the suburb of Metford. In those dim, dark ages of Labor rule, the Department of Housing refused to abide by Maitland City Council's development control plan and contribute to the intersection known as Feraby Drive at Metford. Since that date there has been an explosion of development in the area and that has meant a considerable increase in the number of motor vehicles entering and exiting the New England Highway. The residents have been left with the legacy of the actions of the Department of Housing, which failed to listen to Maitland City Council. Bearing that in mind, I approached the Minister for Transport, and Minister for Roads last year and requested that a working study - called the Maitland Transport Working Party - be established to undertake a transport study for Maitland.

The composition of the working party - which the Minister approved this year - included representatives of Maitland City Council, Maitland Chamber of Commerce, the Roads and Traffic Authority, a community representative, CityRail, the Bus and Coach Association, the Department of Transport - whose representative is chairman of the committee - and, of course, the Police Service. The committee met during the past few months and has engaged a consultant to advise the working party and communicate with the various residents and groups in the two areas concerned. Only last month the Minister for Transport, and Minister for Roads came to Maitland and, as announced in the budget last week, advised that a railway station would be constructed in the suburb of Metford at a cost of \$4 million. While this is appreciated, it came about because I personally doorknocked more than 1,000 homes in the Metford-Ashtonfield area.

A surprising result of that survey was that 75 per cent of residents would use public transport if a railway station were established at Metford. As part of my questionnaire when I was doorknocking I asked the residents for their views as to the dangerous conditions which existed in the suburbs of Metford and Ashtonfield - namely, Metford Road, Feraby Drive and South Seas Drive. As a result, the local residents have signed a petition and I am pleased to present that petition to the Minister. It bears some 1100 signatures of residents from the suburbs of Metford and Ashtonfield and surrounding areas. The petition reads as follows:

We the undersigned residents of Metford, Ashtonfield and other interested parties humbly petition

- i) The Maitland City Council
- ii) The State Government
- iii) The Federal Government

to take immediate action to facilitate the upgrading of the intersection at Metford Road and the New England Highway, East Maitland. Due to the present volume of traffic using this intersection it has outgrown its safety and convenience criteria that it was originally designed to cope with. Frequent accidents at this location bear witness to the fact that a roundabout or traffic lights are necessary.

The problem for members of the community is that they believe that, once they have presented a petition, nothing will be done about it. I gave an undertaking to raise the issue in this House. I invite the Minister for Transport, and Minister for Roads to inspect the intersections, I ask that the matter be put before the Maitland Transport Working Party and that action be taken. It is only a matter of time before another fatality occurs.

Mr DOWNY (Sutherland - Minister for Sport, Recreation and Racing) [6.04]: Honourable members are aware of the diligence of the honourable member for Maitland and how unstinting he is in his work for his constituents. Tonight he has raised an issue which is obviously of great importance to his constituents. I will ensure that the Minister for Transport, and Minister for Roads is made fully aware of his concerns and that the petition is made available to the him.

BELMONT LAND REZONING

Mr FACE (Charlestown) [6.05]: I have been asked by a group in my electorate called Communities Against Rubbishing the Environment, CARE, to bring a matter to the attention of the Minister for Planning and the Minister for the Environment. It relates to a proposed BHP rezoning in an area known as Belmont, Jewells and Redhead - Jewells and Redhead both being in my electorate. They have asked for assistance to ensure that a large piece of coastal land in the Belmont area is not alienated by the proposal put forward by BHP to rezone from environmental protection scenic 7(a) and open space 6(c) to residential 2(a), in order to allow the development of a large urban area.

The rezoning of the BHP land in order to allow development will result in increased environmental degradation, so it is said. The alienation of an area that is in large part of high environmental value, or has the potential to be restored to its former and more natural state, would be deplorable in the opinion of CARE. They have been involved in a long fight to establish a Jewells coastal wetlands park. The concept has been accepted,

I understand, by Lake Macquarie City Council. CARE says it is essential that this park extend to the south on BHP land to maintain a natural and continuous wetland, forest and dune system connecting the northern and southern parts of the Jewells wetlands with Belmont Lagoon and Lake Macquarie, part of which is in the electorate of Swansea.

CARE has forwarded an information report prepared by BHP in July 1994. The map on page 6 of that report, and the aerial photograph on page 2, illustrate the threat to the continuity of the Jewells coastal wetlands park and the wetlands system by areas they say are hatched in red and proposed for urban development. The wetland areas, including State environmental planning policy 14 areas to the west of the proposed Roads and Traffic Authority bypass road corridor, will be destroyed and Belmont Lagoon degraded by the proposed urban areas and proposed access roads. They believe the area is under extreme developmental pressure and say developments are proposed in the region - and I know of many - including Pinny Beach 4,000 sites, Green Point 538 sites, and all the following proposals which will directly impact on Jewells wetlands. There are others that would go into that Jewells catchment area: Fencott Drive, Jewells, 500 sites; Liles Park Estate, Redhead, 266 sites; Lambton Colliery, Redhead, 180 sites; and Dudley-Redhead-Oakdale Road, Department of Housing, 260 sites.

The proposal of BHP further involves 1500 sites, plus commercial and tourist activity, on a dune forest and wetland system which should instead be conserved for future generations. This land has been leased or owned and has been the responsibility of BHP since 1925, and during this period has been degraded by sandmining and sand extraction, by the alteration of natural drainage channels and the construction of

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associated access roads. The natural ecosystem has been decimated, but restoration is possible given time and appropriate management. CARE says the answer is not to place a huge urban, commercial and tourist development smack in the middle of it. On 6 September 1994 approximately 500 people attended a coastal rally organised by the Hunter Coastal Forum, with which CARE is affiliated. The meeting called for a moratorium on coastal developments.

I know that the shadow minister, the honourable member for Blacktown, has been to look at the area and has some concerns, as I and many others in the community have. This particular area has suffered considerably over the years. At the time of the rutile mining, radioactive tailings were left, and had to be removed; at one time the area was to have a coal loader thrust upon it; there has been talk of airports, but it has come to nothing. There is a large tract of land known as Awabakal nature reserve. In the 1970s the previous Government wanted to develop that area but it later became a major reserve. A rubbish dump was placed opposite that nature reserve. It was to be there for only five years but remained for 17 years, with all of the associated environmental problems. Quite frankly, one could not blame the people of the area for being sceptical about the present situation. At one time there was even going to be an abattoir in the area. There was to be a mobile park on a site where there is now an aged persons home. That would have been great, right in the middle of an environmental area! I can understand why the local residents have become very cynical. I ask both Ministers to have a look at this matter and to determine whether or not the area can sustain a development of the magnitude proposed.

Private members' statements noted.

[Mr Acting-Speaker (Mr Glachan) left the chair at 6.10 p.m. The House resumed at 7.30 p.m.]

PREMIER, AND MINISTER FOR ECONOMIC DEVELOPMENT

Censure

Debate resumed from an earlier hour.

Mr GAUDRY (Newcastle) [7.30]: The Premier deserves the censure of this House, as does his Minister

for the Environment, the Quasimodo on the opposite side who, at the time of the declaration - the Christmas present by the Premier - was fulsome in his praise of the consultation process that had taken place. He said that it was complete and that it had taken into account all the necessary considerations. Shortly thereafter he was hoping that there was a wilderness in which he could hide from the wrath of the National Party. On the day he made his Christmas present declaration the Premier said:

The public consultation process introduced by this Government in 1992 has been invaluable in ensuring that the views of a large number of affected groups with diverse interests were taken into account before the final decisions were made. This decision represents a fair and even-handed approach to environment protection and the large number of interest groups concerned.

There it was. Consultation had taken place. This was to be a magnificent declaration. It was to be a gift to future generations in New South Wales. It was to be the most wonderful declaration of wilderness. The Premier's statement showed that he had no real idea of what wilderness is or what the Wilderness Act says about what constitutes a wilderness area. As the Leader of the Opposition said, it was a bits and pieces wilderness legislation. Section 6 of the Act, "Identification of wilderness", provides:

- 6.(1) An area of land shall not be identified as wilderness by the Director unless the Director is of the opinion that:
- (a) the area is, together with its plant and animal communities, in a state that has not been substantially modified by humans and their works or is capable of being restored to such a state;
 - (b) the area is of sufficient size to make its maintenance in such a state feasible; and
 - (c) the area is capable of providing opportunities for solitude and appropriate self-reliant recreation.

The areas proposed by the Premier could not comply with that section. It was, as the Leader of the Opposition said, a snakes and ladders declaration - not a coherent wilderness area. The Premier should be condemned for that approach. But he should be further condemned and even censured for his backflip, together with his Minister for the Environment, once he was placed under pressure from the people in this State who really determine what happens in the environment, that is, members of the National Party - in this case the honourable member for Monaro, the honourable member for Bega, the honourable member for Oxley, and in the case of the Macleay Gorges, the honourable member for Tamworth. I am sure, Mr Acting-Speaker, that you had something to say in ensuring that areas that were being considered for declaration as wilderness areas were chipped at, chopped up and rendered completely useless.

The record of this Government, particularly in relation to coastal areas, is one that has everybody crying out for their protection. The main interest of the Government in natural areas is to assess them as a resource first, but a resource to be exploited. If the area has anything on it that the Government thinks might be possible to mine, the Government's approach is to dig it up. If anything is growing, the Government considers chopping it down. The Government does not have a concept of the natural values and the extension of those natural values for the future. In the Government's seven long years in office it has added nothing whatsoever to the wilderness areas of this State. In December last year it made this supposed declaration, but on 9 September the reality of the declaration was attacked universally by the environment movement both in this State and throughout Australia, and attacked by people who have an interest in conservation. The declaration did not add to the wilderness areas.

I mention the coastal areas in my electorate and the coastal areas in the Hunter. The honourable member for Port Stephens is very proud of the

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Tomaree National Park, an area set up by Labor. My electorate boasts the Glenrock State Recreation Area, recognised as very valuable land and land useful for recreation and conservation purposes; again, an area declared by the Labor Party. The approach of the Liberal Party-National Party for the rest of the coast in my electorate is evident: assess the wonderful coastal resource and consider how it can be exploited - "How can we dig it up? How can we sell it off?"

Our precious coastline is rapidly being nibbled away and eroded by coastal developments that are being encouraged by this Government. Barrington Tops is an area of great significance close to the Hunter Valley. Of all wilderness nominations, the nomination of Barrington Tops by the Wilderness Society in 1992 was greatly supported. On 6 February that year the Wilderness Society submitted a written proposal for the identification and declaration of approximately 70,000 hectares of land located on the extreme south-east of the northern tablelands, centred on the Barrington massif itself, the Mount Royal Range and the escarpment edge. That area of land has extremely significant environmental conservation value: it was assessed as being suitable for world heritage. It is a magnificent piece of country.

Barrington Tops is not included in the group of bits and pieces of national parks and wilderness that the Government has declared. The Government's approach is completely unsatisfactory. That is a great tragedy, for without doubt, the Barrington wilderness would be of world significance and could be regarded as an inland Lord Howe Island. Most who travel to Barrington Tops recognise its highly significant environmental and conservation values. In February 1992 the Wilderness Society put forward its nomination of 70,000 hectares of land to be incorporated into a wilderness area. The society recognised that it had to put forward a first-class nomination, and it certainly did that. That nomination went before the National Parks and Wildlife Service, which put it on public exhibition. The nomination was exhibited between April and August 1993, giving the public plenty of time to inspect it and make recommendations, and giving plenty of time for the Minister and the Premier to bring it forward as they have brought other areas forward.

I ask the Minister: why has the Barrington wilderness not been recommended by the Government for nomination as a wilderness? Is it because the Barrington wilderness is a significant wilderness surrounded by National Party seats and is located on the edge of the Maitland electorate? I would be interested to hear the views of the honourable member for Maitland. I am sure he would agree that the Barrington wilderness is an area of great significance for the people of the Hunter, and the Maitland, Myall Lakes and Upper Hunter electorates. Why has such a significant area not been brought forward for nomination?

On 7 November 1993 the honourable member for Maitland, the Minister for Land and Water Conservation, the honourable member for Cessnock and I toured that area with the Four Wheel Drive Association, whose members were concerned about whether the area would be declared a wilderness. They decided to take us for a trip through that area to bring forward their views about wilderness declarations and whether the Barrington area should be declared a wilderness. They were a very responsible group of people. I think we travelled about 300 kilometres, and it was a most enjoyable day. We had a nice morning tea at Moonan Flat. We drove up into the Barrington area and finished up at Polblue, right in the middle of the potential wilderness area in the existing national park.

The association members could not understand the concept of wilderness. They asked whether we could give a declaration that we would support continued four-wheel drive use in that area. I know that the Minister for Land and Water Conservation and the honourable member for Maitland said they would, but I said I could not do that because the area was a very significant piece of country and that we had to look at what was most beneficial for it in environmental and conservation terms. A report on environmental values in that area describes it as having diverse vegetation communities including world heritage listed rain forest, outstanding examples of tall old growth forest, several species of rare and vulnerable plants, numerous plants of biogeographic importance, and the southernmost extensive and best developed examples of Antarctic beech. The area has inadequately preserved plant associations, ancient subalpine swamps, several wild and scenic rivers, and scenic beauty. In fact, it is highly prized as a potential wilderness area.

As the Leader of the National Party said, in that area it is possible to find trails, old huts, and indications that people have been through there, that horses have ridden through there and that cattle have been there. But that does not mean that over time that area cannot be returned or restored to a wilderness state. Those are the horns of the dilemma the Minister is on, for he has said that he strongly believes in wilderness. I quote from an article in the *Sydney Morning Herald*:

The Minister for the Environment championed the Wilderness Act as the State's best chance to protect biodiversity. "Wilderness is the pristine areas of the State or those parts of it that can readily be returned to their pristine condition", said Mr Hartcher.

Once that proposition came before the National Party the Minister very soon found that the Man from Snowy River and all those very passionate defenders of the rights of people to trample through the wilderness and to have their form of recreation ensured said no. He did not stand up in any way to that, nor did the Premier. Unfortunately, the Premier does not understand the issue of wilderness. An article in the *Sydney Morning Herald* of 24 January expresses concern about the Premier's view of wilderness. It states:

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This week, Fahey was talking about protecting the rights of four-wheel-drive users and horse riders. He also said that wilderness couldn't be wilderness if people were riding their horses or driving through it. In fact, he appears not to understand the legislation, which makes it clear that wilderness can be declared if it is "in a state that has not been substantially modified by humans and their works or is capable of being restored to such a state".

The Barrington area has a magnificent variety of plants, different climatic types, wonderful wild rivers in an area which, in the view of the National Parks and Wildlife Service, is capable of being declared a wilderness area when combined with the existing national park, 38,000 hectares; existing State forest, 30,000 hectares; and 700 hectares of vacant and reserved Crown land. That could be consolidated into a World Heritage Area of international significance. A very tiny part of New South Wales could be preserved, as the Premier said in his bogus announcement, as a gift for our grandchildren. It would be a significant gift for our grandchildren. Of course, it would have a cost, and that is recognised. The cost has to be taken into account. The tourism and recreation values of the areas have to be carefully assessed. A classic example of the failure of the Minister for the Environment and the Premier is that the Barrington area was not declared wilderness and the area declared was totally inadequate. [Time expired.]

Mr HARTCHER (Gosford - Minister for the Environment) [7.50]: The motion moved by the Leader of the Opposition is consistent with his other statements. He has always attacked anything the Government has done on wilderness. He has never been supportive of the Government's position and he has played party politics with the wilderness issue throughout. On 23 December 1993 when the Premier and I made the announcement on wilderness, the Leader of the Opposition was at the airport. Nonetheless, he dictated a press release at the airport in which he criticised the Government and said that it was playing a cruel hoax on the community.

On 2 March, again anxious to develop the politics of the issue, he moved a motion in this House to condemn the Premier. The motion was unsuccessful. The position of the Leader of the Opposition and the Australian Labor Party all along has been to oppose anything the Government said. Today, Opposition members pretend that the Government's announcement of 9 September is a terrible thing. The Labor position is based totally on political expediency. This afternoon the Leader of the Opposition played to his supine backbenchers, who were laughing at his silly and irrelevant jokes. He had no substance to his allegations; all he did was make grandiose statements, which mostly were irrelevant. After listening to the speech by Leader of the Opposition for five minutes, Mr Speaker said that the Leader of the Opposition had not made a single comment which was relevant to the motion that he had moved.

Let us look coldly and dispassionately at the issue. The announcement I made on 9 September declared the largest area ever of wilderness under the Wilderness Act. I invite anybody who is to contribute to the debate, including the honourable member for Bligh, to look at the record. A total of 113,000 hectares was declared. You cannot get bigger than the biggest! What is the concern then about the announcement of such a massive area? I invite the honourable member for Bligh to contrast that declaration with the only declaration of wilderness made by Bob Carr in his two years as Minister responsible for the environment. On 17 May 1985 he declared 24,500 hectares of the Washpool area. This is the man who jumps up and down and screams about the issue. That was his one declaration - under the old Act, the National Parks and Wildlife Service Act.

Let us look further at the Government's record. On 13 December 1991 my predecessor as Minister for the Environment, the Hon. Tim Moore, declared the Nattai National Park, 29,800 hectares. On 6 March he made what was to that time the declaration of the largest area, a total of 100,000 hectares - at Mootwingee 47,600 hectares; New England National Park, 28,000; Nungatta National Park at Genoa, 6,100 hectares; and Nymboida National Park in the Mann area, 18,998 hectares. Then on 10 April 1992 he declared 60,000 hectares at Moreton National Park. So this Government has had a consistent record on wilderness, a consistent record of acknowledging the importance of wilderness. It is the subject to which I have a strong commitment and on which I have spoken many times. The Government has consistently declared wilderness areas where appropriate. The record speaks for itself. The honourable member for Bligh should look at the record.

Ms Moore: Yes, it does, does it not?

Mr HARTCHER: The honourable member quite clearly has a closed mind on the issue. There is not much point in addressing any argument to her. I wonder why we have debates in this House when people have closed minds. The Government has a complete, clear and consistent policy of declaring wilderness in New South Wales. The declaration on 9 September covered more area than any other single announcement. The Government could have rejected proposals for declaration of wilderness; it was appropriate and within the Government's powers to do so. But because of the Government's commitment to wilderness it made the declarations.

I refer to the issue of consultation. On 12 November 1987 when the present Leader of the Opposition introduced the Wilderness Act he made it clear that consultation was not required. In his speech introducing the legislation on 12 November he said that "the Minister is not required to notify any person before making an order". When he made his one and only declaration of wilderness he did not consult anybody. There was no consultative process. This Government and this Government alone instituted the consultative process. That process is an issue in which the honourable member for South Coast has taken a strong interest, and the Government is committed to that process. Let me give the House details of the consultative process undertaken in relation to the wilderness nominations which have now been declared.

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Ms Moore: The Minister is having difficulty finding them.

Mr HARTCHER: There is a considerable number of them. I ask the House to bear with me in respect of the wilderness proposals. The Government has undertaken an extensive program of consultation. I will give the House some details. A total of 15,921 submissions were received. There was zero under Labor. Labor did not consult anyone. The honourable member for Bligh knows what Labor governments are like. There were 15,921 submissions received: for Deua, 1357; Lost World 1,436; Macleay Gorges 1,527; Guy Fawkes 1,565; Washpool 1,501; Nadgee 1,690; Goodradigbee 2,185. They are some of the figures. I will give the range of percentages for and against the declarations: Deua, 78 per cent for, 22 per cent against, down to Goodradigbee, 54 per cent for, 46 per cent against. There was wide concern in the community about wilderness, some supporting it and some opposing it. There were widely diverging views on the issue among large sections of the community.

The Government acknowledges that. It has been conscious of the fact that this is an issue which does not have a united community behind it. I support it; most members of the House support conservation of wilderness. But there are many in the community who do not support wilderness, and many in the community who have a concern about wilderness declarations. Those concerns have to be acknowledged and addressed. Accordingly the Government has engaged in the extensive process of community consultation. That, of course, was something requested of me by members of this House, including the honourable member for South Coast and members of the Government. It was felt that there should be wide and extensive community consultation before any declaration was made. Those consultations now constitute the figures given in relation to the wilderness declarations that now have been determined.

The wilderness declarations that are undetermined are still subject to the public consultative process in the sense that members of the public can still make their voices heard. Having dealt with the issue of the largest single declaration of wilderness ever, and the importance of the Government's commitment to community consultation, I will deal with the issue of what the Government is doing on wilderness management. One of the community concerns raised by many people in their submissions is that wilderness management meant neglect - that the areas once declared as wilderness were simply neglected. This was neglect in a perceived way, in respect of feral animals, noxious weeds and bushfire management. In the previous address to this House by the honourable member for South Coast on 2 March, on the motion by the Australian Labor Party, he raised the specific point that there was much concern about these issues.

To address them the Government has increased the budget of the National Parks and Wildlife Service from \$43 million to \$79 million, with large sums of money earmarked for those very concerns of proper control of noxious weeds, which are in devastatingly large areas of national park, for proper control of feral animals, which are devouring large amounts of our wildlife, and for the proper control of bushfires, which threaten the very viability and flora values of national parks if allowed to sweep through them in an uncontrolled and devastating manner year after year. The Government has addressed each of those issues that were raised on 2 March. In addressing the issues of consultation, funding for the National Parks and Wildlife Service, management of national parks and wilderness areas in an appropriate way, and in regarding them as a great community asset, this Government has acted clearly and determinedly.

Any fair-minded person who is prepared to look at the record will see a government which, first, has advanced the course of wilderness with major declarations; second, has consulted with the community in relation to its wilderness nomination and assessment process; and, third, has been prepared to put large amounts of money into the proper management of these great and beautiful areas of the State. It would not be seen as a government which has simply allowed them to be ignored and neglected and therefore devastated by noxious weeds and feral animals.

If any member of this House thinks that noxious weeds and feral animals are not a problem in national parks and wilderness areas, they need only take a helicopter trip over some of them to see the hundreds and thousands of hectares that have been devastated by uncontrolled weeds and neglected feral animals. Those three issues are important. They may not be exciting, but each of them is important - the advancement of the cause, the large areas declared, the consultation and proper funding for management. The fourth issue in this debate is that of the censure, that somehow the Government has morally failed and is deserving of the condemnation of the House.

Ms Moore: Censure.

Mr HARTCHER: Censure of the House.

Ms Moore: The condemnation was last March.

Mr HARTCHER: There was no condemnation. That motion in March was defeated by the House. Is the Premier and therefore his Ministers, myself included, somehow deserving of censure? What is the argument that justifies the censure? No argument was advanced by the Leader of the Opposition - none whatever in his theatrical performance. He simply spoke about the history of the debate on the issue. He offered no argument to show that the Government was somehow morally wrong and unjustified in its conduct. This Government was elected to office. If people do not like its decisions, they have their remedy at the ballot box when elections are held. For the Government to be censured there needs to be something more: there needs to be the belief in the public mind that the Government has acted in a way that right thinking people would not act, and that such conduct cannot be morally justified.

There is a moral element in any censure motion. It is not a motion of disagreement. It goes much

further, claiming immoral conduct. It is incumbent upon those who propose or support such a motion that they be able to establish the claim. Where is the lack of morality in the Government's action? The Government had, on 23 December, made clear that its preferred position was for 350,000 hectares of wilderness, which it announced. As the Premier said, that position, after further consultation, could no longer be held tenable. That community consultation was engaged in through the Surveyor General, a public officer of the State, and through a community consultative process. It was engaged in by listening to the representations and concerns of the members of the House - democratically elected members, members elected to represent the views of their constituencies.

So where is the sense of moral outrage that justifies censure? Where is the immorality that would constitute a need for censure? A previous censure motion moved in this House against the Hon. Nick Greiner and the Hon. Tim Moore was based upon the claim that they had acted with a degree of impropriety in the Metherell affair. That was the basis for it. In this particular case there may be disagreement with what the Government has done. There may be a feeling that the Government should have done more, or a feeling that the Government should not have done more, or a feeling that the Government should not have participated in a consultative process dealing with its own members and the community; but there is no allegation of wrongdoing let alone any established allegation of moral wrongdoing. To vote for a censure motion on a matter like this simply degrades the whole process of debate and turns the censure motion into a political weapon - not a control of the House or a judgment of the House, but a political process of the House.

Opposition members who are prepared to vote for this motion must think carefully about what that will mean to the whole process of parliamentary debate and parliamentary control over the Executive. It will become simply another political tactic, another thing that members of the House and the public come to expect and ignore, that "today the Government or the Minister was censured". The censure motion itself will become meaningless and nonsensical. These are very grave and important issues. There is also the issue of consultation. A process of consultation was followed for the first time ever under this Government. There is the issue of whether there should be wilderness areas. Wilderness has been advanced under this Government. There is the issue of proper financing for national parks and wilderness areas. That also has been taken up under this Government.

The issue of whether there is any moral wrongdoing or turpitude that would justify an act of censure of this House also has to be considered. Unless honourable members are willing to have the whole notion of censure watered down and used purely as a tactical weapon by the Australian Labor Party in its attempt to try to destabilise the Government, they will realise that this motion cannot be consistently supported, regardless of whether they agree with what the Government did in relation to wilderness. Honourable members may well decide that there should have been more emphasis on wilderness, they may decide that they would like more consultation and they may decide that they would like a lot more done by the Government, but that does not mean that the Government is guilty of a moral crime that deserves the censure of this House - not in the same sense as was the opinion of the majority of the House in the 1992 Metherell affair.

I wish to state for the record my personal commitment to, and belief in, wilderness. I have stated that commitment clearly on many occasions. I have stated it when addressing hostile meetings at Kempsey. I have made it clear that wilderness is of fundamental importance to this State because it is the one way of ensuring a proper approach to biodiversity and the one way of showing that the community believes that there are some areas where humankind should not be dominant, where nature itself should be the determining force. On 9 September the Government established 113,000 hectares of wilderness. The Government had established areas of wilderness on previous occasions, too, the most recent being an area of 100,000 hectares declared on 6 March 1992.

The Government is advancing the cause of wilderness but it is doing so in a consultative and responsible way. It is advancing the cause of wilderness in a way that acknowledges that there are community concerns, and seeks to address and meet those concerns. Unless honourable members are prepared to take the step of saying that a government should not govern, that a government should do only what a majority in the House thinks it should do on any issue, they will not support the motion before the House. I urge all honourable

members simply to look at the record. It is the Government's wilderness record that is the issue before the House, not whether honourable members consider that more should have been done.

Ms MOORE (Bligh) [8.10]: I made an announcement to my electorate last December. I published a Christmas newsletter that was distributed throughout the Bligh electorate before the Premier made his Christmas present announcement. In that newsletter I pointed out that under this Government there had been destruction of old growth forests. I explained that at four o'clock one morning the Government combined with the Niles to defeat my South East Forests Protection Bill, a responsible compromise between environmental and timber interests that was consistent with the national forest policy statement signed by both the Premier and the Prime Minister. My bill provided for a moratorium on more than 90,000 hectares of the highest conservation value areas of the south-east. In the upper House the Government combined with the Niles to defeat that bill, a bill that had gone through the law-making chamber of this Parliament.

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In August 1993 the Government allowed logging in compartment 1402, the most valuable part of the south-east forests, and by November that compartment, which contained 84 threatened species, had been destroyed. In my newsletter I explained that nine wilderness nominations had been waiting for ministerial approval for up to 11 months and that during the delay the Government had approved logging or mining in their most sensitive areas. That was the Government's record on wilderness up until December, when the Premier made his Christmas announcement that a large area, 300,000 hectares, was to be set aside. I feel quite sorry for the Minister for the Environment. His parliamentary office is situated near mine, and I have noticed that over the past two weeks he has looked quite depressed and hunted. It is my feeling that he has to defend in the House an action of his government that he fought in Cabinet and totally disagreed with. It must be a terrible thing for a Minister to have to defend a policy that is destructive of one's portfolio.

Honourable members can imagine how delighted I was, having written in my newsletter that nine wilderness nominations had been waiting for ministerial approval for up to 11 months, when the announcement was made that the Government was finally to set those important areas aside in a responsible way for future generations. I was astounded with what occurred subsequently, which has been aptly described in the Chamber tonight. The Premier and the Minister had to back off because of the National Party rump. Tonight the Deputy Premier has said that democracy is the basis of this place. If only that were true! Every time an environmentally responsible or socially progressive proposal is made in this Chamber it is opposed by the National Party homophobic, regressive and conservative rump. Every time I have talked on a social justice issue or an environmentally responsible issue I have had the conservative, regressive, homophobic rump oppose me. The Deputy Premier further said that in the protection of wilderness the Government was all about probity, honesty and integrity. I have never heard so much nonsense. I do not know how the Deputy Premier can make such a claim.

[Interruption]

We have the National Party rump interjecting again. What the Deputy Premier really means is not probity, honesty and integrity to protect wilderness but open slather for everyone. That is his definition of wilderness usage. What has happened is appalling. It is no wonder that the poor Minister for the Environment looks so distressed and so hunted; I would, too, if I were him. I just wish that he had a little more support in Cabinet and a little more strength to be able to maintain his preferred position. I support this censure motion, and I support it with a great deal of feeling. The Government is supporting the declaration of only an eighth of the original 800,000 hectares identified by the National Parks and Wildlife Service as wilderness within the 10 areas nominated by community conservation groups. That is an absolute scandal.

One of the important aspects referred to by the Minister for the Environment is management. He talked also about consultation, and I shall come back to that issue in a moment. How will the Government manage these sensitive and important areas? It is very interesting to learn that the Government intends to establish wilderness trusts. Wilderness trusts will be constituted by the very people I have spoken about: conservative,

anti-environment, homophobic, antiprogessive National Party appointees. There will be representatives from the pastures protection boards, local bush fire brigades, local farmers, off-road vehicle users, horse riders and four-wheel drive interest groups. Those groups are all part of the community and they are commendable groups. They have their own vested interests and their right to be involved in community matters, but not in wilderness. They have lots of rights, but bodies such as four-wheel drive interest groups have no right to be involved in wilderness decisions. For them to be involved in decisions about wilderness makes an absolute nonsense, a farce, of any government commitment to wilderness. These trusts will not be like the park advisory committees. They will have power to control finances.

[Interruption]

Here we go, the conservative rump is interjecting yet again. The trusts will have power to control finances and to determine what sort of activities will occur in wilderness areas. Not only will the wilderness areas be fragmented and dramatically reduced when compared with the original announcement made by the Premier in December, they will accommodate every other land use that the National Party can think of. The Deputy Premier talks about having democracy in this place yet all the decisions about our environment are made by the National Party rump, a minority of this Parliament.

When public opinion polls are conducted the Independents get 7 per cent of the vote - and there are only three of us - and the National Party gets 2 per cent. That is extraordinary. The National Party talks about its support and its influence. The National Party and the Niles are running this Government because the majority of small-l liberal members of the Government support environmental issues and socially progressive measures. The National Party is a vested group with vested interests, and it seeks to dominate. The Peter Cochrans and the Albie Schultzes throw their little tantrums and hold their little press conferences, and the Minister for the Environment and the Premier roll over on their backs with their legs in the air and let the National Party make decisions about our wilderness.

These extraordinary trusts are managing, directing and making decisions about wilderness areas. Wilderness areas will be further cut up by fire trails, and there will be an allowance for travelling stock. Easements in the Guy Fawkes wilderness area run parallel to the Guy Fawkes River in the centre of this great national park. The trust is made up of appointees who seek cattle concessions. As a result

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of the management trusts and the concessions that will be made, these areas will become ranches, not wilderness areas. Droving will also take place. The Reynella company has recently begun advertising that horse riders can now accompany its annual movement of cattle from its Monaro property to a Riverina property, through the area that was to become a wilderness area in the 23 December Christmas gift. Commercial horse riding tours will move through these so-called wilderness areas.

The Minister told us about his personal commitment and his belief, his support of wilderness and biodiversity, and setting aside areas where nature can be the determining force. Nature will not be the determining force in these areas; the trusts will manage them. They will have horse trails, and cattle will be driven through them. The Bicentennial National Trail now passes along Happy Jack's Fire Trail within an A1 management unit. A horse and rider weigh more than 500 kilograms, and because horses are steel shod the sensitive alpine environment of Kosciusko National Park is being torn apart and more benign bushwalking parties are being displaced. These bushwalking parties were once the only people to use that area. The National Parks and Wildlife Service has admitted that this section of the trail is illegal according to the park's plan of management. So illegal activities are also being carried out in this area - condoned by the National Party rump, the tail that wags the dog. This trail should be relocated out of Kosciusko National Park. Its use has taken priority over park management.

This national trail runs for 5,100 kilometres from Cooktown to Healesville, through many wilderness areas inside national parks. The organisers of the trail promised the Colong Foundation for Wilderness in a letter dated 5 May 1988 that their trails would not encroach on any existing or future wilderness. Contrary to these assurances the Bicentennial National Trail has taken priority over wilderness declaration areas. This new abuse

of the national park system by trail horse riders takes priority over park plans of management and wilderness declaration. Park plans of management and the Government's wilderness proposals were subject to extensive public consultation. The Bicentennial National Trail, on the other hand, is environmentally damaging to the park but has never been subject to environmental assessment, public comment, or review.

The Government's claim that wilderness declarations are the result of community consultation and examination of existing usage is a sham, especially in the light of the bicentennial trail, which has been declared in secret. The Minister for the Environment spoke about consultation. It is one thing to say consultation has taken place but it is another thing to talk about the outcome of that consultation. The Premier said that the Surveyor General's report, on which the Government based its decision, was available to the community. Environment groups wanted access to that report but it was not made available to them. There was no advertising and no way they could have access to it. The terms of reference of that report state that the final report, which documents more detailed information about the nature and character of the claims, is to be submitted to the Director-General of the Cabinet Office. We all know, through the reforms that have occurred in the Fiftieth Parliament - and one important reform was freedom of information - that Cabinet documents are not available to the public.

The Surveyor General's report has been prepared for the Cabinet Office, and documents that are prepared for Cabinet are not available to the public. I question the Premier's statement that documents are available. Although the Minister has said that widespread consultation has occurred, it appears that there was no input into that final report before it was made public. Wilderness protection comes last under this Government. Off-road vehicle users and horse riders can now go anywhere in Australia. They can go into the last unprotected fragments of wilderness. No wonder the Minister for the Environment hangs his head in shame. The record of this Government on the environment and on wilderness matters is a disgrace because of the National Party regressive, conservative, homophobic rump.

Mr SOURIS (Upper Hunter - Minister for Land and Water Conservation) [8.27]: I am pleased, as Deputy Leader of the National Party, to support the declaration of 113,000 hectares, the largest declaration of wilderness that has ever been approved under the Wilderness Act. Nobody need worry about whether the coalition is united on this matter; it is united and unanimous. That is why National Party members support the Government's decision on the Wilderness Act. The bulk of the areas not gazetted as wilderness are still protected as national park or nature reserve. It is not as if there has been any reduction in conservation values, or in protection of sensitive areas. Rather, 113,000 hectares have now been declared in the higher category. The decision was not anti-conservation.

The decision was made following extensive consultation. So often in the Parliament and in the community we hear the cry that extensive consultation should be undertaken. There could not have been more open and extensive consultation and, ultimately, a greater reflection of universal community views than has occurred today with these declarations. The consultations essentially centred around recreational access, horse riding trails, four-wheel drive access, fishing and so on - traditional rights, traditional access patterns that have stood the test of 200 years. Mostly these people are environmentally conscious people. They derive recreational benefit from using these beautiful areas; they would not despoil them in any way. Many of the comments made suggested that unless these areas were all declared as wilderness - and I suppose that means all 4 million hectares of national park - and as no people zones, they would not be protected.

The concept of managing national parks and of managing our estate is not a concept that any Opposition member is prepared to listen to or take any

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interest in. Labor's proposal is purely a case of locking out people and, therefore, something has been done that is good for the environment and is conservation conscious. The issue is the conscientious management of conservation. The Leader of the Opposition can sit on the sidelines and choose to ignore half of the equation. He is eccentric and out of touch with mainstream community attitudes and needs. If we took any notice of opinion polls during the debate over the last eight or nine months, we would have noted that mainstream community opinion is in favour of this Government's final decision.

Quality of life for the people of New South Wales is affected by the health of their environment, the state of their economy and the preservation of their traditional rights. The Government's decision represents a fair balance between the present and the future. It ensures that we have a healthy environment and productive jobs, and that current usage and access by local communities has been recognised. In his eccentricity, the Leader of the Opposition forgets that people are part of the equation and part of the environment. The issue is about traditional rights and access for recreational purposes. Unlike the Labor Party, the Government recognises the rights of local people to have a say in how their local environment is managed.

I would have thought that part of the politics, particularly of the Independents, closely reflects community views. I am appalled and surprised to hear some views which are essentially against general and local community attitudes. The Labor Party claims to derive its traditional support from labourers - the working men and women of this State. One would expect the worker to be asked what he or she wants. Did the Labor Party ask the timberworkers whether they wanted its proposed wilderness areas declared over their timber resource? This issue has not yet been raised. The debate is not about whether some part of national parks is declared wilderness but rather about the greater wilderness nominations and intentions of the Labor Party. It is fair to say that with wilderness nominations the Labor Party intends to remove extensive areas of productive forests and extensive numbers of timberworkers. I bet in a plush Sydney office with the trendy greenies the Opposition did a deal without giving hard-pressed workers in the bush a second thought.

The Government was concerned that jobs in our small timber dependent communities would not be adversely affected by a remote Macquarie Street decision. Not only were the views of local communities taken into account in the decision making process, but the Government ensured that local communities continued to have a say in the management of these areas. The Government will establish district advisory committees and wilderness management trusts to ensure that local communities take an active role in developing management plans for new wilderness areas, including control of feral animals and noxious weeds. This is an important aspect of the management of wilderness areas, something that was not contemplated by members of the Labor Party or the Independents who have spoken thus far. This Government introduced the concept of managing for conservation and managing by local people who know the area.

The Government has also increased the National Parks and Wildlife Service budget to provide an extra \$6.8 million for fire management and an extra \$4 million for the control of noxious plants and animals. After all, wilderness areas are affected and despoiled by those things. This Government has increased dramatically the level of budget support and expenditure available to the National Parks and Wildlife Service for important management issues affecting wilderness areas and national parks. However, the Opposition is concerned only with locking aside tracts of forest, regardless of the environmental or economic value. On the other hand, the Government takes a broader management perspective, with the emphasis on management.

The Government is concerned about the actual management of public and private land. In particular it is concerned about timber harvesting operations on private land. The Government is working cooperatively with the New South Wales Logging Association to develop and implement a protocol for logging on private property to ensure that best practice is implemented across the range of land tenures. The forestry office has spent considerable time in recent months working with the New South Wales Logging Association and with the New South Wales Forest Products Association to finalise details of a voluntary code of practice to cover aspects such as soil erosion mitigation, harvesting plans, a training program for forest workers and a contractor accreditation scheme. These are hitherto unthought of matters which are absolutely vital to the proper sustainable management of our resources.

The private property logging protocol for New South Wales is a practical, tangible step towards more responsible management and harvesting of the State's private forests. Where does the Opposition stand on such matters? I would like to hear some Opposition members say something about that in this debate. The Opposition should focus on practical programs instead of becoming involved in political rhetoric and mud-slinging. The Government is considering the big picture, the long-term management aspects, unlike the Labor Party which is only looking at short-term vote grabbing from metropolitan areas. The Leader of the

Opposition probably did not look at the potential impact of the original wilderness nominations on timber resource. I shall give examples of the impact of private logging under the original nominations.

In the Deua nomination the Georges Creek catchment, which was included in the original nomination, contained a valuable timber resource - a volume of approximately 21,000 cubic metres gross in a loggable area of 637 hectares. The New South Wales Forest Products Association advised that the withdrawal of this resource would have serious implications for the operations of Coastline Timbers. Coastline Timbers is a company that directly employs

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14 people and several subcontractors in harvesting and distribution, the direct distribution of wages, and contractor payments amounting to \$750,000 per annum, all of which finds its way into the local community and creates a multiplier effect. Opposition members scoff at these jobs, which are the lifeblood of local communities in areas that are highly dependent on this sustainable resource. That is what the game is all about: trying to reduce the available land, particularly for the forest industry, to unsustainable proportions, thereby destroying the industry, jobs, people's livelihoods and local communities. That is what the Opposition is all about. I am delighted to have flushed it out on that point.

The mill was purchased in 1981 after the conclusion of negotiations on national park boundaries and personal guarantees on the adequacy of preserved areas for public land were given by the then Minister for the Environment, the late Paul Landa. Coastline Timbers produces both seasoned and unseasoned sawn products, export woodchips, landscape materials and sawdust. Over the last six years an investment of \$800,000 in improvements and equipment was made and further investment in value adding was planned prior to this decision. When the Labor Party visits these areas frequent mention is made of value adding, resource security for the timber industry, and creating 5,000 jobs immediately. How does the Opposition propose to achieve that? Its promises are empty and are not believed in those areas. People are cynical when the Labor Party proposes determined wilderness areas that would have the effect of destroying the timber industry and those jobs that it baldly said it intended to increase in local areas. It is an absolute lie.

The New South Wales Forest Products Association advised that this particular company requires 40 cubic metres gross sawlog per working day to maintain present levels of productivity and full-time production. Any further loss of quota would seriously jeopardise the future of the company and its viability. No wonder the business community and the public lose faith in governments. On the assurance of a former Labor Government that the reserve system in the area was adequate, the owner of Coastline Timbers, Mr Ferguson, invested substantial sums of money to purchase and upgrade facilities. Now, 13 years later, the Labor Party completely reverses its earlier position and censures this Government for not withdrawing all of the resources that this particular mill would use, thereby causing the mill to close immediately. The former forestry Minister who is at the table - the Minister for Agriculture and Fisheries, and Minister for Mines - is aware of that situation. How can anyone have confidence in the Labor Party when it gives an assurance one minute and does a complete reversal the next?

In recognition of this complex situation, the Government has taken a balanced decision and excluded Georges Creek from the final declaration. The Leader of the Opposition fails to realise that Australia exports \$700 million worth of timber and timber products each year and it imports \$2.4 billion worth of timber. Sixty per cent of the timber involved in those exports - 60 per cent of the \$700 million - comes back to Australia as imports. Sixty per cent of the \$2.4 billion - value adding - is paid for by this country. It is impossible for Australia to create a sustainable yield which will lead to supply contracts, investment, value adding and jobs in this country. This industry exports \$700 million worth of timber and imports \$2.4 billion worth, but that does not involve the cutting of any additional timber. The same resource returns to this country with an enormous amount of value adding. This Government is paying for that value adding because of the idiotic, blind policies of the previous Labor Government, which suppresses industry and the job production potential it is capable of.

Recently the New South Wales Forest Products Association made the point that almost 50 per cent of forested lands in New South Wales is preserved or conserved. Only 26 per cent of all forested lands in New South Wales are in State forests which are set aside primarily for timber production. If Opposition members

continue along the path on which they are travelling they will destroy the timber industry and the jobs that they are seeking to create. The withdrawal of timber resources is not a one-off situation. It should be remembered that timber is a renewable resource and we do not want to remove the benefit of any future cutting cycles. Let me give some other examples of resource loss. The Lost World nomination on the Queensland border included part of Mebbin State Forest - an area of 560 hectares estimated to contain approximately 8,000 cubic metres of merchantable timber, such as quota logs, smallwood, poles and veneer. That is about one-third of the annual requirement for the local Hurfords mill. How would Opposition members like to lose one-third of their income because of some political decision - some cheap grandstanding by Opposition members?

The Government chose to exclude that area of Mebbin State Forest from the final declaration. The Macleay Gorges nomination includes Winterbourne State Forest. Past logging has resulted in extensive areas of regeneration, so approximately 25,000 cubic metres of quota log are available within Winterbourne State Forest. That area cannot be classified as a wilderness area. Opposition members would declare that area as wilderness - an area which has been extensively logged, which is now subject to regrowth, and which has the potential to produce 25,000 cubic metres of quota log. Where is the wilderness in that area? It is the intention of Opposition members to destroy jobs in that New England area, hard hit by drought as it is. The honourable member for Tamworth, in whose electorate Winterbourne State Forest is located, is very supportive of his local community and jobs in his electorate.

Mr Gaudry: He might even rejoin the National Party.

Mr SOURIS: I assure honourable members opposite that that would be at their expense. This timber will become important to local industry with

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the reduction of resources likely to result following the forthcoming determination of the Walcha-Nundle-Styx River environmental impact statement. This forest, which has been significantly disturbed by past logging, fencing, mining, grazing and drainage works, represents a buffer between grazing land and national park gorge country from which wild dogs emerge and bush fires occur on a regular basis. The wilderness nomination has caused real management concerns for local timber and grazing communities. Their voices have finally been heard. If Labor had its way we would ignore those concerns, ignore the fact that the area is far from pristine wilderness, and declare it anyway. That is not responsible government.

The Government has saved the jobs of its workers and protected genuine wilderness areas without throwing workers on the scrap heap. The Labor Party does not seem to realise that the withdrawal of timber resources will result in considerable deterioration to community life if jobs are lost. These losses are less capable of financial analysis; nonetheless, they are real. The Glen Innes environmental impact statement found that there were 2.36 dependants for each person directly employed in the timber industry. If a loss of jobs forces families to leave the area and seek work elsewhere, community facilities such as schools and health might need to reduce levels of service which, in turn, might lessen the quality of life in small towns and lead to a reduction in their continued viability. Other activities based on access to State forests, such as grazing and beekeeping, would also suffer economic losses with associated flow-on losses in terms of employment, turnover and incomes. At this time of severe drought access to grazing in State forests is a vital source of feed for starving livestock and is often the lifeline for many farming families. Our State forests are being used for agistment purposes, grazing and drought relief. We will soon be able to announce an important plan which will include other Crown land areas for drought relief.

[Interruption]

The honourable member for Newcastle scoffs at that statement as he scoffs at the plight of drought stricken livestock and farming communities. He does not care thruppence. He interjects when people are talking about desperately vital issues such as drought. It makes me sick! Members from the National Party and the Liberal Party have defended the Premier in this obscene and unnecessary censure motion. It is futile for the Leader of the Opposition to try to divide the coalition parties as they are completely united. Members of Parliament have referred to the concerns and constraints of their communities. The decisions which have been taken by the

Government respect the rights of people, take into account conservation requirements and are supported by all members of the Government.

Dr MACDONALD (Manly) [8.47]: The remarks of the Minister for Land and Water Conservation are unconvincing. How will he face the children in his electorate when he starts talking about wilderness, logging, national parks, conservation and the environment? Frankly, I do not think he will be able to look them in the eye. His contribution was a shocking display of disregard for environmental protection. This Government - and the National Party in particular - is totally out of touch with the electorate. It is my job to reflect the view of the majority of my electorate. I state clearly that the Government has got it wrong. The Minister for the Environment, who is in the Chamber, has been rolled. He must feel quite uncomfortable today. He will probably be quite happy when this matter has been finalised.

I do not think the people in the Minister's electorate would agree with the declaration of these wilderness areas. The wilderness areas that were referred to in the Christmas period are a priceless resource - a repository of biodiversity and ecological processes. They are so precious that they should be preserved and not used in some sort of political game, which is what has been happening for the last nine months. The Wilderness Act 1987, which was agreed to on a bipartisan basis, defines what constitutes wilderness. That Act followed 20 years of study to try to clarify the situation and to bring in a good Act. The Wilderness Act 1987 is a good Act. People are claiming, quite falsely, that this is the most major wilderness declaration for the last six years. That is not true. In 1992 Tim Moore declared 400,000 hectares under the Wilderness Act.

The Minister might shake his head, but that is the truth. Even the Government's announcement, the so-called Christmas gift to the grandchildren, was inadequate. Many important areas were omitted from the list. From the representations I have received, and the reading I have done, it was quite clear that the area declared was less than half the area that should have been declared. In fact, 780,000 hectares were declared. Before Christmas the Premier promised that the declared area would be 350,000 hectares. The 9 September announcement is a cruel hoax and a final insult to the whole concept of wilderness. In fact, some of those areas included in the 113,000 hectares have no real significant conservation value. On the other hand the Government has rejected some very important wilderness areas and left them out of the 113,000 hectares, allowing access to special interest groups, such as four-wheel drivers, to possibly decimate some of those pristine areas.

In a sense the Government has torn up the Wilderness Act and that is the message that we have to get out to the people of New South Wales. The Surveyor General has been brought into this process, and now the Government refuses to release the latest report on which the decision of 9 September was based. I understand that some very significant areas have been left out of the 113,000 hectares, although they were included at the time of the Christmas announcement. I refer to areas in the Kanangra Boyd National Park - part of the Blue Mountains World Heritage area - and in the Lost World Wilderness Area, not to mention other areas. It is a tragedy and a sad moment. I had no hesitation in indicating my

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full support for censure of this Premier. I noticed he was so embarrassed about the whole thing that he did not even come to the Chamber to face the Leader of the Opposition. He had to be ushered in, almost assisted in, at the last minute. I would also like to speak tonight on behalf of the average taxpayers of New South Wales. I have a letter from a constituent who is unknown to me, and I will quote a couple of brief portions of the letter in which he says:

I do not consider myself a "greenie" but an average NSW taxpayer who is concerned for the state of the planet I will leave to my grandchildren.

The Liberal Government's decision to slash the proposed wilderness areas to one third of the promised 350,000 hectares is an appalling breach of trust of those responsible citizens who wish to leave at least a tiny proportion of this planet in its original condition.

At present only four percent of the State is wilderness. The original promise of declaration covered one percent, and now they want us to cut this back to one third of one percent.

I do not accept that the Government of NSW cannot protect one percent of the state from development, exploitation and harmful recreational activities. Once again the Cabinet is being seen to bow down to a minority within its own party to the detriment of the majority of the NSW electorate.

I implore you -

This is my constituent writing to me -

to voice the concerns of the majority of the electorate to the Government and make it clear that we will not tolerate dishonest leaders, more concerned with keeping powerful minority interests satisfied than protecting the future of NSW.

This debate is about more than just wilderness; it is also about the whole concept of intergenerational equity. It is about today's land use decisions versus tomorrow's generation and its enjoyment. In terms of representation, we can do no better than to represent those who cannot speak for themselves. The next generation cannot speak for themselves and that is what the debate is about - trying to protect some of the pristine, precious original wilderness area of Australia for the next generation. We are not asking a lot; we have lost most of it. There is very little left in New South Wales and it is important to protect as much as possible of what is left. This is also about having a sustainable strategy for the future and acting for that next generation.

I was reminded of the words of one of the great Liberal Prime Ministers, Sir Robert Menzies, who said "It is always an embarrassment to be confronted by your own words." We ought to pause to think about that because this is exactly what this debate is about. Had the Premier had more wisdom, he would not have made that announcement, but he sought to get the accolades before Christmas, and now it has come back to haunt him. Sir Robert Menzies was spot on with that comment because the Premier is now confronted by his own words. The announcement is not lost on the public who recognise this is just another cynical, broken political promise.

Politicians from both sides of the House are at a low ebb in terms of the status they enjoy in the community, and this announcement does absolutely nothing to change that. It is no different from the cruel hoaxes we have seen in the budget. I saw it this week in my own electorate: promises were made last year that money would be spent, but it was not spent, and a reannouncement has been made about the same funding. We are beginning to see through this whole charade and this is just another example of it. On 23 December the Premier claimed in his announcement that he had gone through some sort of consultation process. This is where Robert Menzies was right: the Premier's words have come back to haunt him. Mr Fahey said:

The public consultation process introduced by this Government in 1992 has been invaluable in ensuring that the views of a large number of affected groups with diverse interests were taken into account before the final decisions were made. This decision -

That is the decision of 23 December -

represents a fair and even-handed approach to environment protection and the large number of interest groups concerned.

They are hollow words now as we see the backdown that has taken place after nine months. Those hollow words will haunt the Premier; they are the words he will remember when he looks at himself in the mirror in the morning. Those words are not lost on me, on this Parliament or on the electorate. The instability evident in Parliament throughout this debate has come from the rural rump on that side. It has been claimed that the Independents have provided the instability, but it has not come from the crossbenchers; it has come from the Government's own mistakes.

Mr Hartcher: Oh, come on!

Dr MACDONALD: Does the Minister want me to list all the Ministers who have resigned? Does he want me to list all the members who have resigned? The list is so long, I will not go through it; in any event it is outside the ambit of this debate. This rural rump is giving the Government difficulties about daylight saving,

about anti-discrimination legislation, and now about wilderness areas. It was a very happy Government that made those announcements in December 1993, but we have not heard many Government members speak in this debate. A few National Party members have made some great claims. I suppose 113,000 hectares is considered to be good by some Government members who, given the choice, would have given us nothing. Not many Liberal members have spoken in this debate.

I want to reflect on the terrible environmental record of this Government. One has only to note the old growth forest that has been consistently logged over the last 3½ years. There has been a proposal to nominate four new national parks - that is, Popran, Ourimbah, Cudmirrah and Nangar - yet none of them has been gazetted. Of the nine areas I proposed in my bill relating to new wilderness areas, the Government nominated four, but they remain to be gazetted. The coastal policy is in tatters. Western

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leasehold lands have been sold off. The proposed endangered legislation is very weak and ineffective, and marine outfalls are being constructed up and down the coast. The environmental record of this Government is poor.

I do not know whether the Opposition will do any better. Quite frankly, when parties are in Opposition they make lots of promises but when they are in office they break them. I do not necessarily have great faith in a Labor government, unless there is a great deal of improvement in the Opposition. After all, in the last few years it has had to be dragged into environmental debates. There have been some disappointments, and I refer to the bill relating to the management of our river systems and, of course, to my private member's bill relating to new national park areas. I could not get support from the Labor Party on that latter bill, but I will certainly keep it accountable when it comes to government. We must all care for the environment because, remember, the same bell tolls for all of us.

Mr WINDSOR (Tamworth) [8.59]: Coming from the electorate of Tamworth I was very concerned about the so-called wilderness nominations because the beautiful Macleay Gorges area was nominated. From the outset I say that I have disagreed with the Wilderness Act from the time I was elected a member of this Parliament in 1991, mostly because of the political nature of the structure of that Act. I have not deviated from that view, and until the Wilderness Act is modified I will not deviate from that view. That is not to say that I am opposed to areas being set aside and made off limits to chainsaws and bulldozers. In fact, the Oxley Wild Rivers National Park, which is in my electorate, will remain intact and have improved management and funding available to it. That is what this debate should be about. If we are realistic about conservation we would acknowledge that land management and man management is necessary in most of these wilderness areas.

I shall spend a short time discussing some of the issues in the wilderness debate that remained important over the past couple of years. I will not be supporting the censure motion before the House. In fact, I congratulate the Premier and the Minister for the Environment on the position they have taken. Before I became a member of Parliament I had the misguided belief that politicians were elected to listen to their constituents, that Ministers were appointed to listen to the local members, and that the Premier was appointed to listen to the people of the State. The Premier made the mistake at Christmas time of nominating certain areas. That was both a political mistake and a management mistake. I believe the Premier has acted correctly in listening to constituents in the affected areas. It is interesting that none of the Opposition speakers in this debate have any of these areas within their electorates.

Mr Nagle: That is not the reason for having it.

Mr WINDSOR: The honourable member for Auburn, who is one of the better members of this Parliament, interjects -

Mr Nagle: On a point of order: I am only a mere member of this Parliament, not one of the better members.

Mr ACTING-SPEAKER (Mr Glachan): Order! There is no point of order.

Mr WINDSOR: The honourable member for Auburn would not be an expert on this issue and I do not think he has ever had a wilderness area nominated in his electorate. I congratulate the Premier because I believe he has listened to constituents in the relevant areas. Criticism has been levelled, particularly by the honourable member for Manly, at this so-called rural rump. These areas are in rural electorates and I am disappointed that an Independent member of Parliament has said that the Government, the Premier, Ministers and so on should not listen to representatives of those constituents. I congratulate the Premier on acknowledging that initially he did make a mistake. However, he has taken the time to go through a process of assessing these areas and has used the resources of the Surveyor General, who did an excellent job in assessing these areas and doing what should have been done in the first place. I advise the Minister for the Environment that if the Government is to go down this road on another occasion, it should conduct a similar process involving the Surveyor General and the constituents concerned, and take into account arguments on existing rights, access, community and historic rights, before making rash announcements in relation to these particular areas.

This whole debate is about politics in its rawest form. In fact, in some ways it is more like a land rights debate. Both sides of the Parliament have engaged in political point scoring. I believe that the environment, the very thing that we are arguing about, has been ignored. There have been endless arguments in this Chamber about particular areas of land. I would be on fairly safe ground when I say that the honourable member for Manly and many other members who spoke against the Premier's action would never have visited the Macleay Gorges area. Many arguments in relation to that area in my electorate were essentially about the destruction that man would inflict upon this area if access were allowed on a limited number of roads. The community has claimed that controlled access should be allowed.

Those who have taken the time to read the Wilderness Act would be aware that controlled access is not allowed because it means that some human interference is going on within those areas. Even if there were unlimited access to all the fire trails within the Macleay Gorges - I do not think anyone would wish that, and I would strongly argue against it - the impact of those four-wheel drive vehicles and of those seen as vandals of the bush would be on no more than 2 per cent of the land area. Because of the topography of that area it is impossible for four-wheel drive vehicles to traverse the majority of that area. However, allowing access into those areas achieves two things which cannot, by definition, be allowed

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under the Wilderness Act. First, it allows access for the broader community to enjoy those areas. Under the Wilderness Act only those people who are fit, those who can walk into the area, will be allowed access. Anyone who has any understanding of the Macleay Gorges area will understand the difficulty of doing that in a large proportion of that area. The broader community should be able to gain access to that area for their enjoyment. The small community of Walcha believes that some form of controlled access must be allowed, determined by the National Parks and Wildlife Service and the local community.

Second, is the issue of management of the access into these areas. For a number of reasons management is required in these areas. Those who support the wilderness theory would argue that man has created significant ecological problems in these areas. I would agree with that. In the Macleay Gorges area there is a massive outbreak of uncontrolled lantana and the National Parks and Wildlife Service has done nothing about that problem. That outbreak of lantana needs to be controlled, and the Minister is aware of that problem. I notice that he is nodding his head. I am pleased that the budget has allocated substantial sums of money to the National Parks and Wildlife Service to address some of these problems. If access is not allowed into those areas, it is very difficult to address the environmental threats that already exist in them. I do not think anyone would disagree that man has contributed to the access of feral animals and weeds into these beautiful areas.

However, if the areas are affected by feral animals and noxious weeds, it is up to man to do something about the problem. To do that, management access and funding are needed. To their credit the Minister for the Environment and the Premier have realised that funding and access provisions are necessary and that the Wilderness Act does not contain such provisions. That demonstrates the absurd way in which the Act was drafted. That Act is not an Act of conservation or environmental preservation but an Act of environmental

destruction. It is being used for purely political purposes in this place by people who are not familiar with the land they are talking about. I was pleased to hear the Leader of the Opposition make a definitive statement about the Opposition's election policy. I believe he made a tactical error when he stated categorically that if people in country areas support the Labor Party they will be supporting the locking up of vast areas of land under the Wilderness Act. That will result in the removal of management activities designed to eradicate some of the problems caused by man in those areas.

I will be happy to stand in my electorate against a Labor candidate who presents that view. I will be judged, rightly or wrongly, in my electorate on my position in relation to the Wilderness Act. That is not to say that I am opposed to the retention of these areas for the enjoyment of the community and to the restriction of some activities of the timber industry and other industries that impact on the beauty of those areas, particularly the Macleay Gorges area. However, that can be achieved under the National Parks and Wildlife Service Act, rather than under the Wilderness Act.

At the next election the people of Tamworth and other electorates that have experienced the impact of this politically motivated Act will have a clear choice. They will have to decide whether they support the locking up of vast areas of land and the removal of the management of noxious weeds, feral animals and fire control. If anyone needs to be reminded of the devastation that was caused last January by inappropriate land management practices and the ignorance of 30,000 years of Aboriginal land management before the arrival of the white man, I encourage them to have another look at some of the videos taken last January and to have a look at what is happening now. The fires that are burning around Newcastle would obviously cause the honourable member for Newcastle to be very concerned about the lack of land management practices there.

I would be content to fight an election campaign against the Labor candidate for Tamworth on this issue of the declaration of wilderness areas. I believe that the people of my community, particularly of the Walcha area, who are very supportive of the decision made by the Government, will support the position I am taking. Irrespective of who wins government in the lower House at the next election, the position in the upper House in relation to this issue will be very interesting. I do not know whether the Opposition has taken into account the votes of the recreational users of these areas and what the Leader of the Opposition said in this place today. Although many of those who use these areas for fishing and four-wheel drive recreational activities live in city areas and probably support the Opposition, they also enjoy the Australian bushland.

The political announcement made by the Leader of the Opposition today is a threat to their ability to enjoy those activities. That is not to say that these areas should not be conserved and that logging should not be restricted in some areas. I would be the first to support the restriction of logging in certain areas, but the blanket approach taken by the Wilderness Act and the political nature of the Act verge on the absurd. That has been demonstrated today by a number of the speakers who have demonstrated their ignorance of the particular areas we are talking about. To gain an understanding of those areas, the Surveyor General, on the instructions of the Premier, went to those areas and talked to the people who have lived there for generations, who love the land, who have cared for it, and who are worried about the various land management problems. The Wilderness Act does not concern itself with those problems.

Most people understand that the assessment process that takes place under the Wilderness Act is sheltered and misguided, and is driven by people in the National Parks and Wildlife Service who have their own political agenda rather than an agenda of land management. I congratulate the Mayor of Walcha, Mr Alec Gill, for the stand he has taken over

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a number of years. He has come to Sydney on a number of occasions to talk to various Ministers, not to openly criticise the conservation of these beautiful areas but to discuss the way in which that conservation practice is to take place. He and the general manager of Walcha shire, Mr Rob Callaghan, have been instrumental in putting a logical view in relation to this issue to the Parliament, to the Premier, to the Minister and to many members of the Government.

I am particularly pleased that the Winterbourne State Forest has been removed totally from possible

declaration as a wilderness area. The majority of that area will remain as a national park, so it will not be overly interfered with for development reasons and many in the community will have access to it. As I said earlier, the assessment process has to be changed. Hopefully, one day members of this place who are not concerned about votes and who are not frightened of this political issue will look at it in a conservation sense. In a sense both Aboriginal man and the white man have been involved in the protection of these areas. As legislators, we must take that on board and try to do something within those limits. People such as the honourable member for Manly seek to win political points by pandering to people in Sydney and claiming that they are environmentally friendly. He did this again tonight, but I do not believe in the long run that is good for the areas we are trying to preserve.

Some speakers in the debate have claimed that all conservation groups are very much opposed to what the Government has done. That is an absolute lie. Those speakers should talk to those who are involved in conservation groups in the specific areas. Although the National Parks Association representatives and the National Parks and Wildlife Service administrators in my electorate may not be opposed to other areas being declared as wilderness areas, they have opposed the Macleay Gorges being so declared. They are country people who know the issue. They want to conserve that area but they know that the Wilderness Act is absurd and does not work. I congratulate those people on their involvement in conservation and for taking the time to be logical about it. They realise that these areas can be conserved without the use of the destructive Wilderness Act. I conclude by congratulating the Premier. I will not support the censure motion. I would have supported a censure motion against the Premier if he had not done what he did on 9 September. [*Time expired.*]

Mr CAUSLEY (Clarence - Minister for Agriculture and Fisheries, and Minister for Mines) [9.19]: I support the Minister for the Environment. I believe this Minister has a genuine interest in national parks and the environment. He has certainly done everything he can to ensure that these areas are protected. I am alarmed at some of the distortions of truth that take place here. The honourable member for Bankstown would know, having come from Casino, that what I am saying is very accurate. The distortions that take place here are quite unbelievable. I listened to the statements made by the honourable member for Bligh and the honourable member for Manly. It is extraordinary that people who live in the city and have never been out near these areas can make such exaggerated, distorted and absolutely untrue comments.

To say that this Government has no feeling for the environment, and no commitment to wilderness, is quite wrong. This Minister, this Premier and this Government have announced the greatest declaration of wilderness area ever in this State. Surely that is evidence in itself of the fact that the Government is committed to the environment. The former Minister for the Environment and I, when I was the Minister for Forests, declared wilderness areas throughout the State. I recall one in particular, in my electorate near Grafton, in the Washpool area, where we revoked forestry activities because it was genuine wilderness. The Government declared it wilderness. Grafton is the biggest timber town in Australia. I am annoyed from time to time by members opposite who purport to support the Labor workers in the forest industry and then desert them on issues such as this. Those members obviously have no feeling for those workers and the fact that very valuable industry obviously needs protecting.

The Federal member for Page has made all sorts of statements, and supports a Federal Government inquiry into old growth forests. Everyone knows what that means: it means taking away resources from the timber industry. He does not tell them that but that is what it is about. The honourable member for Manly raised the matter of old growth forests. This issue of old growth forests is peddled constantly. One is never told that 80 per cent of old growth forests are in national parks. One is never told that of the timber not in national parks but hidden in forestry, only 5 per cent would be logged within the rotations of the forest industry.

No doubt the forest industry is a valuable industry and needs to be protected. Australia imports \$2.4 billion worth of forest products. Members opposite talk about wilderness but never say too much about the clear felling that takes place in Third World countries to bring products into Australia. If honourable members have any conscience at all they should start to examine that matter. No doubt that is an issue and it should be considered. The Minister has supported the environmental protection of this State a lot more than the Leader of the Opposition did when he was the Minister. I am sure that honourable members have heard the Minister

quote many times in this Parliament the way he has brought forward legislation to protect the environment of this State.

Mrs Lo Po': Self-praise is no recommendation.

Mr CAUSLEY: The honourable member for Penrith interjects. Again honourable members opposite show that they have absolutely no idea of what takes place. I heard the honourable member for Bligh talking about trusts to be set up to manage these areas. The honourable member was disparaging in her remarks about the people who might be the trustees of these areas. These people live very close

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to the land; they know the land and understand it. Many national parks are held up as jewels in the crown of the north coast. Some of them have been logged in the past and it was the very people that the honourable member was making disparaging remarks about who managed and looked after them. The forests are there for everyone to enjoy at the present time. Again, that is something that people tend to forget.

To say that all environmentalists are opposed to this decision is wrong. The honourable member for Oxley has a letter from the co-founder of the Macleay Greens and the Cowper Greens supporting the decision. As the honourable member says, he is an ordinary family man who likes to take his children riding. That is the only thing he can afford: to go up into the Macleay Gorges and enjoy those areas. To say that the Greens are opposed is quite wrong; a certain section of the Greens may be. Many people tonight have quoted the notorious statement by the Leader of the Opposition when he was Minister for Planning and Environment about how rapacious these people are.

I have always said that there must be balance in this debate. We cannot have the damaging political point scoring that goes on in these issues. It is not doing this State or this country any good. Obviously these disparaging comments are hurting the economy of the country and doing nothing for the debate at all. They are certainly doing nothing for the truthfulness of the discussions. From time to time I am amazed by the stories that are started and that ordinary people are not sufficiently informed to have a balanced view on the facts. City people are not given a balanced view of the facts. I noted with dismay a couple of weeks ago an editorial, which appeared in the *Sydney Morning Herald*. The editor has every right to comment in his editorial but in a country such as Australia, where we cherish freedom of speech and believe that people should get a balanced view of things, I also have every right to write a letter to the editor.

I note that the editor of the *Sydney Morning Herald* has printed letters from the environment movement critical of the Government's decision on declaring wilderness areas. As Minister for Agriculture and Minister for Mines I also have a point of view. Whether the editor liked that point of view was another matter. I wrote a letter to the editor of the *Sydney Morning Herald*, which the editor chose not to print. I would like to read that letter to Parliament because it has relevance. In that letter I said:

Dear Sir

Your Editorial of Saturday, 10 September, leads me to question just where our priorities lie.

Australia is locked in one of the most severe droughts this century; unemployment is running at 9.5%; our balance of payments deficit has risen by \$1 billion every month for the last six years; we are gripped by a national maritime strike; and your greatest issue for the day is Wilderness!

While genuine wilderness is important to us all, and is being protected, surely the real issues are more closely related to employment and production and long term economic security.

Public opinion is driven by the shallow, emotive approach adopted by the media. Have you looked at the definition of wilderness under the National Parks and Wildlife Service Act? Ask yourself, is it a reasonable definition?

In fact, it says "Anything that will grow back to Wilderness!". This could mean the whole State. There is also the position

where anyone or any group can nominate an area without having to justify their position.

In fact, many of the present nominations were not pristine undisturbed areas, but old mining, grazing and freehold land. Far from being pristine. The real wilderness areas worthy of protection have been gazetted by the Government.

Your inference is that country people do not care for these areas. Nothing could be further from the truth. Country people are very caring, practical and productive members of the community.

You seem to have forgotten that 80% of our export income comes from mining and agriculture.

If we are going to enjoy our Toyota motorcars, our Akai videos or any other of our everyday luxuries then someone has to generate the dollars.

I believe the *Sydney Morning Herald* has long since lost its perspective of the real issues in Australia. It is myopic and is captured by the extreme environmentalists who never consider balance and the need for economic growth. It is not a matter of development for development sake, but a need to take a balanced view with an eye to the future.

The *Sydney Morning Herald* would apparently have us mortgage our grandchildren's future. If we injure our economy then the environment will suffer. Empty stomachs have little regard to the environment.

That letter was not printed by the *Sydney Morning Herald*, because those who run the newspaper obviously do not believe in free speech. I believe there must be balance in this debate and, as the Premier said earlier tonight, when these nominations came before the Government obviously people were concerned about the fact that areas which were not genuine wilderness were being included. The Premier was prepared to look at those areas, to determine whether they were genuine. What has come forward from those negotiations is that the various areas that have been declared - the biggest area of wilderness ever declared in this State - are genuine wilderness areas and they will be genuinely protected. It is a pity there was not a bit more truth in this debate, because there is no doubt that the distortions are not doing the State or this country much good.

Mr FAHEY (Southern Highlands - Premier, and Minister for Economic Development) [9.31]: The debate tonight and during the latter part of this afternoon really stems from the fact that the Government was prepared to act responsibly and in a balanced way in respect of those areas of land that were nominated for consideration as wilderness, and after a consultative process there was a declaration. If the process, which involved consultation, is ruled to be not appropriate - by virtue of the manner in which the Parliament decides this particular motion tonight - that will clearly be a vote against consultation. When the Government embarked upon this process of examining the nominations it became very clear that it had to balance the interests of the locals, the

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interests of those who had adjoining land, the interests of those who engage in recreational activities, and at the same time we had to recognise that those areas had a particular quality that required a declaration as wilderness, to entrench them for all time, particularly for future generations.

During the course of debate honourable members heard from the Opposition that there should not be consultation; that there should be little regard for those who might have a point of view, those who might be able to make a contribution in respect of what should or should not happen to certain areas of land, the usage of that land, and the nature of access to that land. That is all irrelevant. The power comes from within this Chamber, the power comes from government, the power comes from the city. The decision can be made without regard to the fact that, in many instances, the land had been used for countless generations.

The other factor that has emerged during the course of debate is that when the Government determined wilderness, all of those wilderness areas - with the exception of one small parcel of land - were in fact within national parks, so there was a dedication of the land for specific purposes. We all know that there is a plan of management in respect of those areas of land and, if there is no plan of management, a plan of usage can be prepared. Such a plan can take into account recreational and other purposes - for example, how people visiting

the grave sites of their ancestors might get access for such a purpose. That is taken into account when the plan of management is prepared.

The one exception to the declaration of wilderness within national parks was an area called Diamond Creek, just to the west of Moruya on the south coast, which has been recognised by many on this side of the House as having a very special quality, one which, despite its previous recognition as forest, could not be sustained in that form and which had to be brought into a wilderness area. I suggest once again that when honourable members vote on this motion they should take into account the fact that the Government, through a process of consultation in respect of the wilderness nominations, attempted to balance the need to protect our remaining areas of wilderness against the right of future generations to have reasonable access to those areas of special quality which have been well protected within national parks and nature reserves.

When the Leader of the Opposition, wearing another title as a member of the former Government, introduced this legislation he had little regard to consultation. No provisions were made to obtain the views of people on whom such declarations would have an impact. It is very clear that Labor has had no regard to consultation - except, of course, with Sussex Street. When previous declarations were made the Opposition did not consult and locked up many parcels of land to the exclusion of people who had legitimate claims to access. As a result of the decision of this Government after that massive consultative process, those areas of special quality within national parks are now preserved for all time as wilderness. I have found this debate very interesting in that the Opposition has sought to divide the coalition. I can assure honourable members that when it came to the consultative process and the final decision, there was no division. In fact, it gives me a great deal of satisfaction to know that in many instances members of the National Party suggested that we proceed in respect of certain areas - after full and frank discussion - after full input -

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

Mr FAHEY: - after a considerable amount of knowledge and information was obtained. I might say that in respect of most of my colleagues from the National Party it was knowledge obtained on the ground, not knowledge taken from newspapers and from those who seek to manipulate the Labor Party. If anyone seeks to deny the knowledge of the honourable member for Monaro, the honourable member for Bega or the honourable member for Burrinjuck, they are out of touch with the reality of politics in this State.

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

Mr FAHEY: They are out of touch with the reality of what occurs with members who represent the areas they have been elected to represent. They do not gain that knowledge in an office; they do it out there, in the areas where those issues arise. It gave me a great deal of satisfaction to have members of the National Party indicate that there was good reason why certain areas should be declared as wilderness. Honourable members can rest assured that I am satisfied that when we finally came to our conclusions on this matter the areas that were declared wilderness deserved that declaration.

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

Mr FAHEY: The Government will continue that process of consultation with the community, with the adjoining land users and those who seek to preserve for future generations the special areas that are entitled to be called wilderness. Another of the interesting things that emerged during this debate was the statement by the Leader of the Opposition that all areas nominated, all areas considered as proposed wilderness areas, as announced before Christmas, will be declared by a Labor Government, if it ever gets such a chance. Honourable members who are affected by these particular nominations, honourable members in whose electorates those areas actually sit, know damn well that the Leader of the Opposition has increased their majority at the next election by a considerable amount. The rash promises and the lies that continue to be spread by the Leader of the Opposition will ultimately be rejected by the people of New South Wales. He has no knowledge whatsoever of the facts in respect of these areas.

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

Mr FAHEY: He has absolutely no knowledge about the stock routes, the bridle trails, the four-wheel drive tracks, or the mine shafts. Notwithstanding that, he says, "I am going to declare those areas as wilderness". That quote will run up and down the State for a long time. The man who leads the Labor Party will be the object of derision. That statement will be the single most important cause of any increased majority enjoyed by honourable members whose electorates are affected by those nominations. The coalition parties are about balance and commonsense. We are about ensuring that the process of determining what is wilderness and what is not is a consultative one. We are about what is defined in the Act. We are about proceeding by way of the Natural Resources Audit Council to determine what areas of the State have resources within them, both above and below the ground. This debate should be conducted sensibly. There is always a motive behind anything that the Opposition does in its drive for short-term political gain. Members of the environment group, many of whom gave considerable assistance to the Government during the consultation exercise, will be interested to hear what the Leader of the Opposition - at that time he was Minister for Planning and Environment - said in 1987 when briefing Australian Labor Party candidates. He said:

Handing over new parks is like forking out chunks of raw meat to ravished timber wolves. They gobble them down in seconds then look up with lambent eyes and growl about the next course.

That is what the Leader of the Opposition said to ALP candidates in 1987. That is the disrespect and the disregard that the Leader of the Opposition has for those who seek legitimately and honestly to protect the environment. The Government will continue to work to protect the environment and to recognise those areas. The coalition did not stand still on wilderness nominations when taunted by the Leader of the Opposition - if one can use that word about anything that he says. He said that no decisions would be made by this Government on wilderness areas. When he had the opportunity he did not have the guts to do so. The Government always intended to accept genuine wilderness.

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

Mr FAHEY: Those decisions were made after consultation and input from independent people. The Government is not about making a mockery of wilderness areas. If the Leader of the Opposition ever got the chance to declare all of those areas, he would destroy the concept of wilderness forever, because he has included areas that could never be wilderness. That became obvious when we consulted the locals.

Mr SPEAKER: Order! I call the Leader of the Opposition to order for the second time. He has the right of reply at the appropriate time.

Mr FAHEY: This debate has enabled the Government to recognise legitimately that one cannot determine special purpose areas, whether they be national park or wilderness, without providing the resources, the necessary funds and the management structure. The Government has provided more funding than any government in living memory. Not only have we said that there will be wilderness areas; we have provided funding to protect those wilderness areas and national parks. The Government is proud of that balanced approach to its responsibilities. This debate has been a farce. The motion was moved to stop Government members from highlighting the many good features of the budget. If the Opposition were serious about censuring the Government or myself on this issue, why has it taken its members six parliamentary sitting days to bring the motion forward? How important a matter is it if it takes them six days to pluck up the courage to bring on the motion? Obviously the budget that the Government introduced this year was an absolute embarrassment to the Opposition. The Government looks after the needs of people in Labor electorates, National Party electorates, Liberal electorates and even Independent electorates.

The Opposition has stifled the opportunity for honourable members of the Government to highlight how well the budget serves the people they represent. Obviously the debate about wilderness areas was not important last week or even earlier this week. It was left until today. Opposition members said, "We're in a bit of trouble. We'll see if we can distract the Government from highlighting how good the budget is". The insincerity of Labor has made the debate farcical. It has no regard generally for what is wilderness, or for the rights of those who might be affected by wilderness nominations. The Opposition is simply looking at the short-term political gain by endeavouring to show those who also have limited knowledge on the subject that they might be able to drum up an issue. The Opposition will be recognised by the people of this State for what it is - farcical - and that recognition will be reflected at the election on 25 March.

Mr CARR (Maroubra - Leader of the Opposition) [9.47], in reply: He is a sad figure. There is no point opposing him. You know -

Mr SPEAKER: Order! There is far too much interjection from the Government benches and the Opposition benches. This has been a long debate and it should be concluded in an orderly fashion. All honourable members will listen to the Leader of the Opposition in silence.

Mr CARR: The sad thing about opposing him is that you end up feeling so sorry for the bloke. The worst thing he could say about the Opposition was that it was defending his decision of 23 December. The worst thing he could say about the Opposition was that we were championing the position that he announced as a great gain for conservation on Christmas Eve last year. His condemnation of the Opposition was that we ventured to say a good, generous and kind word about what he had announced on 23 December. One can understand why he issued

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suicide capsules to all his Cabinet after the Parramatta by-election. But I am surprised that he clutches one in his own pocket, ready for use on 25 March.

He is a sad figure, too, because he has less knowledge of conservation and land use and less commitment to conservation and environmental protection than any premier since Sir Robert Askin. It has to be said that Nick Greiner, Eric Willis and Tom Lewis had more interest in these issues and more commitment to them than this Liberal premier. The interesting picture they present is that the Minister for the Environment sat there during the debate this afternoon. There were no Liberals in the Chamber with him, but the Nationals perched like crows on the benches behind him. It was like a country road; the squashed rabbit was on the road, and the crows were perched there waiting until a decent interval passed before descending on the carrion. There the Minister is, the squashed rabbit on the road.

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

Mr CARR: The great musical *Chicago* has a line in it. The singer comes to the end of the stage and sings a song. The song is *Mr Cellophane Man*.

Mr Cochran: On a point of order: the terms of the motion are specific. The Leader of the Opposition has obviously transgressed them. I ask that he be drawn back to address the motion.

Mr SPEAKER: Order! I call the honourable member for Blacktown to order for the third time. The point of order raises the question of the scope of a speech in reply. A speech in reply touches on matters raised during debate. As no matter was raised about past musicals, the Leader of the Opposition is outside the scope of reply. He should return to matters raised in the debate.

Mr CARR: The Premier announced a decision on 23 December. We got condemned in the House today for purporting to defend a decision made by the Premier. That decision, about 350,000 hectares of wilderness, the "great gift to our grandchildren", was, to quote from the press release of that date, the "final decision" on it. Mr Cellophane Man had spoken: "Walk right through me, look right through me, you hardly know I'm there". The Minister is Mr Cellophane Man because in this debate he does not count. There has not been, since they

first had environment Ministers, a weaker, more insignificant environment Minister.

Mr Hazzard: Where is the substance, Bob?

Mr CARR: Yes, where is the substance?

Mr SPEAKER: Order! I ask all honourable members to refrain from interjecting. Interjections do nothing to enhance the quality of debate in the Chamber. The Leader of the Opposition is entitled to be heard in silence. Whether or not his statements stir the hearts and emotions of those listening, for whatever reason, they do not give members licence to interject as they have. I call the honourable member for Drummoyne to order.

Mr CARR: The decision of 23 December was "the final decision". The National Party went feral, even by its own standards, in response to the "final decision", the final solution to wilderness land use in New South Wales. And all of a sudden the Premier, that decisive figure, so admirable for his clear mindedness - in his speech we were reminded again and again, when all his other qualities are discussed and dismissed, it is the crystal clear mindedness of his thinking that stands out - with that crystal clarity of his mind and thinking, declared when the controversy had opened that the process of consultation was only just starting. What they mean by consultation on wilderness is letting the National Party off the leash. That is what it was all about. Look at this heroic figure opposite, Mr Cellophane Man.

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

Mr CARR: We cannot understand this man without knowing this about him: he has that strength of character, that great Liberal spirit that comes of having in your office and in your bedroom photos of Alexander Downer. They often ask me where did his heroic Churchillian spirit come from. Where did he get it? Where did he acquire these qualities of leadership? I have to say, when every option is explored, it is his admiration for and kinship with that great figure, Alexander Downer - that is where that spirit comes from.

Mr Cochran: On a point of order: Mr Speaker, despite your earlier ruling that the Leader of the Opposition should return to the subject matter, he has unleashed this unbridled attack on the Minister.

Mr SPEAKER: Order! As I indicated earlier, no statement made by a member, irrespective of whether other members agree or disagree with it, should give rise to the sort of interjections we have heard. It has been a long day, as Thursdays always are, and members may by this time feel a need for some tension release. However, those seeking such release should leave the Chamber. I exhort all honourable members to maintain a certain amount of discipline between now and the conclusion of this debate.

Mr CARR: It is so good to have a contribution from the honourable member for Monaro in this debate. His threats of resignation issued as daily bulletins throughout this controversy will be with us always - issued and withdrawn, issued and withdrawn. Marvellous what you can do in a hung Parliament. He will not have that problem in the next Parliament, I assure him.

Mr SPEAKER: Order! Interjections are making this debate difficult enough. I ask the Leader of the Opposition, who seems reluctant to come back to the job before him, to attend to the leave of the question and to reply to matters raised in the debate. I call the honourable member for Bega to order.

Mr CARR: The Premier had that marvellous and unique position in this Parliament of condemning the position he himself had announced on
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23 December. The "great threat to land use, to agricultural production and to forestry industry" was the position he had announced on 23 December as "the great gift to our grandchildren". The consultation process was not in fact a consultation process. The consultation process was heeding the cries of the National Party and the rural based -

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

Mr CARR: Why create expectations of 350,000 hectares only to smash those expectations nine months later? That is land use planning under this mob - Mr Cellophane Man with his great leader! We know why every member of the Cabinet has a suicide capsule. We have to accept the following principles in respect of wilderness. First, we ought to protect it decisively. And, yes, we want to use the Wilderness Act to do it because it is right, and because we believe in biodiversity and grant it equal priority with other land uses. Second, there must be consultation with the community before major land use decisions such as wilderness declarations are made. The policy framework must be clearly enunciated with meaningful public input and participation.

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

Mr CARR: That means a decision not simply thrown together for a 23 December announcement when there was no good news on health, education or anything else. Government members rifled the drawers of the most junior figure in the Cabinet pack for a Christmas time announcement, and they ran with what they found - from the Alexander Downer figure of this Parliament.

Mr Smith: Oh, get off it, Bob.

Mr CARR: I am sorry to embarrass you by talking about your Federal leader. When I mention the name Alexander Downer to the Liberal Party it is like holding kryptonite up to Superman. There will be defamation actions next. If one compares Government members to Alexander Downer, they go protesting to the Speaker. "Unfair. Not us", they say. What a bunch of nongs to be running a State. Third, we should be protecting wilderness in the context of an expanding national parks system that provides for all recreation uses. There has been no expansion of the national parks system under this Government. That is why there is pressure on Government members and why they tried to respond on 23 December. Fourth, adequate resources must be applied to wilderness management as well as to the interface between wilderness areas and land used for other purposes. On each of these principles the Government's bungling attempts have failed. This is truly a mess created by a Premier who boasts about his lack of vision. This mess, which went on from 23 December until the start of this month, is precisely what happens when one has a leader who has no vision.

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

Mr CARR: With the Labor government New South Wales will get 10 wilderness areas and 20 new national parks, in accordance with longstanding policies. Only under a Labor government in New South Wales will the historic Wilderness Act be administered as it ought to be administered and delivered with the vision that the people of this State want.

Question - That the motion be agreed to - put.

The House divided.

Ayes, 45

Ms Allan	Dr Macdonald
Mr Amery	Mr McManus
Mr Anderson	Mr Markham
Mr A. S. Aquilina	Mr Martin
Mr J. J. Aquilina	Mr Mills
Mr Bowman	Ms Moore
Mr Carr	Mr Moss

Mr Crittenden	Mr J. H. Murray
Mr Doyle	Mr Nagle
Mr Face	Ms Nori
Mr Gaudry	Mr E. T. Page
Mr Gibson	Mr Price
Mrs Grusovin	Dr Refshauge
Ms Harrison	Mr Rogan
Mr Harrison	Mr Scully
Mr Hatton	Mr Shedden
Mr Hunter	Mr Sullivan
Mr Irwin	Mr Thompson
Mr Knight	Mr Whelan
Mr Knowles	Mr Yeadon
Mr Langton	<i>Tellers,</i>
Mrs Lo Po'	Mr Beckroge
Mr McBride	Mr Davoren

Noes, 44

Mr Baird	Mr Morris
Mr Beck	Mr W. T. J. Murray
Mr Blackmore	Mr O'Doherty
Mr Causley	Mr D. L. Page
Mr Chappell	Mr Peacocke
Mrs Chikarovski	Mr Petch
Mr Cochran	Mr Phillips
Mrs Cohen	Mr Photios
Mr Collins	Mr Richardson
Mr Cruickshank	Mr Rixon
Mr Debnam	Mr Schipp
Mr Downy	Mrs Skinner
Mr Fahey	Mr Small
Mr Fraser	Mr Smith
Mr Glachan	Mr Souris
Mr Griffiths	Mr Tink
Mr Hartcher	Mr Turner
Mr Hazzard	Mr West
Mr Humpherson	Mr Windsor
Dr Kernohan	
Mr Kinross	<i>Tellers,</i>
Mr Longley	Mr Jeffery
Mr Merton	Mr Kerr

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Pairs

Mr Clough	Mr Armstrong
Mr Iemma	Ms Machin
Mr Neilly	Mr Schultz
Mr Rumble	Mr Zammit

Question so resolved in the affirmative.

Motion agreed to.

MEMBERS' BOGUS DOCUMENTS

Mr SPEAKER: Order! I draw the attention of the House to a recent occurrence which has been brought to my notice by several honourable members. The matter relates to several pieces of correspondence purporting to have been issued by members on their letterhead. One letter has had the member's signature falsified and the other two documents are unsigned. I am sure that the House would view this issue very seriously, particularly falsification of a signature, which as honourable members would realise is a criminal offence. Honourable members would recognise that with the advanced computer technology now available in the Parliament it is relatively easy to reproduce letterheads, particular fonts and even signatures. It may be appropriate for all honourable members to review their practices in relation to the security surrounding the availability of their stationery and the signing of correspondence, particularly if they avail themselves of rubber stamps or electronic digitised signatures.

BILLS RETURNED

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

Agricultural and Veterinary Chemicals (New South Wales) Bill
Rural Lands Protection (Amendment) Bill

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Motion, by leave, by Mr West agreed to:

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

Independent Commission Against Corruption (Amendment) Bill.

INDEPENDENT COMMISSION AGAINST CORRUPTION (AMENDMENT) BILL

Bill introduced and read a first time.

Second Reading

Mr WEST (Orange - Minister for Police, and Minister for Emergency Services [10.12]: I move:

That this bill be now read a second time.

The object of this bill is to amend the Independent Commission Against Corruption Act 1988 to expand the jurisdiction of the Independent Commission Against Corruption in relation to Ministers of the Crown and members of Parliament. Broadly speaking, the amendment would mean that the ICAC would be able to investigate an allegation that a Minister or member of Parliament had breached a code of conduct applicable to that Minister or member, if the alleged breach were potentially of a corrupt nature. Following an investigation, the ICAC would be able to make a finding of corrupt conduct against the Minister or member of Parliament, on the basis of a substantial breach of the code.

Following the decision of the Court of Appeal in *Greiner v Independent Commission Against Corruption* concerns were expressed that the Independent Commission Against Corruption Act operated in a manner that resulted in different standards of conduct being applied to different classes of public official. In particular, there was the perception that Ministers of the Crown were beyond the reach of the ICAC. This difficulty arises because of the definition of corrupt conduct contained in the Independent Commission Against Corruption Act. This is a complex definition. First, section 8 of the Act sets out four broad categories of conduct that can constitute corrupt conduct. For example, conduct of a public official that involves a dishonest or partial exercise of official functions or a breach of public trust is corrupt conduct.

In addition, section 8 sets out specific examples of corrupt conduct. However, the wide ambit of corrupt conduct under section 8 is cut back by section 9, which provides that conduct can be corrupt conduct only if it involves a criminal offence, a disciplinary offence or reasonable grounds for dismissing a public official. Before the Independent Commission Against Corruption can investigate a matter there must be circumstances or allegations that suggest that a person may have engaged in conduct as defined by both sections 8 and 9. Clearly, Ministers and members of Parliament can be investigated by the ICAC when there are allegations that suggest that they may have been involved in criminal activity. However, the Court of Appeal decision showed that the other bases for corrupt conduct, namely, disciplinary offences and reasonable grounds for dismissal, could have very little practical operation in relation to Ministers and members of Parliament.

With the aim of addressing this so-called discriminatory operation of section 9, the joint parliamentary Committee on the Independent Commission Against Corruption recommended that section 9 be repealed. The Government has carefully considered this recommendation and examined its ramifications for the operation of the ICAC. It has reached the view that its repeal would have unacceptable consequences. However, the Government acknowledges that the effect of section 9 is that Ministers and members of Parliament may be less amenable to the jurisdiction of the ICAC than, say, public servants. Moreover, in similar circumstances it may be that a public servant but not a Minister or member of Parliament could be found corrupt. The Government does not accept that exactly

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the same standards need to be applied to every class of public official. In particular, there are important distinctions to be drawn between elected and non-elected officials based on the different manner in which they are accountable to the public.

The Government nevertheless accepts that, for the purposes of the Independent Commission Against Corruption Act at least, a set of standards more analogous to that applying to other public officers should apply to Ministers and members of Parliament. Public servants and other public sector employees are subject to disciplinary provisions and codes. A breach of such provisions and codes may attract the jurisdiction of the Independent Commission Against Corruption and result in a finding of corrupt conduct. It is proposed, therefore, to put members of Parliament and Ministers on a similar footing to public sector employees by providing that a breach of a code of conduct applicable to them can attract the ICAC's jurisdiction and result in a finding of corrupt conduct when it is found that a substantial breach has occurred.

The amendments make it effectively the responsibility of each House to develop its own code to regulate the conduct of its members. It is not for the Executive Government to impose a code on members of the Parliament. That should be a matter for the members themselves. I note that the Committee on the Independent Commission Against Corruption has done considerable work already in relation to codes of conduct. Honourable members are probably aware that Ministers of this Government have voluntarily adopted a code of conduct that requires them to observe certain standards of conduct and disclose interests when there are potential conflicts. However, for the purposes of the Independent Commission Against Corruption Act, it is proposed that a ministerial code be adopted by regulation. Thus, the code will be public and subject to the scrutiny of this Parliament and disallowance by either House.

The Government considers that the amendments made by the bill will give effect to the objectives of the committee's recommendation for the repeal of section 9 whilst ensuring that the ICAC continues to be

concerned only with serious matters of corruption. The repeal of section 9 would expand the jurisdiction of the ICAC and blur the lines between the respective jurisdictions of the ICAC, the Ombudsman and the Auditor-General. The ICAC was established to deal with serious allegations of official corruption. That role should be maintained, and its resources should not be wasted on trivial matters. Moreover, it needs also to be borne in mind that once the ICAC has jurisdiction it has extraordinary coercive powers. For example, it may issue search warrants, it may compel people to give evidence that is self-incriminatory, and it may issue warrants for the arrest of persons.

These powers may be exercised not just in relation to public officials but against private citizens. The powers were not conferred lightly on the ICAC. It is the Government's view that they should not be triggered merely because allegations have been made that there is conduct that may fall within section 8 of the Act. That could be very much a matter of subjective judgment. A serious test, such as that provided for by section 9 of the Act and requiring the application of objective standards, should be retained. The bill before the House demonstrates the Government's continuing commitment to a strong and effective anticorruption body. It should remove the perception that Ministers and members of Parliament are beyond the reach of the Independent Commission Against Corruption. I commend the bill to the House.

Debate adjourned on motion by Mr Whelan.

ROYAL COMMISSION (POLICE SERVICE) BILL

Bill introduced and read a first time.

Second Reading

Mr WEST (Orange - Minister for Police, and Minister for Emergency Services) [10.20]: I move:

That this bill be now read a second time.

The object of this bill is to confer additional powers on the Royal Commission of Inquiry into the New South Wales Police Service and to assist the royal commission in the conduct of its inquiries. As honourable members will recall, when the motion to establish the royal commission was first brought before this House the Government's position was that this inquiry could best be conducted by the Independent Commission Against Corruption. The reason for adopting this position was a simple one. The ICAC can be likened to a standing royal commission in New South Wales. It has the necessary powers, resources and structure to carry out all the functions of a royal commission. It was the Government's view that the establishment of an entirely new body for the purpose of conducting investigations into the New South Wales Police Service represented an unjustified and unnecessary duplication of resources and effort.

However, once this House had resolved that the current royal commission should be established, the Government clearly indicated that it would ensure that the royal commission was given every assistance to enable it to carry out its functions effectively. In this regard, shortly after his appointment as royal commissioner, Mr Justice Wood advised the Government that he would be seeking the introduction of legislation with the aim of placing the royal commission in a similar position to that of the ICAC. As has been noted by Commissioner Wood, the powers given under the Royal Commissions Act are narrower than those given to the ICAC. It is in the context of this request by the royal commissioner, and the Government's determination to ensure that the royal commission is suitably empowered to conduct its inquiries, that this bill has been brought before the Parliament. Having in mind the scope of the powers which are dealt with in the bill, the Government has decided that the bill's operation should be limited to apply only to the current royal commission.

As I have already indicated, the bill will confer upon the royal commissioner a number of additional powers which are currently given to the ICAC but which are either not available under the existing royal commission's legislation or which are only available in a more limited form. In particular, the bill is intended to enhance the royal commission's information gathering powers. For example, the royal commissioner will be empowered to require a public authority or public official to produce a statement of information to the royal commission. This power will be in addition to the royal commission's existing power to summons persons to give evidence and produce documents.

For the purpose of investigating criminal offences the royal commissioner or his officers will be given a new power which will enable them to enter premises occupied or used by a public authority or public official for the purpose of inspecting those premises and inspecting any documents or other things in or on those premises. Further, the royal commissioner will be able to take copies of documents which are found in the course of such inspections. The bill will require the public authority or official to make facilities available to the royal commissioner to enable him to exercise this power. For the purpose of investigating possible criminal offences the royal commissioner will also be empowered to issue search warrants and warrants for the arrest of witnesses. Arrest warrants will be issuable in circumstances where it appears that either a person will not attend to give evidence before the royal commission or is about to leave the State.

The royal commissioner currently has no power to issue search warrants and is only empowered to arrest persons in circumstances where they have been served with a summons to appear before the royal commission and have failed to answer such a summons. Honourable members should note that the bill provides that the exercise of all these powers will be subject to the same safeguards as are currently contained in the Independent Commission Against Corruption Act. The bill will give legal practitioners assisting the royal commission, royal commission staff and persons appearing before the royal commission the same protection from liability as is conferred upon similar persons under the Independent Commission Against Corruption Act. This provision will strengthen and enlarge existing protections in the Royal Commissions Act. In addition, a new power is to be given to the royal commissioner to expressly enable him to make arrangements to ensure the protection of royal commission witnesses.

Secrecy requirements are to be imposed upon the royal commissioner, his counsel and officers. The royal commissioner will also be empowered to direct that material cannot be published or can only be published in a particular manner. The exercise of this last power will be subject to a requirement that the royal commissioner must have regard to the public interest before issuing a direction regarding the publishing of material. The bill also contains provisions which relate to the provision of information, and the giving of evidence, by the Ombudsman. In particular, the Ombudsman will be expressly permitted to furnish information to the royal commission. The bill also expressly declares that the Ombudsman and his officers are competent but not compellable to appear as witnesses before the royal commission.

As honourable members may be aware, the Prime Minister has recently advised that he proposes to introduce measures which will enable the royal commission to be given relevant information under the Financial Transactions Reports Act 1988 and the Taxation Administration Act 1953. In addition, although the Commonwealth has not been prepared to give the royal commission the same powers as the ICAC to conduct telephone intercepts in its own right, the Prime Minister has indicated that he will introduce amendments to the Telecommunications (Interception) Act 1979 for the purpose of enabling the royal commission to receive telephone intercept information from those agencies which are empowered to conduct such intercepts. The Prime Minister has also indicated that Commonwealth authorities such as the Australian Federal Police and the National Crime Authority will offer their assistance and cooperation to the royal commission. This bill will ensure that the royal commission has the necessary legislative backing to enable its inquiries to be undertaken thoroughly and efficiently. I commend the bill to the House.

Debate adjourned on motion by Mr Anderson.

WATER BOARD (CORPORATISATION) BILL

Bill introduced and read a first time.

Second Reading

Mr SOURIS: (Upper Hunter - Minister for Land and Water Conservation) [10.27]: I move:

That this bill be now read a second time.

The Fahey-Armstrong Government's leadership in micro-economic reform is clear and this bill is testament to that fact. Quite simply, our role is to stimulate growth, competition and innovation. This Government is also about accountability, fairness and an intelligent respect for the environment - sustainable growth, to build a better future. Corporatisation of the Sydney Water Board is another milestone in building a better economy, not just in New South Wales, but for Australia. Why corporatise the Water Board? The current structure of the Water Board inhibits the organisation's performance. It is a barrier to competition and makes for conflicts of interest.

Corporatisation involves picking up the competitive forces that apply to private companies and applying them to 100 per cent government owned organisations to make them more effective businesses. The aim of this bill is to turn the Water Board into a more efficient and commercial organisation that provides a better service to its customers and the community at large. The protection and privileges of being a public authority will be removed. Corporatisation will clearly divide responsibilities

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between the Water Board as an operator and its regulators. Make no mistake: corporatisation is not a concept unique to this Government. Although I do believe that the New South Wales State Owned Corporations Act provides not only a tested framework, but the best available.

The State Owned Corporations Act empowers the five key principles of corporatisation: clear objectives; managerial control; performance monitoring; rewards and sanctions; and greater competition. Corporatisation, as a means for improved efficiency and accountability of public sector businesses, is embraced by all governments in Australia. The Federal colleagues of those opposite, together with all other governments in this country, embrace the Hilmer report and the reason for this is simple. Poor performance by government trading enterprises has significant implications for the international competitiveness of Australian industry, costs jobs and is a drain on taxpayers' resources, limiting our expenditure options.

As part of a new world economy, in which there is intense competition for investment and jobs, it is essential that government operates in an effective and efficient manner. If we fail in this, there will not be the capacity to provide for this generation, let alone for those to come. This is particularly critical if we are really committed to ecologically sustainable development, as Sydney Water will be when corporatised under the auspices of this bill. Nationally, substantial capital stocks are tied up in our government trading enterprises. The 60 or so public utilities providing our electricity, gas, water, public transport, ports, mail and telecommunications account for about 10 per cent of the national economy - and, because they are capital intensive, represent about a third of the business sector's capital stock.

Australian water utilities alone invest some \$2 billion each year. All governments in Australia, and I dare say even those who sit opposite, are concerned to control the cost of inputs to industry to promote wealth and create jobs. In fact, the Leader of the Opposition has recently stated his intention to corporatise the Water Board. He would be a true pretender if he did not support this bill. He does claim, however, to have a different model, so the question about this bill and corporatisation of the Water Board is not if, but how. For my money, the Leader of the Opposition has essentially the very same intentions as this Government has in this matter because they are the correct ones, and he knows it. To think otherwise, he would be out of step with the national agenda of his own party.

The claims about difference are at best a sop to the public service unions and at worst dishonest, because

his is really a Clayton's model - the corporatisation you are having when you are really only making a name change - with less rigour and accountability. But I will return to this discussion later. Briefly, how is this bill relevant to the economy of New South Wales? Since 1988 the Government has reformed the economic position of New South Wales, turning around the inefficiencies and waste in the public sector - our Labor inheritance - identified in the Curran audit. Because of this, New South Wales has been cushioned against the recession, avoiding the economic hardships created by former Labor governments in other States such as Western Australia, South Australia and Victoria.

Sydney is now the undisputed financial capital of Australia and New South Wales is emerging as the most sophisticated and vibrant economy in the South East Asia region. With an annual output of over \$US100 billion, our New South Wales economy is larger than those of Hong Kong, Malaysia, New Zealand and Singapore; and we have a broader economic base. Some 95 per cent of the New South Wales economy is made up by the manufacturing and services sectors and today over half our exports are made up of manufactured goods and services. At the same time, New South Wales continues to receive less from the Commonwealth than the average for other States - around \$324 per person less in 1992-93. And yet this Government has been able to drive down our own debt so that in 1993-94 we are no longer adding to the State's debt in real terms.

The people of New South Wales should expect no less than this from sound financial management. The key is to get the best result from the resources we have. Reform of government trading enterprises has been central to providing the best services at the lowest prices to ease the burden of taxation on people as consumers, and business as employers. The future prosperity of New South Wales lies in being able to compete on world markets. To keep New South Wales competitive, GTEs are providing essential inputs, such as water, to key business sectors, like manufacturing. This bill is part of the guarantee. Corporatisation is the logical next step for the Water Board. At the beginning of the year when the Governor announced our intention to corporatise the Water Board, it was an indication of our confidence in the progress of reform of the Water Board under this Government.

Put simply, the first step was to make the board green and effective and the next has been to make it lean and efficient. This has been no simple task; more like a cultural revolution! After all, the Water Board is over 100 years old - born out of the demands of frontier and settlement. For much of this time the Water Board has been a power unto itself. It is only since 1972, for example, that the board has come under the control of a Minister! To meet the significant demands of the past, we created monopoly providers of public services and built great cities. Our future and that of our children, lest we leave them with fewer resources and greater debt, is dependent on forcing utilities such as the Water Board to compete and lift their game. In addition to the framework provided by the State Owned Corporations Act and the Corporations Law, this Government has put in place two key regulators - the Government Pricing Tribunal and the Environment Protection Authority.

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Like most large organisations, the Water Board has been subject to restructuring over the last decade. Since the inception of the pricing tribunal, however, progress related to pricing reform has been rapid and this has accelerated the commercialisation process. Pricing tribunal determinations have seen the introduction of user-pays pricing. With the introduction last year of the 65 cent per kilolitre flat price for water, the usage component of the water bill for residential customers has risen from 14 per cent to 67 per cent. The result is that the increase in total charges to households has been limited to the consumer price index for the average bill, but the property tax related element has fallen and the water usage element has risen. This is good news for the environment as well, because price is the strongest driver for demand management and if customers decide to use less water more wisely, then new dams, which are costly to the environment and to the economy, can be deferred.

At the same time, nonresidential water prices are down by 17 per cent in real terms which is good news for business competitiveness, growth and jobs. Pricing tribunal determinations on water prices have seen the property tax component for business users cut by \$60 million in 1993-94, with a further reduction of \$95 million to come this financial year. This means that Labor's legacy of a deadweight cross-subsidy paid by business has

been radically cut back. We have left behind the years when the Water Board could grow fat and inefficient while average households overused, at little cost to them, what is a scarce natural resource. In just two years the cross-subsidy will have been cut by \$155 million, with business paying less but with households on average paying no more. How is this possible? It is being paid for by reductions in the Water Board's operating costs - the Water Board is being more efficient.

In 1993-94 operating costs fell by 7 per cent and the board has adopted a target of reducing overall costs per property served by 20 per cent by 1996-97. For Sydney Water to achieve this target this bill must succeed. The board has proven that it is now ready for greater challenges - to come face to face with its customers without the protection of the Crown! This bill will remove the protection and privileges of being a public authority and the corporation will be required to better focus on customers' needs. In fact, this bill proposes an innovation which is a first for the water industry in Australia; a money back guarantee to customers if the corporation fails to deliver services without due notice. This means that Sydney Water will not be able to hide behind the protection of government. Sorry, we will do better next time, will not be good enough.

If Sydney Water fails to provide a water or waste water service due to a fault in its system, customers will automatically get a 10 per cent rebate on the quarterly service availability charge. For residential customers this would be \$8.40 back per incident if Sydney Water fails to deliver. Sydney Water, under this proposal for corporatisation, will be putting its money where its mouth is, so to speak. This is an indication of how seriously Sydney Water will be focusing on customer service. The ultimate aim will be not to pay any rebates. The innovation of customer redress and the payment of compensation will become reality with corporatisation as proposed in this bill under the company model. Good government creates the right environment for economic growth by encouraging innovation - doing new things, and doing old things in better ways.

Effective investment in efficient infrastructure is critical for community benefit and business growth. Government funds can be bolstered by partnerships with the private sector. This way, taxpayers benefit from competition and the savings can be used for new schools, hospitals, et cetera. This bill will create a level playing field so that the corporation is exposed to competition and market forces, the same as a company in the private sector. To date, the Water Board has reduced its operating costs, become more efficient and successfully prepared for competition by contracting out non-core activities and by exposing Water Board business units to competition in the open market.

This bill creates the opportunity for others to enter the corporation's area of operations to compete to provide services. The result will be the best service at the best price for customers. The greening of the Water Board has been a turning point for Sydney. After years of neglect by Labor, the great brown stains of Sydney are gone. In the late 1980s the beaches were polluted with sewage for around 50 per cent of the year. Today, Sydney's beaches are free from sewage pollution about 95 per cent of the time. A key driver of reform has been the creation by this Government of the Environment Protection Authority. It is interesting that each year the Leader of the Opposition was Minister for Planning and Environment, the budget for the old State Pollution Control Commission, Labor's environmental defender, dropped. By the time Labor was finally out of office, the Leader of the Opposition had slashed the SPCC budget to \$11.5 million and reduced the total staff to protect the environment of the whole State to 246 people.

By contrast, this Government established and resourced the EPA. In 1994-95 the EPA will have a budget of about \$74 million and more than 650 staff. The board's major ocean plants are reliable, with process failures now rare. The EPA licences discharges from all the board's treatment plants. These licences are reviewed annually. Ocean disposal of sewage sludge ceased in December 1992, almost one year ahead of schedule. And now we recycle about 70 per cent of sludge, mostly in beneficial applications on land. Just last month the Water Board's successful trade waste policy was recognised by winning the national keep Australia beautiful vision of Australia award for excellence in environmental management. The quality of trade waste discharged to the sewers has dramatically improved and will be reduced to domestic strength by July 1996, by agreement. In fact, industry has invested about \$300 million to date in meeting its trade waste agreements

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with the board. Industry estimates that this is equivalent to the cost of about 10,000 jobs and represents a

balanced but significant investment by industry in the environment.

There has also been a successful reduction of nutrient loads discharged from the board's treatment plants to the Hawkesbury-Nepean due to improved effluent quality. In short, since this Government came to office the improvement in the environment due to improved performance by the Water Board is significant. The benefit of establishing the clean waterways program and the special environmental levy by this Government is obvious - ask any beachgoer! A less obvious benefit of the clean waterways program to date is the wealth of scientific data it has yielded. The EPA is now in a position to license the board's sewer systems - over 21,000 kilometres of sewers - to reduce overflows. This is because we have invested in the science under the clean waterways program. The board has gauged the entire sewer system and done the catchment modelling work so that for the first time we know how the system works in dry and wet conditions. This data will form part of the environmental impact assessment to license the sewer system.

When these licences are in place, pollution reduction programs will be agreed so that a staged upgrading of the board's sewer system assets will be undertaken. This is an important next step in the regulation of the board because the big environmental gains for the dollar spent have now largely been achieved - at a cost of \$1 billion so far. Choices for clean waterways - the Water Board's long-term planning document for waste water and stormwater - demonstrates that the decisions to be made for the future are more difficult and must balance complex problems with the costs, benefits and risks of a range of solutions to protect the environment. This approach is in keeping with the recommendations of the Council of Australian Governments, COAG - the need to accelerate and broaden progress on micro-economic reform to support higher economic and employment growth on a sustainable basis.

This bill provides for the clear separation of the corporation, as an operator, from the regulators and sets clear objectives on which to plan with certainty for the future. The water business is capital intensive requiring long run investment decisions to be made. This bill provides for the corporation to operate at arms-length from the political process. Importantly, the bill sets the corporation's objective as operating as a commercial business with regard to ecologically sustainable development. Commercial and environmental objectives are given equal weighting. Before I summarise the key impacts of this bill, I would like briefly to return to the issue of the two hows. I mentioned earlier that the Leader of the Opposition supports corporatisation but that he claims to have a different model - a different how, if you like. In effect, the Opposition's policy means a name change only - the Clayton's model.

The Leader of the Opposition also claims that this Government sees corporatisation as a means for privatisation. Let me say categorically that this bill does not provide for the privatisation of the Water Board - not directly, or by stealth - not at all. The State Owned Corporations Act provides that privatisation cannot occur without Parliament's approval - in other words, an Act of Parliament is required. The Government made a decision to put this bill out early for consultation and I would like to thank the Independent members for their contributions. With regard to this very point, the honourable member for South Coast sought comfort from the fact that this bill will not privatise the Water Board. An amendment was made to make this absolutely clear. This bill proposes to corporatise the Water Board using the company model under the State Owned Corporations Act and the Corporations Law. By contrast, the Opposition proposes corporatisation of the Water Board as a statutory corporation.

What does this mean for the person in the street? In short, a statutory corporation as proposed by the Opposition means less accountability - both ministerial and to the Parliament - retention of political interference, continued protection of the Crown and no money back guarantee for customers. The central reform in corporatising an organisation is to change the relationship between the Government and the public authority. The corporation must be freed from day-to-day direction by a Minister and be able to operate at arms-length from the political process with clear performance objectives. To give this effect, the State Owned Corporations Act provides for the Government to appoint the board of directors but it is the board of directors which appoints and directs the chief executive officer, not a Minister.

Corporations Law means that the board of directors is accountable for the corporation's performance and

the directors are personally liable if they do not exercise their duties with a reasonable degree of care and diligence. A director can be subject to fines or imprisonment and an action can be brought against a director by the Australian Securities Commission. The Opposition is factionally challenged in this regard. Opposition policy on government trading enterprise reform is that the board of directors and the chief executive officer of the Water Board will be approved by Cabinet and appointed by the Minister. Well, why bother? Why not just pay the money and change the board's name? The effect would be the same because this approach inhibits competition and efficiency and will not let the managers manage, nor is it effective ministerial accountability.

Under the Opposition's policy, accountability for the organisation's performance is dissipated between a Minister, a board and a CEO. Apart from annual reporting, there is no requirement for directions from the Government or information to be tabled in the Parliament. A statutory corporation can also remain shielded from the application of laws applying to companies - it is an unlevel playing field. The Opposition wants to retain the ability to direct

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operations day to day, in private, without the scrutiny of the Parliament. The Opposition's policy also retains the shield of the Crown which is extended to the board of directors, exempting it from any personal liability because it would not be subject to Corporations Law - the example of the State Bank of South Australia springs to mind. And most importantly, the efficiency of the organisation would be diminished without the separation from day-to-day politics or the clarity of objectives and direction provided by the instruments of corporatisation under the State Owned Corporations Act.

Accountability will also be lessened compared to the improved accountability provided for by this bill to corporatise the Water Board. In contrast to the Opposition's policy attempt at hedging its bets, a mature approach is required to get the balance right. That is why this Government legislated for the State Owned Corporations Act; to provide a comprehensive and integrated policy and legal framework which balances the five principles that I mentioned earlier: clear objectives; managerial authority; performance monitoring; rewards and sanctions; and greater competition. The key features of the Government's model are: public ownership; commercial management relationships between the Government and the corporation, with a board of directors subject to Corporations Law, in addition to public sector accountabilities; and environmental, legal, financial and administrative regulation to ensure accountability and performance.

Corporatisation as proposed in this bill involves losing the protection and privileges of being a public authority with the protection of the Crown. As a corporation, Sydney Water will be subject to Corporations Law, the Consumer Claims Tribunal and - most significantly for competition and to control monopoly position - the Trade Practices Act. Here again, with regard to the Trade Practices Act, the honourable member for South Coast, as well as the honourable member for Manly, suggested an amendment that would enhance the bill. As a government owned corporation, Sydney Water will remain subject to the Auditor-General, the New South Wales Ombudsman, the Public Accounts Committee, the Independent Commission Against Corruption, freedom of information, the anti-discrimination legislation and the Annual Reports Act. The honourable member for South Coast also suggested improvements with regard to these matters, in particular, an amendment; so that without duplicating the reporting requirements of the State Owned Corporations Act or the Corporations Law, the corporatised Water Board would continue to report against the requirements of the Annual Reports Act. This should also please the members opposite as it is in line with their policy and clearly explodes any urban myth of reduced ministerial accountability.

Corporatisation, as proposed in this bill, makes an organisation more accountable, not less. And this accountability is more public - more transparent. This is achieved through a mix of the public sector and private sector requirements already mentioned. The Water Board under this bill will have clear objectives and specific performance targets that will be independently audited annually and reported publicly. This will be ensured through two instruments in particular: the statement of corporate intent, which is the agreement with the Government shareholders that sets the customer, environmental and commercial targets; and the operating licence, which sets the performance standards. Both of these documents are tabled with this bill.

The honourable member for South Coast made a significant suggestion, which the Government has

adopted, with regard to the operating licence. Members would realise that the operating licence is the corporation's ticket to ride, if you like. It is granted for five years and is independently audited annually. If the licence is breached there are sanctions - penalties of fines up to \$1 million and ultimately the board can be sacked or the licence withdrawn. At the suggestion of the honourable member for South Coast it has been agreed to enable the Parliament to review any amendments to the terms and conditions of the operating licence. The bill provides that any amendment to the operating licence approved by the Governor will be tabled so that each House of Parliament is given an opportunity to consider and disallow those amendments.

I now want to briefly mention the main impacts of this bill, and will deal first with the relationship with government. As mentioned, the corporation remains 100 per cent government owned, and five government Ministers become the shareholders on behalf of the people of New South Wales. One Minister retains portfolio responsibility. The shareholders set the commercial objectives contained in the statement of corporate intent and monitor performance; shareholder directions are tabled in Parliament including, for example, any directions to undertake a non-commercial activity; and public interest is protected by removing the corporation's public policy and regulatory functions and relocating them in government. This removes conflicts of interest and creates a level playing field. The shareholders appoint a board of directors who are accountable for achieving commercial, environmental and customer service objectives and who are subject to the corporations law. If these objectives are not met, the Government has clear rights of redress including tough fines, sacking of directors and the revoking of the corporation's operating licence. The board of directors appoints a chief executive officer, who reports to the board of directors. The corporation operates at arms-length from the political process.

How will accountability be improved? Accountability to the Government and the Parliament will be guaranteed through the tabling of the statement of corporate intent, the operating licence and any amendments, six-monthly and annual reports, shareholder directions, and accounts audited by the Auditor-General. The corporation will also be subject to freedom of information legislation, the Ombudsman, the Independent Commission Against

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Corruption, Corporations Law, the Trade Practices Act, the Consumer Claims Tribunal, the Pricing Tribunal and the Australian Securities Commission. A clear regulatory framework is established through the instruments of corporatisation, including agreements with government regulators such as the Environment Protection Authority, water resources and health. Audits, including an operational audit and a mid-term review, will be conducted by independent auditors to measure performance against the operating licence and customer grievance provisions. The results will be made public.

What is the impact on the customer? Customers get real rights as well as improved levels of service which are spelt out in the customer contract. Customers can claim compensation for damages and their money back when services are not delivered. There is a commitment to openness with customers and provision of information and a commitment to consultation through the establishment of customer councils and other forums. Better customer outcomes will be achieved through greater emphasis on core business and more competition. Customer complaints handling will be reported on and made public. Customer feedback will be used to help set standards of service through customer surveys and corporate and regional customer councils.

How will the environment be protected? The clearer relationship between operator and regulator created by corporatisation establishes environmental responsibilities. The corporation will be required to meet environmental regulations and objectives set by the Government. The EPA will continue to set licence conditions for the corporation's operations. The corporation will continue to be subject to the Environmental Offences and Penalties Act. The bill sets the corporation's objectives, which include ecologically sustainable development. The corporation's environmental objectives and targets are set in the statement of corporate intent, which sets them on a par with the commercial objectives. The operating licence includes a requirement that progress on the corporation's environment plan and demand management strategy will be reported on as part of the annual operational audit.

This improvement to the operating licence was made in response to suggestions from the member for

Manly. Corporatisation as proposed will allow least cost planning. This is not possible without clear objectives and distance from the political process. What will it mean to employees of the Water Board? Employees of the Water Board will automatically become employees of the new corporation and will retain all present conditions. The bill provides for a director selected from nominees of the Labor Council of New South Wales.

I commend this bill to the House and in closing would like to highlight some improvements on past proposals and some firsts. The money back guarantee for customers is an Australian first for the water industry. Ministerial accountability is strengthened by the separation of the portfolio licence holding Minister and the shareholding Ministers. Accountability for the corporation also includes requirements concerning freedom of information, the Annual Reports Act and, unambiguously, the Trade Practices Act. The corporation's operating licence will be tabled as well as the statement of corporate intent. And, amendments to the operating licence will be also be tabled for approval by the Parliament. The ecologically sustainable development objective in the bill is backed by a comprehensive environment plan that links strategies for action to senior management accountabilities. Through the operating licence, progress against this plan will be independently audited and reported publicly each year. Similarly, progress against the corporation's demand management strategy will be audited and reported.

I have no doubt that corporatisation of the Water Board will result in improved accountability, increased efficiency, a better deal for customers, better products and services, a better return for the community on its investment, clear performance criteria to protect the environment and public health, a better deal for New South Wales and, given the size of the business concerned, a better deal for Australia.

Debate adjourned on motion by Mr Knowles.

PROFESSIONAL STANDARDS BILL

Second Reading

Mr HARTCHER (Gosford - Minister for the Environment) [10.58]: I move:

That this bill be now read a second time.

The Professional Standards Bill responds to the growing problem of professional liability by introducing a system that will properly address the consequences of unlimited liability while ensuring that primary regard is given to the interests of consumers. The bill does this by introducing a mechanism whereby professional associations can have schemes approved. Those schemes include a cap on liability, a requirement for compulsory insurance, the development of risk management strategies and the establishment of a complaints and disciplinary system. Let me say at the outset that this legislation has been developed over an extensive period and in full consultation with professional, insurance, consumer, legal and trade union bodies. The Government first determined to review this area in 1988.

The Attorney General's Department produced an issues paper which was released in September 1989 and outlined in detail the extent of the problem. This was widely circulated and an extensive number of comments were received. A discussion paper entitled "Professional Liability, Insurance and Risk Management" was released in April 1990 and outlined the proposal to introduce limited liability tied to significantly increased consumer protection. This discussion paper produced an extraordinary response. The proposal received wide support, not only from professional associations but from other bodies that recognised the need for the community to address the

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liability problem and saw the benefits to consumers from the proposal. I will not quote in detail from those submission but I believe it is appropriate and instructive to refer to the response from the Chief Justice.

The Chief Justice indicated support for the proposals in the discussion paper. He noted that in many areas

of the law of torts standards of reasonableness determine whether a defendant is found to be a wrongdoer. He suggests that it would be idle to deny that assumptions about the availability of insurance cannot have a practical influence in this process. The consequence is that in relation to matters of professional liability there is a trend towards making professional people the insurers of the financial wellbeing of persons and corporations who, in a free market, are supposed to make profits out of taking risks. He noted that he is personally in favour of permitting professional people, subject to appropriate safeguards, to limit their liability.

Professional people are paid to give conscientious and skilful advice, but they are not paid to warrant or insure the financial wellbeing of their clients. If the practical operation of the law provides the latter position, naturally they will charge accordingly; but in the long run that is not to the benefit of their clients or the community. I suggest that the Chief Justice's response to the 1990 discussion paper well encapsulates the policy behind this legislation. Following the support given to the discussion paper, an exposure draft bill was tabled in this House in November 1990. Since then the bill has been further refined and there has been considerable further discussion with all interested bodies in relation to the merits and detail of the legislation. This culminated in a further exposure draft of the bill being released by the Attorney General in January of this year. As with all prior papers and bills this was circulated to all members of Parliament.

I have taken some time to outline the extensive genesis of this legislation because of the position adopted by the Opposition when this bill was before the Legislative Council. The Opposition appears to be unable to consider the merits of the legislation, and its proposal to refer the bill to a parliamentary committee seriously calls into question whether the Opposition really want to be involved in making good laws for the benefit of the community of New South Wales or, rather, to try to frustrate the Government's initiatives. I look forward to the Opposition showing its real position on this important legislation. As I have noted, the Professional Standards Bill addresses what is a growing problem in relation to professional liability by introducing limited liability for members of professional and other occupational associations.

The bill also provides greater protection to users of services provided by members of such associations by requiring members to hold appropriate insurance, participate in risk management activities and be subject to a complaints and disciplinary structure. While historically professionals have regarded it as axiomatic that they meet the consequences of their own mistakes, the fact is that for many professionals insurance is now unavailable or unaffordable to levels commensurate with their exposure and liability. This is impacting upon the manner in which professional practices are being conducted, which has significant consequences for the client, third parties and the community generally. One consequence of the dramatic rise in claims and the resulting increase in insurance premiums is the alarming number of professional practitioners who choose to reduce their insurance cover or go uninsured.

It is clearly of no consolation to aggrieved clients if they can be awarded unlimited damages but have no real prospect of recovery. Anecdotal evidence from professional bodies also suggests that the practices of professionals that are subject to a high level of financial risk are characterised by an excessive degree of caution, with detrimental consequences for the clients. In these circumstances it was appropriate to investigate the possibility of introducing a system for the limitation of professional liability. The concept of limited liability is widely recognised and accepted in the world of commerce. However, while it is appropriate that some consideration be given to the extension of this principle to the professions, it is essential that we have regard to the public interest and that of clients.

At present when people sue a professional they may obtain a judgment to an unlimited amount. However, there is no certainty of recovery as the capacity of the professional to meet a valid claim varies, depending upon the level of indemnity insurance and the professional's personal assets. In other words there is, in effect, a de facto cap already operating. The Professional Standards Bill replaces this with a statutory cap on damages tied to a number of safeguards to protect the interests of clients. These safeguards are: first, a threshold up to which all claims will be met in full; second, limitation of liability will not apply in relation to claims for death or personal injury or in relation to conduct involving a breach of trust, fraud or dishonesty; third, there must be full disclosure of any limit of liability; fourth, schemes for limited liability must include compulsory professional indemnity insurance; fifth, the bill requires the introduction of risk reduction and risk management strategies;

and, sixth, there must be a system to allow for proper redress of consumer complaints.

The bill establishes a mechanism whereby a professional or other occupational association can apply for a professional standards scheme. A scheme will include a cap on liability and requirements for insurance, risk management and a complaints system. Schemes will not be imposed on any profession. It will be left up to each professional body to determine whether it will participate, and to seek a specific scheme for its members. The consequences of membership of the scheme, including greater professional control through self-regulation, will make participation attractive to many professional organisations. Those professions that elect to participate may either cover all members or provide

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that the scheme only applies to certain members, such as those with an unrestricted right to practise. In either case it will be necessary for the professional body to keep a register of persons who are part of the scheme.

Applications for a scheme will be made to the Professional Standards Council, which is established by the bill. Before approving a scheme, the council is to give public notification explaining the nature and significance of a proposed scheme and inviting public comment. All comments will be considered by the council. In approving a scheme the council is to have particular regard to a number of matters, such as the level of claims against members of the profession and the impact of a limit of liability upon consumers. These matters are set out in clause 10 of the bill. The council may also conduct a public hearing into a proposed scheme.

Once approved by the council a scheme is submitted to the Attorney General, who, if satisfied with the proposed scheme, may arrange for its publication in the gazette. Each scheme is subject to a two-month moratorium during which proceedings may be brought to challenge its validity. Each scheme is also subject to disallowance by Parliament in the same way that a statutory rule may be disallowed. The limitation of liability may be by either a set amount or a multiple of the fee. In either case the limit is subject to a threshold. This threshold, which the bill provides must be at least \$500,000, will be set so that the great majority of claims, and certainly all consumer claims, will continue to be met in full.

The limitation of damages by way of a multiple of the fee creates a direct correlation between the nature and size of the work performed by the person as reflected in the fees and the potential liability. It has the advantage that a client could determine with some degree of certainty what the maximum liability of the person with whom he is dealing would be. Determining the multiple will be a matter for consideration in relation to each occupational group. As I earlier noted, limitation of liability will not apply in relation to claims for death or personal injury. These claims raise issues of more general application. The scope of limited liability is therefore restricted to liability for financial loss. Liability will also not be limited in relation to a breach of trust or arising from conduct involving fraud or dishonesty.

The duty of care arising from a trust relationship imposes greater obligations and it is not appropriate to limit liability for breach of these obligations. It would not be proper for a person who is personally guilty of fraud or dishonesty to be entitled to any limitation of liability. The limit of liability applies to partners and employees of persons covered by a scheme provided that if such persons are eligible they must be members of the same occupational association. This ensures that all members of the firm are, so far as possible, subject to risk management, complaints and the other consumer protection elements. The policy behind this legislation accepts that it is preferable to provide some guarantee of payment for the vast majority of claimants than to have a system of unlimited liability with no certainty of any payment in many instances. This is achieved in the bill by tying the limited liability to a requirement that insurance and/or business assets be held to the level of the limit.

The bill also provides that there should be disclosure of the fact of restricted liability by reference to limited liability in letterheads and other business documents that may come to the attention of a client or potential client. In relation to insurance, the bill gives responsibility to each occupational association to require members to hold insurance. Mandatory insurance will create a degree of protection for plaintiffs by ensuring that considerable resources will be available to meet claims in the event of liability being proven. It is also

possible that, in consequence of the greater risk sharing associated with universal application of indemnity insurance within a particular profession, the members of the profession may obtain suitable cover at more reasonable premiums than would be available under a voluntary insurance system.

The bill also provides that an occupational association may monitor and analyse claims made against its members. It is a matter of some concern that many professional liability claims are settled on terms not to be disclosed. This prevents the profession from identifying and learning from mistakes. The bill encourages professional associations to establish, in cooperation with insurers, a system to identify trends in claims which may be addressed through professional education and training. Risk management is also an essential component of all schemes. Together with compulsory insurance, risk management is the main element of consumer protection. Risk management procedures may include, but are not limited to, codes of practice; codes of ethics; quality management; claims monitoring and review; complaints resolution; discipline of members; voluntary mediation service; and continuing educational standards.

Close adherence to risk management will lead to improved practices and a reduction in the cause of claims. Introduction of greater risk management will also be of considerable benefit to the community. The court infrastructure is a cost borne by the community and it is in the public interest to introduce schemes which encourage attention to reducing risk, and thus the number of claims, and the level of litigation. The bill also requires an occupational association to put in place a complaints and disciplinary structure. This will provide a more efficient and cost-effective system of dealing with consumer concerns rather than resorting to civil litigation. It will also allow professional associations to identify poor practices which may not have led to any loss but which may draw into doubt the competence of the practitioner and warrant disciplinary action being taken. I also believe that it will be appropriate for professional associations to establish mediation services to deal with consumer complaints.

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The role of the Professional Standards Council is crucial to the good operation of the legislation. In addition to the function of considering applications for schemes, the Professional Standards Council will have a general function to monitor and report on the operation of the legislation and a charter to promote good ethical behaviour and encourage and assist in the development of professional standards. In conclusion I believe it is appropriate to recognise that there are considerable benefits from the legislation for professionals and their clients. As I earlier noted, schemes of limited liability will operate through professional organisations. A scheme will not be imposed on any profession; it will be left up to each professional body to determine whether it will participate and to seek a specific scheme for its members.

The consequences of membership of the scheme, including greater professional control through self-regulation, will make participation attractive to many professional organisations. Membership of a professional body will also provide an assurance to clients that certain minimum standards have been met and that the professional body has in place proper complaints and disciplinary procedures. There will be considerable benefits to consumers from choosing to deal with a professional who is part of a scheme under the legislation. First, the consumer client will be certain that the professional holds appropriate indemnity insurance and that in the event that a sustainable claim arises the consumer client will know that there are funds available to meet the claim.

Second, the consumer client will be sure that the professional is a participant in ongoing risk management strategies which give assurance of the professional's competence and attention to standards. Third, the consumer client benefits by having recourse to a complaints system in the event of being dissatisfied with the professional's service. This is an exciting reform. It is unique in the way in which it combines, in an effective scheme, a range of priorities concerned with the provision of professional services. It combines recognition of the value and influence of professional advice; the recognition of the importance of allowing advisers to get on with job of advising without overconcentration on the spectre of liability and the kind of defensive practice that can give rise to, and promotion of, advanced risk minimisation measures and the maintenance of standards of excellence as a condition of limited liability. This is legislation which addresses a significant and growing

problem in a unique and positive manner. I commend the bill to the House.

Debate adjourned on motion by Mr Whelan.

GREEK ORTHODOX ARCHDIOCESE OF AUSTRALIA CONSOLIDATED TRUST BILL

Second Reading

Mr HARTCHER (Gosford - Minister for the Environment) [11.14]: I move:

That this bill be now read a second time.

The purpose of this bill is to constitute the Greek Orthodox Archdiocese of Australia Consolidated Trust as a statutory body, to specify the trust's functions and to provide for the vesting of certain property in the trust. The Greek Orthodox Church has a long history in New South Wales, dating back to a number of convicts who reached Sydney in 1818. The first orthodox church service held in Sydney was conducted by a chaplain from a Russian vessel which visited Sydney in 1820. The Greek population of Sydney grew significantly from this time onwards and in 1868 the first Greek Orthodox priest arrived in Sydney to minister to the congregation.

Currently, the Greek Orthodox Archdiocese of Australia has 120 parishes comprising 105 churches and 120 communities in the pastoral care of over 100 clergy, some of whom have graduated from the Greek Orthodox Theological Seminary established in Sydney. There are 37 parishes in New South Wales, ministering to between 160,000 and 200,000 people. The archdiocese now includes preschools, primary schools and high schools and, through the St Basil Homes and the Greek Welfare Centre, is involved in the care of the aged, the poor and the needy. With this background in mind, I now turn to the provisions of the bill.

The bill provides for the creation of a statutory trust, to be known as the Greek Orthodox Archdiocese of Australia Consolidated Trust, and invests it with certain powers in relation to dealing with property and the investment of funds. The bill empowers the holding of property by the trust, the blending of trust funds and the variation of trusts. Under the provisions of this bill, the trust may be appointed the executor or administrator of an estate. Currently, the church owns property through a company limited by guarantee. This is not considered a satisfactory form of property ownership.

The bill establishes a statutory property trust in the name of the church which will have the power to perform all things necessary in dealing with trust property to carry out the proper management of the trust. As the trust will be a body corporate the inconvenience of transferring church property to new trustees every time a trustee dies or retires is avoided. All property currently vested in the company operated by the church, and any property held on trust for the church, will vest in the church from the date of commencement of the Act. In this respect the bill grants the trust an exemption from stamp duty in New South Wales on the transfer of that property to the statutory trust established by the bill. The provisions of this bill are consistent with the approach taken in other property trust legislation. As honourable members will recall, similar orthodox church property trust bills have received bipartisan support as they passed through both Houses of Parliament. This bill will assist the Greek Orthodox Church in Australia to further its religious and charitable dealings. I commend the bill to the House.

Debate adjourned on motion by Mr Whelan.

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CRIMES (FEMALE GENITAL MUTILATION) AMENDMENT BILL

Second Reading

Debate resumed from 15 September.

Mrs CHIKAROVSKI (Lane Cove - Minister for Industrial Relations and Employment, and Minister for the Status of Women) [11.19]: As Minister for the Status of Women, I support the bill. All honourable members will agree that the custom of female genital mutilation practised on young girls and women is totally unacceptable. The Government is absolutely committed to protecting the rights of all children. Tonight the House is discussing changes to the law to provide the women and children of New South Wales with additional protection against what is a very distressing practice. The Government is aware that legislation needs to be accompanied by an education campaign because legislation alone will not eliminate this practice. The amendments to the Crimes Act will prohibit the practice of female genital mutilation and, together with a community education program, will inform the community that this practice cannot be tolerated any longer.

New South Wales leads the Commonwealth and other States in initiating legislation in this area. The Government has already taken action to outlaw this practice and this is at a time when the Federal Government is still considering the issue. Female genital mutilation is a traditional, cultural practice performed on young girls from the age of three to 14 years. It is carried out in African countries, although not exclusively in African countries, and is found among certain groups in the Middle East and Far East. It is not, as generally believed, an Islamic practice. It is a cultural practice. It is not a religious practice; it is not a practice endorsed by the Islamic religion; it is not a practice endorsed in the *Koran*. In poorer communities the procedures are generally performed by traditional midwives, and, in those communities that can afford it, by a doctor in a hospital.

It has been estimated by the World Health Organisation that more than 80 million women worldwide are affected by female genital mutilation. It is not a practice that is conducive to women's health. In fact, it has devastating health effects for women and can include, at its milder end, pain and haemorrhaging, but goes further into areas such as infection, septicaemia and impaired sexual response. It also has the result that affected women often experience serious complications during childbirth. In this country most of the evidence about female genital mutilation is anecdotal. It comes mainly from the Department of Immigration and Ethnic Affairs. I have been advised that two cases of female genital mutilation are known by the authorities to have been carried out in New South Wales. Women are known to have approached doctors in both the Australian Capital Territory and Western Australia requesting operations for their daughters.

Hospitals in Melbourne have received women patients for maternity and other health care needs and have found them to have been mutilated. That these incidences are occurring is a clear indication of the need for the legislation. A message needs to be sent out to the community that the practice of female genital mutilation is totally and completely unacceptable. The approach of the Government is to do two things: first, to legislate to amend the Crimes Act to make female genital mutilation illegal in this State. The amendments to the Crimes Act will exempt certain surgical operations where they may be necessary for the health of a woman. The legislation is about making sure that women and young girls in this State are protected from the practice, which is of no benefit to their health. It is not a practice which is acceptable in this State or in this country. The legislation is not directed towards any particular ethnic group; it is not directed at any particular religion, country or organisation.

The Government recognises that Australia has a culturally diverse community. That is one of its strengths. But that is not to say that a culturally acceptable practice in other parts of the world is to be accepted in New South Wales as well. That is what this legislation is about: it is about saying that this practice is totally and completely unacceptable. In the past this matter would have come under existing child protection and criminal laws. However, today as a community we are concerned that a clearer message - to specifically outlaw female genital mutilation - must be sent. To do so only by legislation is not the approach; we must have an education program supporting the legislation. The Government recognises that as this is a cultural tradition people need to understand why it needs to be stopped. They need to understand why this particular cultural practice is not acceptable. That is why an education campaign will accompany the legislation.

The education campaign will be aimed at people within the community who want to practice this particular type of mutilation, but it will be aimed also at the health workers so that health workers understand what they

need to be looking for and how to deal with this issue. The campaign will be targeted to the relevant communities, thus ensuring that the message is culturally appropriate and has the impact that we know this sort of campaign needs to have to ensure that women do not have to suffer this particular mutilation. The Government intends to work with those communities, together with the Ethnic Affairs Commission, to ensure that this practice is stamped out. We understand that in certain communities we will need to make sure that people understand, that they come to terms with the fact that something they found to be acceptable is no longer acceptable. The community education campaign will enforce that message.

The Government is concerned to ensure that practices in this State for the care of children are appropriate and dealt with in an appropriate way. This legislation will act as a deterrent to people who perform the operation and as a protection and support for women who wish to resist the practice. It will also assist health workers and others to refuse to take part in such practices. I conclude by saying that the

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Government recognises that this is a difficult problem. It is one which we do not want to drive underground. We do not want to force people into backyards. We do not want unacceptable health standards for young women. The Government recognises that this is a difficult issue but it must be addressed, taking into account the cultural sensitivities and concerns of the community. The Government is committed to working for young women in this State. The Government believes in protecting our children. I commend the bill to the House.

Mr WHELAN (Ashfield) [11.26]: I congratulate the honourable member for Port Jackson, who led for the Opposition and made a valuable contribution to this debate. I agree that the legislation will be supported. I note that the Federal Minister for Health has been quite vocal about this issue and I agree that the legislation should be Federal legislation, as I am sure all honourable members would agree. The prohibition of female genital mutilation should be a national responsibility. I am more inclined to agree with the views of my colleague, the shadow minister for health, who foreshadowed like State legislation in a private members' bill, but deferred because of the Government having the carriage of the bill. My colleague suggested in his bill that the legislation should be accompanied by a great deal of education.

I was a little disappointed that the Government did not provide money in the budget for education. This cultural or religious problem is something that is alien to us all. Therefore, as the Minister for the Status of Women mentioned, it is a matter for education. For those reasons the Opposition supports the bill. I do not know whether the legislation will give the necessary effect, in a practical sense, but it will send a strong signal to the community that the Parliament and the people of New South Wales are intent on ensuring that the prohibition of female genital mutilation continues in New South Wales and has no place for it in our State laws. This really is a matter on which there should be Federal law, and the Federal Minister for Health has indicated that she intends to introduce such legislation. In the meantime, this bill is a step in the right direction and the Opposition supports it.

Mrs SKINNER (North Shore) [11.29]: I am pleased to support this bill which outlaws female genital mutilation. I congratulate the Attorney General and others who have been working towards its introduction for a long time. Many people have expressed concern about the practice of female genital mutilation and it has been noted that the World Health Organisation has been working for over a decade on education campaigns to eliminate the practice. It persuaded the United Nations to adopt a resolution opposing the practice on health grounds.

An article in the *Australian* newspaper in May reported that the United Nations body said the practice, although mostly carried out in Africa and Asia, was increasingly found in Europe, Canada, Australia and the United States of America. Female genital mutilation has an appalling effect on female sexual capacity and on health generally. A great deal has been said about that and I agree that the honourable member for Port Jackson was most eloquent when she referred to it in this Chamber recently. She commented particularly on the excellent briefing note provided by the Parliamentary Library. I do not intend to read the briefing note again, except to say that the procedures range from ritualised circumcision through to infibulation, which is the most severe form of this practice.

What really horrifies me is the fact that the procedures are generally performed by traditional midwives using unsterilised knives, razors or glass. No anaesthetic is used and several women may assist in restraining the girl while the procedure is performed. The provisions of the bill are plain, and send a clear message that this practice is not acceptable in New South Wales. It will be an offence to carry out the procedure, and also to assist or procure another person to carry out the procedure. Consent will not be a defence. It will also be an offence if the procedure is carried out beyond State boundaries and if the person mutilated is ordinarily resident in New South Wales. This means an offence will have been committed should a female baby or child be taken to another Australian State or out of the country for such a purpose. While it may well be that Federal legislation will be introduced in this regard, at least for the time being this does afford some protection.

When the honourable member for Port Jackson spoke to this bill she raised the question of the possibility of this practice going underground, as she called it. In this House she raised questions about whether there should be a provision in the legislation that doctors or nurses, the health professionals who down the track observe the results of this procedure, be compelled to whistleblow or to report. I refer to comments made by the Attorney General when speaking in another place. As he pointed out, female genital mutilation will constitute child abuse, as defined in the Children (Care and Protection) Act. Section 22 of that Act provides in the case of child abuse for a mandatory notification by the medical profession to the Director-General of the Department of Community Services.

Officers in the Attorney General's department have been consulting with officers of the Department of Community Services and the Child Protection Council regarding this issue. It will be mandatory for any doctor who has drawn to his attention that a child has had a genital mutilation performed on her to report that to the Director-General of the Department of Community Services. An investigation can then be pursued. There is no time limit upon the laying of a charge, whether it relates to the carrying out of the mutilation or aiding and abetting that mutilation.

The penalty of up to seven years imprisonment conveys this message, that it is not condoned in any sense in this State. I am pleased to note that the Attorney General has advised that a community education program will be carried out in relation to

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these provisions, as the Minister said earlier this evening. This will involve different agencies, including the Department of Health, the Ministry for the Status and Advancement of Women, and the Ethnic Affairs Commission. The education program will be aimed at health professionals, as well as the community, and note has been taken that it will be done in a most sensitive manner.

The 1991 census indicated that there were 75,698 women in Australia who came from countries which practice some form of female genital mutilation. It is difficult to estimate with any degree of accuracy the extent of the practice taking place in Australia. However, as is noted in the briefing paper provided on this topic, it would not be unreasonable to infer from recent developments in migration that the practice is now occurring in Australia. It has been said - and the Minister referred to this earlier - that there may be very few instances of female genital mutilation in New South Wales. That is no reason to ignore the need for the protection that this legislation will provide. Female genital mutilation is totally unacceptable to me, to many of my parliamentary colleagues who have spoken in this debate, and to many others who have not. I support the bill.

Mr HARTCHER (Gosford - Minister for the Environment) [11.35], in reply: I thank all honourable members who have contributed to this debate, and acknowledge the special contribution of the honourable member for North Shore, and the Minister for Industrial Relations and Employment and Minister for the Status of Women. I welcome the support this legislation has received from honourable members opposite. The bill is aimed at child protection. It is not legislation aimed at any one ethnic group. It is not legislation reflecting on any religion; it is aimed simply at ensuring that our society protects children and protects women and that our society ensures that everyone has the right to the integrity of their own person; that no medical procedure should be performed upon them except with their consent, except by necessity - or, in the case of children, except with the consent of their parents for the positive wellbeing of the child. It should not

simply reflect a cultural practice which has no medical or religious basis. Accordingly, the Government supports the legislation and I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

SPECIAL ADJOURNMENT

Motion by Mr Hartcher agreed to:

That this House at its rising this day do adjourn until Tuesday, 11 October 1994, at 2.15 p.m.

House adjourned at 11.38 p.m.
