

LEGISLATIVE ASSEMBLY

Tuesday 30 March 2004

Mr Speaker (The Hon. John Joseph Aquilina) took the chair at 2.15 p.m.

Mr Speaker offered the Prayer.

ADMINISTRATION OF THE GOVERNMENT

Mr SPEAKER: I report the receipt of the following message from His Excellency the Lieutenant-Governor:

LIEUTENANT-GOVERNOR
J. J. Spigelman

OFFICE OF THE GOVERNOR
SYDNEY 2000

The Honourable James Jacob Spigelman, Chief Justice of New South Wales, Lieutenant-Governor of the State of New South Wales, has the honour to inform the Legislative Assembly that, consequent on the Governor of New South Wales, Professor Marie Bashir being absent from the State, he has this day assumed the administration of the Government of the State.

18 March 2004

ASSENT TO BILLS

Assent to the following bills reported:

Crimes Legislation Amendment Bill
Lord Howe Island Amendment Bill
Public Lotteries Legislation Amendment Bill
Retirement Villages Amendment Bill
Education Amendment (Non-Government Schools Registration) Bill
Food Legislation Amendment Bill
Road Transport (Safety and Traffic Management) Amendment (Alcohol) Bill

DISTINGUISHED VISITORS

Mr SPEAKER: I welcome to the public gallery members of the Council of Federation of the Federal Assembly of Russia.

ABSENCE OF THE HONOURABLE MEMBER FOR BLIGH

Mr SPEAKER: I have been advised by Clover Moore, the honourable member for Bligh, that at 2 o'clock this afternoon she was called to court in relation to an assault that occurred in December last year and she is, therefore, temporarily unable to be with us.

VARIATIONS OF PAYMENTS ESTIMATES AND APPROPRIATIONS 2003-04

Mr Craig Knowles tabled variations of the payments estimates and appropriations for 2003-04 under section 24 of the Public Finance and Audit Act 1983 flowing from the transfer of functions from the Department of Community Services to the Office of the Children's Guardian.

LEGISLATION REVIEW COMMITTEE

Report

The Clerk announced the receipt, pursuant to section 10 of the Legislation Review Act 1987, of the report entitled "Legislation Review Digest No 5 of 2004", dated 29 March 2004.

PUBLIC BODIES REVIEW COMMITTEE

Report

The Clerk announced the receipt of report 1/53 entitled "Interstate Study Tour 10-15 August 2003", dated March 2004.

PETITIONS

TAFE Fees

Petition requesting a reassessment of the increased fee structure for TAFE courses, received from **Mr Greg Aplin**.

Milton-Ulladulla Public Schools

Petition requesting community consultation for suitable public school infrastructure in the Milton-Ulladulla districts, received from **Mrs Shelley Hancock**.

Gaming Machine Tax

Petitions opposing the decision to increase poker machine tax, received from **Mr Andrew Fraser**, **Mrs Shelley Hancock**, **Ms Katrina Hodgkinson**, **Mr Wayne Merton**, **Mr Steven Pringle**, **Mr Andrew Tink** and **Mr John Turner**.

Stamp Duty Reduction Legislation

Petitions supporting the Duties Amendment (Stamp Duty Reduction) Bill 2003, received from **Mr Greg Aplin**, **Mrs Judy Hopwood**, **Mr Andrew Humpherson** and **Mr Steven Pringle**.

Narrawallee Subdivision

Petition opposing any form of access or egress from the subdivision adjoining Blake Place, Narrawallee, received from **Mrs Shelley Hancock**.

Kosciuszko National Park Management Plan

Petitions opposing the formulation of the Kosciuszko National Park Management Plan without community consultation, received from **Mr Ian Armstrong** and **Mr Adrian Piccoli**.

Lake Woollumboola Recreational Use

Petition opposing any restriction of the recreational use of Lake Woollumboola, received from **Mrs Shelley Hancock**.

Freedom of Religion

Petition praying that the House reject the Anti-Discrimination (Removal of Exemptions) Bill, and retain the existing exemptions applying to religious bodies in the Anti-Discrimination Act, received from **Ms Katrina Hodgkinson**.

Brothels Closure Legislation

Petition supporting the Community Protection (Closure of Illegal Brothels) Bill, received from **Mr Andrew Tink**.

Coffs Harbour Pacific Highway Bypass

Petition requesting the construction of a Pacific Highway bypass for the coastal plain of Coffs Harbour, received from **Mr Andrew Fraser**.

Windsor Road Traffic Arrangements

Petitions requesting a right turn bay on Windsor Road at Acres Road, received from **Mr Wayne Merton** and **Mr Michael Richardson**.

Elands Traffic Conditions

Petition requesting a 25-tonne load limit and a 50 kilometres per hour speed limit on Colling and Padmans roads, Elands, received from **Mr Robert Oakeshott**.

Acquired Brain Injury Patients

Petition requesting facilities for acquired brain injury patients, received from **Mr Greg Aplin**.

Coffs Harbour Aeromedical Rescue Helicopter Service

Petitions requesting that plans for the placement of an aeromedical rescue helicopter service based in Coffs Harbour be fast-tracked, received from **Mr Steve Cansdell**, **Mr Andrew Fraser** and **Mr Thomas George**.

CountryLink Rail Services

Petitions opposing the abolition of CountryLink rail services and their replacement with buses in rural and regional New South Wales, received from **Mr Andrew Fraser** and **Ms Katrina Hodgkinson**.

State Forests

Petition opposing any proposal to sell State Forests, received from **Ms Katrina Hodgkinson**.

Casino to Murwillumbah Branch Rail Line

Petition requesting the extension of the Casino to Murwillumbah branch line to south-east Queensland, received from **Mr Thomas George**.

Broadmeadow to Newcastle Rail Service

Petition opposing the proposed closure of the railway line from Broadmeadow to Newcastle, received from **Mr Milton Orkopoulos**.

Windsor Traffic Conditions

Petition requesting funding for construction of a bridge across the Hawkesbury River, from Wilberforce Road and Freemans Reach Road, connecting to the bridge into Windsor, and the rescheduling of the current roadworks program, received from **Mr Steven Pringle**.

Goulburn Rail Services

Petition opposing any reduction or removal of rail services between Goulburn and Central, received from **Ms Peta Seaton**.

Isolated Patients Travel and Accommodation Assistance Scheme

Petitions objecting to the criteria for country cancer patients to qualify for the Isolated Patients Travel and Accommodation Assistance Scheme, received from **Mr Ian Armstrong**, **Mr Thomas George**, **Ms Katrina Hodgkinson**, **Mr George Souris** and **Mr Andrew Stoner**.

Horticultural Industry Water Restrictions Assistance

Petition requesting assistance for the horticultural industry to cope with water restrictions, received from **Mr Steven Pringle**.

Dunoon Dam

Petition requesting the fast-tracking of plans to build a dam at Dunoon, received from **Mr Thomas George**.

Local Government Amendment Bill 2003

Petition opposing the Local Government Amendment Bill 2003, received from **Mr Andrew Fraser**.

Social Program Policy Subsidy

Petition requesting that the social program policy subsidy be extended to residents in the Hawkesbury local government area, received from **Mr Steven Pringle**.

QUESTIONS WITHOUT NOTICE

MINI-BUDGET

Mr JOHN BROGDEN: My question without notice is to the Premier. Why is he increasing taxes next week when he has wasted \$3.3 billion since the last election on white elephants and blow-outs, including \$114 million on the Millennium train, \$117 million on the Liverpool to Parramatta bus-only transitway, \$17 million on the Austeel project and \$800 million on the Parramatta rail link?

Mr BOB CARR: Since the last election the Opposition has promised \$7 billion in tax cuts and new expenditure—\$7 billion! They just stand up and say: Aircondition every classroom in the State. That is \$1 billion. They stand up and say: 2,500 new hospital beds. That is \$820 million. They stand up and say: Freeze transport fares. That is \$35 million.

Mr SPEAKER: Order! The Premier will be heard in silence.

Mr BOB CARR: They say that the State ought to absorb the competition policy cuts. That is \$51 million.

Mr John Brogden: Point of order. Sit him down! I have a point of order.

Mr SPEAKER: Order! The Leader of the Opposition will show respect for the Chair. What is your point of order?

Mr John Brogden: These are facts—

Mr SPEAKER: Order! What is your point of order?

Mr John Brogden: Stop the fantasy and tell us why you are going to increase taxes next week.

Mr SPEAKER: Order! The Leader of the Opposition will resume his seat. Before I ask the Premier to resume his answer, I warn the House that the start of question time has already been far too noisy. I have previously warned members that questions and answers should be heard in silence. I intend to make an early example of any member who disregards that warning.

Mr BOB CARR: They say there should be an \$840 million stamp duty cut. They say there should be a \$65 million freeze on consumer price index increases to fees, fines and charges. They say: Then cut taxes on club poker machine profits. That is \$1.6 billion.

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

Mr BOB CARR: They say: Then there is \$245 million for the Ballina bypass.

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

Mr BOB CARR: These are billions in unsustainable promises, made in only 12 months by the Opposition.

Mr Barry O'Farrell: Point of order—

Mr SPEAKER: Order! Before I ask the Deputy Leader of the Opposition for his point of order—and I hope it is better than the point of order that the Leader of the Opposition tried to take—I warn members that I will not tolerate points of order being taken merely to interrupt the flow of an answer. Points of order will be relevant. If they are not, members who try to pull stunts will be called to order. What is the point of order?

Mr Barry O'Farrell: My point of order is in line with your standing orders. I go to Standing Order 139. The question related to the Premier's financial mismanagement. That standing order does not allow him—

Mr SPEAKER: Order! There is no point of order. The Deputy Leader of the Opposition knows only too well the terms of the standing order. The question related to the Premier's mini-budget, and the Premier is replying. I call the Deputy Leader of the Opposition to order.

Mr BOB CARR: Now the Federal Government has cut \$376 million from New South Wales, each and every year. Therefore, I say to the Opposition, "Why don't you stand up for New South Wales? Why don't you join me in fighting Canberra on behalf of the families of this State?" You have no fight in you! You have no awareness of the interests of this State, its population and its families. If you did, you would join us in telling Canberra that what it is doing is plain wrong.

Mr JOHN BROGDEN: I ask a supplementary question. In view of the Premier's answer, does he have a guarantee from Mark Latham that if he is elected he will reimburse the State of New South Wales per the Commonwealth Grants Commission?

[Interruption]

Mr SPEAKER: Order! The Leader of the Opposition will resume his seat.

[Interruption]

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

Mr BOB CARR: John Howard is the Prime Minister of this country and he has taken \$376 million off the people of New South Wales.

Mr SPEAKER: Order! I have already called some members to order. I deem them to be on three calls. Any member who is now called to order will be automatically placed on three calls. I will not tolerate the sort of behaviour we have witnessed in the past few seconds.

WORKPLACE EMAIL SURVEILLANCE

Mr MATT BROWN: My question without notice is directed to the Attorney General. What is the latest information on email surveillance in the workplace?

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

Mr BOB DEBUS: Not long ago the Internet was the specialised tool of scientists and computer geeks. Today, the use of the Internet and email is as commonplace in the workplace as is the telephone. The technology of the telephone is more than a century old. During that time strict laws and protocols have been put in place to restrict employers in scrutinising and snooping on workers when they use the telephone. By and large, employers know that they cannot secretly tape workers' phone calls. Generally, they know that they need to have clear policies about the private use of telephones in the workplace and that they need to communicate those policies to their workers.

No such clarity applies to the use of emails, the Internet or other emerging technologies that are common in the workplace. The benefits and convenience of the networked workplace pose potential risks for both workers and employers. The same mobility that allows a document to be sent quickly to a client also permits rogue employees to send it to a competitor, the press, or to their home. Employers have responded with a range of security practices, in some cases involving surveillance—often covert surveillance—of all employee emails. To date the law has not provided any guidance as to when legitimate employer caution crosses the line into unacceptable cyber snooping.

Secret or covert email surveillance has been the basis of numerous union complaints. While some employers argue that this is necessary to protect their legitimate interests, employees expect that their private

correspondence, like their private telephone calls or private conversations, should never be the subject of secret monitoring. In the area of unfair and intrusive use of surveillance technology in the workplace there has been a strong and entirely justified campaign by the union movement for reform. The labour movement has been vigilant in pointing out abuse by employers of workplace surveillance, inappropriate monitoring and blocking of ordinary industrial communication, harassment and intrusion which creates a climate of fear and suspicion within the workplace.

The Government proposes to tackle this problem and, in this respect, New South Wales will be the first Australian State to do so. Next month the Government will release a draft exposure bill proposing the expansion of the existing workplace surveillance legislation to all other forms of surveillance in the workplace, such as tracking devices and, most notably, email surveillance. We do not tolerate employers unlawfully placing cameras in change rooms and toilets. We should not tolerate unscrupulous employers snooping into the private emails of workers. The bill will provide stakeholders—unions, employees and small and large business—with the opportunity to have some input into the development of a comprehensive statutory code for the prevention of intrusive and unjustified covert surveillance in the workplace.

Under the template proposed by the Government a balance will be struck between the employee's right to privacy and the legitimate needs of employers to protect their intellectual and commercial property. The Government's existing Workplace Video Surveillance Act already provides a highly successful model for controlling the use of cameras in the workplace. The Government believes that this model offers both parties, that is, employers and employees, appropriate protection and so far it has worked very well. The new Act will expand that approach to include other technologies. These principles will not place a blanket ban on email surveillance, for example, by employers, but they will require that it be carried out ethically and sensibly.

Unless employers have a court order they would need to give employees notice that surveillance will be conducted. In the context of email surveillance, that can simply be done by the appearance of a warning box on the computer screen when it is switched on. The Government's legislation will require that employers wishing to take steps to protect their lawful interests must take account of employee privacy and cannot simply take advantage of the new technology to spy upon the email transactions of their workers. This draft bill, which is presently being finalised, will be released for comment within several weeks. Workers and employers have rights and responsibilities within the workplace. This proposed new system of regulation affirms our commitment to a mutually respectable workplace in the twenty-first century.

HIGHER SCHOOL CERTIFICATE

Mrs BARBARA PERRY: My question without notice is directed to the Minister for Education and Training. What is the latest information about the Higher School Certificate?

Dr ANDREW REFSHAUGE: The honourable member for Auburn has had an ongoing interest in educational issues. We all know how well students in New South Wales are doing. A 2003 Organisation for Economic Co-operation and Development [OECD] study shows that our students are comparable with the best in the world. Our 15-year-old students are achieving literacy results that are on par with the best educational systems in the world—better than the United States of America and better than the United Kingdom. The OECD study also shows that our students are significantly better than the average in numeracy. To date what has not been highlighted is the well-renowned Higher School Certificate [HSC]. Our HSC is seen as a world leader.

Delegates from other countries are coming to New South Wales to see what is happening with our HSC. They want to see how well it is doing and they want to learn from what we are doing in our development of the syllabus, the marking and the assessments that we are carrying out. The New South Wales HSC is now regarded as a world-class credential. It combines teacher-based judgments of student achievement with rigorous external examinations. Nine countries in Europe, Asia and the South Pacific are interested in our HSC, its curriculum, its examinations and its assessment process. Those countries are thinking of implementing some of that HSC—or maybe all of it—into their own educational systems. Scotland and Germany have been interested for some time in introducing aspects of our HSC. In Sydney today education experts from seven countries are studying key features of our approach to assessment in the HSC.

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

Dr ANDREW REFSHAUGE: Representatives from New Zealand, Indonesia, Malaysia, Hong Kong, Singapore, the Philippines and Fiji are attending a four-day conference in Sydney to learn about our HSC

examination and assessment system. A number of schools and colleges in Singapore, Malaysia, Hong Kong and Indonesia are using our HSC curriculum. They are now studying our assessment, examination and marking processes. The HSC has been recognised as a model for best practice around the world. International education expert Professor Geoff Masters found not only that it is world's best practice, but also that it has significant support amongst families whose children are doing the HSC and it has support in the general community.

That is why we have such a high level of interest from overseas educators. They are keen to learn how they can introduce the benefits of such standards into their own examination systems. The visiting delegates are attending workshops to gain a detailed understanding of the HSC system but they are also looking at a particular aspect of it, that is, the standards packages. They contain examples of student examination responses and illustrate the standards expected of students across the range of HSC courses. The standards packages, which are distributed to all secondary schools in New South Wales, are the first of their kind in the world. That is why many other countries want to come and see what we are doing. They want to introduce our HSC into their education systems.

By setting the standards high we are describing them clearly, illustrating them in relation to students' work and giving teachers the tools to help guide them in their assessment of students' performance. The level of interest in the HSC is extraordinary. Many countries have been seeking information about the standards-based HSC. Apart from today's exercise, over the past two years we have had many overseas visitors including, as one would expect, visitors from the United Kingdom. Three of Her Majesty's inspectors of schools were interested in looking at the vocational education curriculum framework, which is seen as groundbreaking in New South Wales. A United Kingdom report on its vocational educational proposals has either just been released or it is about to be released.

A delegation from the Hong Kong Department of Education was looking at curriculum development, setting and marking of the School Certificate and the HSC and the standards-referenced approach. Delegations from Fiji have looked at our curriculum material. A delegation from Bhutan looked at our curriculum development and at the HSC. Korean teachers wanted to come and look at our curriculum development, our School Certificate and the HSC. In 2002 we even had a six-member delegation from Uzbekistan. That country is overhauling its entire education and training system with the support of the United Nations Educational, Scientific and Cultural Organisation. That delegation wanted to look at our curriculum development, HSC examination setting and marking, HSC results analysis and the standards packages.

It is rewarding for those who have been involved in redeveloping the HSC. Mr Speaker, I acknowledge your involvement in that. There is no doubt that we are getting fantastic results from it. Let us look at the results from the past few years. In 2001, 19,000 HSC students received marks of 90 per cent or more in any one course. In 2002 that figure jumped to 24,600. Last year that figure jumped to 25,600. I refer next to those students who were able to get 90 per cent or more in five or more subjects. In 2001 there were 339, in 2002 that figure more than doubled to 688, and last year the figure was over 800. One of the most important statistics is that 95 per cent of students exceeded the minimum standard expected and achieved marks of 50 per cent or more across HSC subjects. Last year there was a slight increase on the previous year's figures. Our students are not only studying a world-class curriculum, they are also achieving world-class results.

STATE FORESTS SOFTWOOD PLANTATIONS PRIVATISATION

Mr ANDREW STONER: My question without notice is directed to the Minister for Infrastructure and Planning, and Minister for Natural Resources. Will he rule out plans to sell off the State's income-producing softwood forests in order to fill Labor's budget black hole?

Mr CRAIG KNOWLES: The obvious point to make is that we do not sell assets to fill budget black holes. The Government has put its position clearly on the record with regard to the softwood plantations: We will review the entire software plantation industry in the next couple of months. We will make decisions about that in the future.

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

Mr CRAIG KNOWLES: In the context of the \$376 million rip-off from the Commonwealth Government it is an entirely appropriate exercise to—

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

Mr CRAIG KNOWLES: It is an entirely appropriate exercise to go through every part of the Government's businesses and services—except the front-line services of health, education, transport and police—to make sure that, where savings can be made and repatriated to those front-line services, that is done.

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

Mr CRAIG KNOWLES: It is no secret that the Government is reviewing the softwood plantations as part of the New South Wales State Forests overall review. It is no secret that that process is being conducted in collaboration with the unions and the key stakeholders. Briefings have occurred. That is being reported in the newspapers. I suggest that those opposite watch this space for further outcomes.

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

EARLY TREATMENT OF ACUTE MYOCARDIAL INFARCTION PROGRAM

Ms TANYA GADIEL: My question is addressed to the Minister for Health. What is the latest information about the treatment of cardiac patients in New South Wales?

Mr MORRIS IEMMA: Today I joined the Premier at Royal North Shore Hospital to highlight a new treatment option for people experiencing a heart attack. The Early Treatment of Acute Myocardial Infarction Program, more easily identified as the ETAMI Program, will begin as a pilot next Monday at Westmead and Royal North Shore hospitals. The new medical equipment to be located in our ambulances will enable patients to be diagnosed in the field.

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

Mr MORRIS IEMMA: Information about the patient's condition will be transmitted from an ambulance to cardiac specialists at Westmead or Royal North Shore hospitals via mobile telephone technology. The information will determine whether cardiac stenting is the best treatment, and therefore where the patient should be transported for care. The in-the-field diagnosis will give the hospital's on-call cardiac team notice to prepare for the patient's arrival. The patient will then undergo a procedure to clear the blockage in the heart artery by inserting a stent. The new diagnostic technology will be fitted initially to six intensive care ambulances: two at Parramatta, two at Ryde and one each at Balgowlah and Blacktown.

[Interruption]

That is a very good question. The honourable member can see me at the end of question time and I will provide an answer from the professors of cardiac surgery at Royal North Shore Hospital to that question. Thirty-two paramedics have already undergone intensive training in the use of the new equipment. In treating heart attacks every second counts. That is what this technology is all about: cutting time and saving lives. While the number of deaths from heart disease has halved over the past 20 years, it is still Australia's biggest killer, claiming the lives of some 26 people in New South Wales every day.

Today Dr Peter Hansen, senior cardiologist at Royal North Shore Hospital, outlined some of the benefits of the ETAMI Program. These benefits are as follows. First, the emergency treatment begins in the field, or in most instances in the home. That is an excellent example of using the latest technology and thinking outside the square when delivering health care. Emergency treatment will begin in the home of the person who suffered an attack. Second, patients who need cardiac stenting will receive specialist hospital treatment up to 80 minutes sooner than would have occurred otherwise. When every second is important, saving 80 minutes will undoubtedly save lives. Third, the pressure on emergency departments will be reduced because patients will be transported directly to the cardiac laboratory either at Royal North Shore Hospital or at Westmead Hospital.

Without this technology a patient who suffered an attack would ordinarily be dealt with in an emergency department for between 15 and 20 minutes. With the technology in the ambulance linked directly to the cardiologists in the catheterisation laboratories at Royal North Shore and Westmead hospitals, the patient who arrives at the emergency departments of those hospitals will wait one minute before being delivered to the laboratories—at Royal North Shore Hospital the laboratory is on the sixth floor. Patients will have to wait for one minute while their patient-identifying details are verified and they will then proceed straight through the emergency department to the cardiac catheterisation laboratory where the cardiology team will be waiting. Without this technology, the on-call team would have to be called in and the patient would have to wait for the

team to arrive. Linking the cardiac team at the hospital to the ambulance and the technology in the field enables the on-call team to be at the hospital well before the patient gets there.

The trial will potentially further improve the mortality rate for heart attack patients at Royal North Shore Hospital, for example, from 5 per cent to 3 per cent. The pre-hospital diagnosis will see 9 out of 10 patients taken directly to their local hospital for treatment when stenting is not required to be performed at Royal North Shore Hospital or at Westmead Hospital. There will be faster diagnosis and, most importantly, the patient will be taken to the hospital where the most appropriate level of care is available and can be given. It will avoid the double handling of patients from one hospital to the next, avoiding transfers and time loss, which increase the risk of the patient not surviving or of long-term disability in surviving patients. A pilot program will benefit some 500 patients a year at Westmead Hospital alone. The program will be assessed over the coming year and, if successful, will be rolled out across New South Wales.

The Government is committed to ensuring that new methods of treatment are tested thoroughly and introduced where appropriate. The training provides an additional level of clinical expertise for our ambulance officers and further enhances the excellent pre-hospital treatment that patients receive across New South Wales from the Ambulance Service. The ETAMI Program follows the official opening last week of the \$2.6 million cardiac catheterisation laboratory at Westmead Hospital, where patients benefiting from the pilot program will number some 500. It builds on the Government's commitment to improving outcomes for people across New South Wales who suffer cardiac attack.

MINI-BUDGET

Mr BARRY O'FARRELL: My question without notice is directed to the Premier. In light of the Premier's plan to increase State taxes, will he now guarantee that he will scrap plans for the \$5.5 million upgrade of the Belvoir Street Theatre, expenditure of \$120,000 on the Australian Labor Party members Tokyo Easter junket, and \$16,362 on the Deputy-Speaker's pay rise?

Mr BOB CARR: This is pathetic by any standard. The Commonwealth Government has carved \$376 million out of grants to New South Wales each and every year and \$100 million out of Health. It has hit us with \$51 million in fines for competition policy. And the best that those opposite can do is say what they said yesterday: Plans announced three years ago for the upgrade of Taronga Park Zoo should not proceed. That is the alternative economic passage from this crew. For good measure the Opposition says, "Don't send a parliamentary delegation to Tokyo" and, from last year's budget, "Don't upgrade the Belvoir Street Theatre", which badly needs it—in other words, cut spending out of the previous year's budget on essential arts infrastructure. If that is the best the Opposition can come up with, it is saving less than \$1 million in this financial year, and that is pathetic. The cuts delivered by the Commonwealth are \$376 million each and every year. The question says a great deal because it confirms that the Opposition has no alternative economic policy. If that is the best it can come up with—those scrappy little observations—it shows that the Opposition has no alternative program.

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

Mr BOB CARR: By contrast, \$376 million dollars is a massive sum and it would pay in one year for 5,600 nurses, 4,100 police officers, 5,000 prison officers, 5,600 schoolteachers, 1,250 fully staffed acute care hospital beds and 15 regional multipurpose health centres.

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

Mr BOB CARR: That is what that amount of money would do but it has been taken from us. The credible position for the State Opposition would be to say, "We support the Government in its campaign against Canberra". That would be the credible, honourable and realistic thing for the Opposition to do. The Leader of the Opposition interjects—

Mr Andrew Stoner: He's not even here.

Mr BOB CARR: The Leader of The Nationals interjects. I have just seen a clipping from the *Northern Daily Leader*, which tells us a bit about the quality of—

Mr Brad Hazzard: Point of order: Standing Order 139 requires the Premier to actually give an answer that is relevant to the question. He is not answering anything that is relevant at the moment. He is just postulating about a whole lot of waffle. He is also talking about the Leader of the Opposition being in the Chamber but he is not.

Mr BOB CARR: This Opposition is so pathetic that I read in the *Northern Daily Leader* the other day that the Leader of The Nationals said, and I read the headline: "Carr blamed for plague". I am blamed for the locust plague! The Leader of The Nationals must be barking mad. He is absolutely certifiable. A few days before that the Leader of The Nationals gave this great budgetary answer: "The State Government should close down the drug injecting room at Kings Cross". His Leader voted for it. The Leader of the Opposition voted for the heroin injecting room. On Steve Price's program he said:

Stoner: I believe the heroin injecting room ought to be closed down.

Steve Price: It shows how naïve you are. Have you been there?

Stoner: No, no, I haven't. I've been there.

This is another job for the boys and girls of Bletchley Park. Get out the enigma machine: this is an enigma. He continued:

Price: You've not even been inside and you are able to send out a media release calling it a shooting gallery, and you have never physically been there?

Stoner: I was a participant in the Drug Summit, and I don't spend a lot of time—

Price: You haven't been there?

Stoner: I've already told you I haven't been in there.

Price: And you've got the hide to put this press release that Labor's hypocrisy is breathtaking! Your ignorance is breathtaking.

The Leader of The Nationals then got rude.

Stoner: "Rubbish".

Price, quite perceptibly, said:

Price: You are either an idiot or ignorant.

And the response was:

Stoner: This is a facility that encourages people to go in and shoot up with illegal drugs.

Mr Andrew Stoner: That's right.

Mr BOB CARR: But your Leader voted for it. The Leader of the Opposition voted for it.

Mr Ian Armstrong: Point of order: There does come a point when one must draw attention to relevance in a serious statement. This is about as irrelevant to the question as it could possibly be.

Mr SPEAKER: Order! On this occasion the honourable member for Lachlan may have a point.

Mr BOB CARR: I agree, I was stretching the tolerance of the House, but I want it on the record: I did not bring the locusts into New South Wales.

MICHELL LEATHER GUNNEDAH

Mr JOHN BARTLETT: My question is addressed to the Minister for Regional Development. How is the Government supporting Michell Leather Gunnedah to create jobs and expand its export market?

Mr SPEAKER: Order! The attitude of a number of members of the House is quite offensive and shows no respect for the standards of the Chamber. I note particularly the Leader of The Nationals, who, despite having heard me warn members on a number of occasions that both questions and answers are to be heard in silence, continues to yell out about matters that are unrelated to the issue at hand. I ask him to conform to the standards of the House and observe the standing orders. I ask the honourable member for Port Stephens to repeat the question, which will be heard in silence.

Mr JOHN BARTLETT: My question without notice is directed to the Minister for Regional Development. How is the Government supporting Michell Leather Gunnedah to create jobs and expand its export market?

Mr DAVID CAMPBELL: I thank the Country Labor member for Port Stephens. It is great that he is in fine form in the Chamber asking questions about regional New South Wales. Michell Leather is the largest employer in Gunnedah, producing tanned hides for export. Sixty per cent of its cattle hides are exported to buyers in Italy, and 40 per cent of its production is exported to Asia. Michell Leather is a major contributor to the economic welfare of the Gunnedah community. The Government is helping this company to expand and, at the same time, ensuring the company meets our strict environmental standards. In the process, the Government's financial assistance is protecting the jobs of 90 workers. With State Government support, the company is undertaking a \$3 million expansion. The company is investing more than \$1 million to produce a more environmentally friendly product and spending \$2 million in upgrading equipment.

This is good news for the Gunnedah community and for the environment. The company is currently working with Gunnedah council and the Department of Environment and Conservation on stage one of its expansion. This involves the use of new technology to capture and recover chemicals used in the tanning process. The new recycling system will maximise water re-use and treated water will be recycled. Stage one of this three-stage redevelopment is expected to be completed by mid-year. The company also plans to invest nearly \$2 million modernising its tanning plant. This Government's financial support is provided through its Regional Economic Transition Scheme. The scheme is designed to help support communities hit by business closures. By working with business and the community, the Government is helping to support and encourage business expansion in Gunnedah and also helping to protect the safety of the local community and workers.

ARMIDALE POLICE STATION

Mr RICHARD TORBAY: My question without notice is addressed to the Minister for Police. When will work actually begin on the proposed new police station at Armidale?

Mr SPEAKER: Order! The Minister will be heard in silence.

Mr JOHN WATKINS: Last month I was happy to inform the House of our commitment to rebuild a new Armidale police station on its present site, in the centre of town. Today I can add more news on this important development. I am advised that planning is progressing well. The Department of Commerce advises that preliminary discussions have already been held with the local council. I am also advised that the Department of Commerce's project manager and architect recently visited Armidale and inspected the site, to further develop this proposal. We are building the new Armidale police station on its present site because that is the location preferred by Armidale police. It will ensure the continued operational advantages offered by such close proximity to the Armidale courthouse and the central business district—that is, next door to the courthouse and right in the centre of Armidale.

Again, I confirm to the House that our commitment to the new Armidale police station is rock solid. We have provided \$4.76 million already, to be allocated for the project. I will continue to keep honourable members, the local member in particular, and the local community informed of the progress of this important project. I know that the whole community of Armidale, and especially the serving police men and women of the local area command, are looking forward to this development. And I am looking forward to visiting the site with the local member in the near future. I will meet the hard-working officers, and I will be able to take the opportunity there and then in Armidale to assure the community about the redevelopment of this important local project.

SENIORS AND TOURISM

Mr JOHN MILLS: My question without notice is to the Minister for Tourism and Sport and Recreation. What is the latest information on tourism and seniors in New South Wales?

Ms SANDRA NORI: Honourable members might recall that in December last year we launched the Discovery Seniors Pack, which was a campaign aimed specifically at the seniors market. This pack was mailed out to some 690,000 New South Wales homes, and it has been followed up with a mail-out of 4,000 a month, every month, to new Seniors Card holders as they become eligible, and we will continue to do that for the next nine months, up to and including December this year. The Discovery Seniors Pack was produced in partnership with the Department of Ageing, Disability and Home Care, with the support of co-operative partners St George Bank and Accor Hotels.

I might remind the House that this market is quite significant. It numbers nearly three million people across the nation. They spend about \$895 million on domestic travel each year, and, I guess unfortunately, it is a market that will be growing: a number of us will be in that market very shortly. In the next 10 years it is projected to grow to 4 million people. The directory itself is an extensive list of accommodation, attractions, events and tours available at reduced rates to holders of a New South Wales Seniors Card. It is worth remembering that this is a group that makes up 85 per cent of New South Wales people aged over 60 years. It is a market that has a propensity to travel in non-busy times, during week days, and at out of school holiday times. It is a market that looks for value, but it is prepared to travel regionally and stay longer than the average visitor. I guess it is also a market that is important at a time of a rising Australian dollar, when it is fair to assume that other market segments might be inclined to travel overseas. So it is even more important at this time, when the Australian dollar is doing so well, that we concentrate our marketing efforts on those sectors within the tourism market that have a greater inclination to stay at home and travel regionally.

To date, our strategy has paid good dividends. Our automated 1300 number call tracking centre has received more than 2,500 calls from seniors, at an average of 25 calls a day. But what we found surprising, interesting and indeed encouraging—because this is the first campaign of this nature—is that seniors really embraced the online component of the campaign, with more than 5,000 visits to the campaign web site and almost a thousand online registrations to join the Seniors Holiday Club. Up until now we have been reluctant to address marketing in this category via online methods, feeling that perhaps this particular market segment was not really au fait or comfortable with online marketing techniques. But, thankfully, this campaign has shown us some quite encouraging signs about this market's capacity to access information online. If those 5,000 web site visits were translated into travel, there would be \$3.5 million in economic value to New South Wales alone.

Some of the properties that have received high-volume calls include the Hotel Ibis at World Square, the Hotel Ibis at Sydney Airport, and the Manly Pacific, which are all managed by the official hotel partner, Accor Hotels. The Depot Beach and White Sands facilities on the South Coast are doing extremely well, as is the Koala Shores Holiday park on the North Coast. There have also been significant inquiries from the Metropole Guesthouse in Katoomba and the Country Comfort in Mudgee.

Mr Craig Knowles: What are the room rates?

Ms SANDRA NORI: The Minister asked, "What are the room rates?" It is a reduced rate. It is not available to the Minister; it is available only to Seniors Card holders. As I explained earlier, a Seniors Card is held by 85 per cent of people over 60 years of age in this State, and they would be eligible for these travel discounts. It is extremely encouraging to me that this campaign has worked so well. We will, obviously, continue with it. More importantly, this campaign has delivered very real economic benefits to regional New South Wales. Of course, we look forward to an increasing seniors market travelling and tasting the delights of regional New South Wales.

Questions without notice concluded.

CONSIDERATION OF URGENT MOTIONS

Federal Government AusLink Program

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [3.17 p.m.]: My motion is urgent because there is enormous uncertainty in the future of roads and transport funding in New South Wales. The motion is urgent because the Federal Government has taken two years to put together its new Auslink package. The motion is urgent because, shamefully, the Federal Government is politicising the future of road and transport funding to pork-barrel this year's Federal election. This motion is urgent because the people of New South Wales—the businesses, the families—deserve to know which of their national highways will continue to be funded by the Federal Government and which will degenerate into disrepair because John Anderson simply refuses to fund them.

Mini-budget

Mr JOHN BROGDEN (Pittwater—Leader of the Opposition) [3.18 p.m.]: Firstly, I acknowledge the presence of Her Worship the Lord Mayor of Sydney, and I congratulate her on her election.

Mr Gerard Martin: What about the mayor of Manly, while you're at it?

Mr JOHN BROGDEN: Have you found your moustache yet? This motion is urgent because next week the taxpayers of New South Wales are going to have to cop a mini-budget that will bring a massive increase in taxes because of the critical mismanagement of the budget by this Government over the last nine years. Taxpayers in New South Wales have every right to ask this question of Bob Carr: Where has all the money gone?

Mr Gerard Martin: Hospitals, schools and roads.

Mr JOHN BROGDEN: I notice that the honourable member for Bathurst says it has gone into hospitals and rail, but nobody else can see that. I am sorry, nobody else can see where that money has gone. It has gone into a great black hole of waste and high taxation. As things stand today, the people of New South Wales are the highest taxed citizens in this country. Every man, woman and child in New South Wales pays more than \$2,050 in taxes per year, and that is New South Wales Government taxes alone. This motion is urgent because next week the Government will bring down a mini-budget that will slug families. We already pay 92 per cent more tax than Tasmania, 44 per cent more tax than Queensland, 36 per cent more tax than South Australia, 25 per cent more tax than the Australian Capital Territory, 19 per cent more tax than Western Australia, and 11 per cent more tax than Victoria. What do we have to show for it? We have a hospital system in crisis, a rail system falling to pieces, long-term hospital waiting lists that have grown enormously since the last election, and a Premier who promised to halve waiting lists or resign—waiting lists that are larger today than when he made the promise eight years ago.

Mr Alan Ashton: Point of order: The Leader of the Opposition is well aware that he has to establish urgency.

Mr SPEAKER: Order! The House is aware of that.

Mr Alan Ashton: I have not finished my point of order. At the moment he is debating the motion, as though it has been given precedence.

Mr SPEAKER: Order! The House is aware of the situation. The Leader of the Opposition has the call.

Mr JOHN BROGDEN: It is urgent because this Government has been wasting taxpayers' funds over the last nine years. For instance, we spend around \$100 million every year on government advertising in New South Wales, but in 1995 Bob Carr said about government advertising, "My stomach turns at the thought of taxpayers' money being thrown away in party political advertising." What about the obscene waste of \$875,000 in television, radio and press advertisements to try to sell the case? We know why he needed the ads: he was in London when the ads were showing. He was not here to debate the case. This Government has increased a whole raft of taxes. It has introduced insurance protection tax, fishing tax, electricity distributors' levy—it is suspended at the moment, but I think it might reappear next week—and land tax on the family home, known as the premium property tax: an amoral tax that taxes people for doing nothing more than living in their own homes. The Government has broadened the payroll tax base and the stamp duty base, increased the land tax rate, increased the cost of the parking space levy and increased the club tax.

Mr Tony Stewart: Point of order: The Leader of the Opposition is arguing the substance of the matter, not its urgency, and that is a breach of standing orders. I would ask you to make your position known in respect of that situation.

Mr JOHN BROGDEN: He has challenged the Speaker!

Mr SPEAKER: Order! The Leader of the Opposition is well aware of the standing orders. He may resume.

Mr JOHN BROGDEN: At election time the Premier always has something different to say. What did he say at election time? He said, "Labor can credibly go to the electorate with an emphatic commitment: no new taxes and no tax increases." That commitment is worthless today. It is a worthless commitment from a Premier who will come back to this House next week with a massive increase in tax and a massive slug against families who can least afford it, at a time when he has drained the budget dry with enormous waste and with blow-outs in budgets. The people of New South Wales are asking him now: Bob Carr, where has all the money gone? [*Time expired.*]

Question—That the motion for urgent consideration of the honourable member for Bankstown be proceeded with—put.

The House divided.

Ayes, 51

Ms Allan	Ms Hay	Mr Pearce
Mr Amery	Mr Hickey	Mrs Perry
Ms Andrews	Mr Hunter	Mr Price
Mr Bartlett	Mr Iemma	Dr Refshauge
Ms Beamer	Ms Judge	Mr Sartor
Mr Black	Ms Keneally	Mr Scully
Mr Brown	Mr Knowles	Mr Shearan
Ms Burney	Mr Lynch	Mr Stewart
Mr Campbell	Mr McBride	Mr Tripodi
Mr Collier	Mr McLeay	Mr Watkins
Mr Corrigan	Ms Meagher	Mr West
Mr Crittenden	Ms Megarity	Mr Whan
Ms D'Amore	Mr Mills	Mr Yeadon
Mr Debus	Mr Morris	
Ms Gadiel	Mr Newell	<i>Tellers,</i>
Mr Gaudry	Ms Nori	Mr Ashton
Mr Gibson	Mr Orkopoulos	Mr Martin
Mr Greene	Mrs Paluzzano	

Noes, 37

Mr Aplin	Mrs Hopwood	Ms Seaton
Mr Armstrong	Mr Humpherson	Mrs Skinner
Mr Barr	Mr Kerr	Mr Slack-Smith
Ms Berejiklian	Mr McGrane	Mr Souris
Mr Brogden	Mr Merton	Mr Stoner
Mr Cansdell	Ms Moore	Mr Tink
Mr Constance	Mr O'Farrell	Mr Torbay
Mr Debnam	Mr Oakeshott	Mr J. H. Turner
Mr Draper	Mr Page	Mr R. W. Turner
Mr Fraser	Mr Piccoli	
Mrs Hancock	Mr Pringle	<i>Tellers,</i>
Mr Hazzard	Mr Richardson	Mr George
Ms Hodgkinson	Mr Roberts	Mr Maguire

Pair

Ms Saliba

Mr Hartcher

Question resolved in the affirmative.

FEDERAL GOVERNMENT AUSLINK PROGRAM

Urgent Motion

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [3.31 p.m.]: I move:

That this House expresses its concern over the delay in the Commonwealth Government's AusLink Program and its impact on New South Wales businesses and families using national roads.

The future of vital Federal Government funding for roads in the great state of the New South Wales is a matter of grave concern. Over the past two years I have been the Parliamentary Secretary Assisting the Minister for Roads, and Minister for Housing, Carl Scully, with whom I have had the pleasure and privilege of working closely. I recall that in May 2002, approximately two months after I became the Parliamentary Secretary, the

Deputy Prime Minister and Minister for Transport and Regional Services, John Anderson, announced with great fanfare a new era in transport funding in Australia in the form of a new funding scheme known as AusLink. As the Federal Minister put it, the program would be a revolution in transport funding in Australia.

We were told that AusLink would be innovative and would target key transport projects as well as key links and routes. We were told that this special program would benefit the freight industry and the nation. We were told that the program would provide a means of bringing in the private sector to work with governments and build projects that at once would benefit both the private sector and public sector. The program would be a new co-operative partnership approach based on consultation with the State Government, its agencies, the private sector and the Federal Government, and would operate by agreement between State and Territory governments and the Federal Government. Importantly, the agreement provided for swift implementation, which is vital to providing future certainty in national roads funding in this country, particularly in New South Wales, which has the largest and oldest road network.

New South Wales vitally needs its fair share of Federal Government infrastructure funding. Initially the AusLink program sounded very good, but that lasted for about five minutes. It was not until the other States and Territories read the fine print that the truth became apparent. The program sounded good until the Federal Minister for Transport and Regional Services, John Anderson, was asked how much extra funding the Australian Government would contribute to transport through the AusLink program. That was a reasonable question, but two years later we still do not have an answer and the program still lacks definition and focus. It should be remembered that the Australian Government is the biggest taxing government in Australia's history. Time after time over the past few years it has reaped the benefit of large budget surpluses.

Australia is a big country that is facing massive transport challenges, and one would expect, commensurate with the AusLink announcement of two years ago, that a significant level of funding would have been allocated to get the new program off to a good start. We all know how little additional funding was allocated when the program was first announced—not a few billion dollars, as one would expect would accompany such great fanfare, and not even a few hundred million dollars. Not a single extra dollar was allocated for the program! The States were left without financial assistance and the proposal for a national roads network was left to wither on the vine. Despite the fanfare accompanying the announcement of AusLink, people in country and regional areas are now referring to the program as AusDud. That is a shame because it held great promise of providing improved infrastructure on a co-operative basis, while implicitly recognising that New South Wales and other States and Territories deserve their fair share of national road infrastructure funding. But, two years later, the project just has not happened. That is a tragedy, and it is to the eternal shame of the Howard-Costello Federal Government that it has once again deserted the people of New South Wales.

Unfortunately, the Federal Minister for Transport and Regional Services, John Anderson, has basically told a mistruth. Two years ago he promised that in consultation with the States and Territories he would deliver the AusLink program, which would benefit New South Wales, but nothing has come from that promise. Indeed, New South Wales has suffered a reduction in real terms in roads funding, accompanied by a reluctance of the Federal Government to focus on its responsibilities for national roads funding. Reading between the lines, it becomes more and more apparent that what the Federal Minister for Transport and Regional Services actually meant was that national roads funding should be a State Government responsibility. I state clearly that that is not the way it should be, or will be. I call on the Federal Government to face up to its responsibility of providing significant, proper and fair financial management of the national roads network and providing the States and Territories with the financial support they deserve. To date, that simply has not happened.

The brilliant transport plan that was first mooted by the Deputy Prime Minister and Minister for Transport and Regional Services has been devised without provision for financial support and it is therefore off to a shaky start. Having said that, I should examine whether a clear process was established to ensure that the program moved forward. To his credit, Federal Minister John Anderson set out the milestones that would be involved in implementation of AusLink. The first step was that a white paper would be released in May 2003, yet in April 2004 there is no sign of it. He also said that the intergovernmental agreement would be completed by September 2003, but in April 2004 the agreement still has not come into existence. He also said that legislation would pass through the Federal Parliament in the Spring Session of 2003 and that the decision-making process would be in place by 2004. The truth is that not one of those milestones or objectives has been achieved on time. Despite all that has been said by the Deputy Prime Minister, John Anderson, nothing has come to fruition. We have AusDud, not AusLink, and that is a tragedy. New South Wales needs and deserves significant Federal Government funding to establish a national roads network.

We deserve that funding, we deserve our fair share, but it is not happening. We have been deserted. The white paper, which was to be released in May of last year, is nowhere to be seen. The intergovernmental agreement, which was to have been signed by September last year, has been postponed indefinitely. Apparently it is all too hard for John Anderson to reach agreement with the States and Territories, and there is good reason for that: He has refused to give the States and Territories details of his proposal. He comes out with rhetoric, he issues press releases, but he does not want to consult with the States and Territories. He has left us with no details other than indicating that there will be a lot of fine print on this matter in future.

Finally there was the decision-making process, which was to have been in place by early this year, but, again, no such process is in place. The only decision that seems to have been made is the decision to stall this process for as long as possible, simply to deprive the States of certainty about funding. Funding is needed for important projects such as the construction of the National Highway, including the F3 to Branxton link road that John Anderson has stalled since the day he came to office. Funding is needed for the maintenance of national highways, which has forever been the responsibility of the Federal Government, but which John Anderson seems to want to buck-pass to the States. The Federal Government has contributed to roads of national importance, including the Pacific Highway since 1996, but John Anderson has given us no certainty about the future funding of that road.

It is now two years later, and there is no AusLink; it could be referred to as AusDud. The longer New South Wales has to wait, the longer the uncertainty continues. Neither New South Wales nor any States or Territories know how much Federal funding they will get for roads and transport in this year's Federal budget or where a lot of that funding is going. We need to know those things now. Why is it that the whole package has been delayed? It is fairly clear: unfortunately, once again, John Anderson wants to pork-barrel. I make no excuse for saying that he will pork-barrel this issue and announce it in the Federal budget, to the detriment of this State. We deserve better than this. We deserve adequate consultation and we deserve the agreement set out in John Anderson's first announcement about AusLink: a white paper stage with intergovernmental signatories in place. We have not got to that stage as yet, because of the political farce created largely by John Anderson and the Howard-Costello Government. [*Time expired.*]

Mr DONALD PAGE (Ballina—Deputy Leader of The Nationals) [3.41 p.m.]: It is breathtakingly hypocritical of the Carr Government to talk about delays in upgrading roads across the State caused by the lack of Federal funding. Upgrading delays have affected the Pacific Highway, the Princes Highway, and the Great Western Highway. In New South Wales only 28 per cent of the major capital works budget for road upgrading is allocated to areas outside Sydney, Newcastle and Wollongong. That is abysmal. For the Parliamentary Secretary to say that the Federal Government is in some way culpable, because of a delay in what will be the biggest and most significant land transport strategy for this nation—

Mr Gerard Martin: We agree.

Mr DONALD PAGE: I hope the honourable member for Bathurst understands that I am not talking only about road funding with AusLink. I am talking about road, rail, air and freight movements generally, including sea freight. AusLink is the most visionary project of any Federal government probably since Federation. In this country we have never had an integrated land transport strategy; even the rail gauges in the various States were different. There has been constant bickering between the Federal and State Government on matters that the Federal Government had agreed on, such as the Ballina by-pass. The State Government said it would fund that bypass as part of the 10-year agreement, and now it is trying to backtrack and will not fund the project unless the Federal Government puts money into it.

Government members are the last people who should talk about promises associated with getting an integrated land transport arrangement in place. We need AusLink, and we need to get it right. If it takes a bit longer to get it in place, an extra year or so, so be it. John Anderson should be commended for having the wisdom and foresight to put together the green paper. I urge members opposite to read the green paper, which is a very comprehensive document. It is about the integrated transport strategy that is needed by the whole nation, not just New South Wales. Why is AusLink important? It is important because the amount of freight in this country, particularly on our roads, will double by 2020. Currently, rail carries only 15 per cent of our freight along the corridor from Melbourne to Brisbane. AusLink will boost investment in rail and, particularly, road funding, and will bring all these issues together. It was hypocritical of the Parliamentary Secretary to talk about delays.

I refer now to the Government's record. On the Pacific Highway there has been a blow-out of \$876 million—a big blow-out by anyone's standards. The result is that a lot of upgrading projects will not be

undertaken. Under the 10-year agreement, 40 per cent funded by the Federal Government and 60 per cent funded by the State Government, roughly 80 per cent of the road from Hexham to the Queensland border was to become a dual carriageway. Today, in the eighth year of the 10-year agreement, only 32 per cent is a dual carriageway, less than half of the Government's commitment.

That is a significant statistic, because last year 73 people lost their lives on the Pacific Highway, and I am sure honourable members would agree that that was a significant tragedy. Had we not had the blow-out, a lot more of that road would have been upgraded to a dual carriageway. The Princes Highway is a State responsibility and it needs a substantial injection of upgrading funds. The Government and the Minister are doing absolutely nothing to assist people from the South Coast, who depend on the Princes Highway. According to the 1997 budget papers, the Ballina bypass, a part of the Pacific Highway upgrade that is important to my electorate, was to be completed by 2004. However, not a sod has been turned. The current budget papers state that the Ballina bypass is not expected to be completed until 2010 at the earliest, yet the Government complains that AusLink is taking a little longer to assemble than expected.

Through its underfunding and waste, the Government is delaying New South Wales having a better road network. The Parliamentary Secretary talked about playing politics. I remind him that three days before the last State election, Premier Carr visited my electorate. The Government had mucked around and asked the Federal Government to put money towards the Alstonville bypass, a State road—

[*Interruption*]

The Bruxner Highway is a State road; it is the responsibility of the State Government. Premier Carr and the Minister for Roads, Carl Scully, played politics all the way up to the last State election by saying that if the Federal Government did not put in extra money, neither would it. Everyone knew what the game was. The Government must have conducted some polling that indicated that it would knock me out of the seat of Ballina. Three days before the election the Premier visited Ballina and announced that his Government would fund the Alstonville bypass. The Government should not talk about pork-barrelling, because that was an obvious case, close to home in my electorate, of Government members being involved in that practice right up to their eye balls.

If this Government were serious about road efficiency and transport it would have supported the Road Transport Efficiency Bill, which was recently introduced in this House. The Government did not do that. That legislation would have enabled us to carry a lot more freight more efficiently on selected roads. The Government was not interested in doing that; it opposed a bill that was introduced by the honourable member for Northern Tablelands. What is the history of this Government in delivering outcomes and better road funding? Today's *Daily Telegraph* reported that this Government has wasted \$3.3 billion. Government members can laugh but the people of New South Wales know that the health system is not working.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! Government members will come to order.

Mr DONALD PAGE: They know that there are not enough police, that the education system is not working, and that people are sending their children to private schools rather than public schools. They are aware of the blow-out in road funding. They know what Government members do not appear to know. This Government is on the skids. It has to introduce a mini budget because it is not able to manage this State's finances. It has wasted money and it has no financial management skills. That does not apply only to road funding; it applies across the board. We also have the prospect of branch lines closing. This Government is about to close some branch lines.

If the Government is worried about the state of our roads it should not close those branch lines. About 10 branch lines are in danger of being closed. If those branch lines are closed there will be 75,000 to 80,000 additional truck movements on the roads. That will result in an unsafe environment for those who have to share the roads with those big trucks. Local councils will also have to spend more to maintain the road network. That is not the way to go. John Anderson should be given credit for saying, through the Australian Rail Track Corporation, "We will spend \$800 million to upgrade rail services in New South Wales."

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I call the honourable member for Bathurst to order.

Mr DONALD PAGE: John Anderson is trying to take some of the freight off the road network and put it onto the rail network. That is exactly what AusLink is about.

Mr Gerard Martin: We want to see him doing something.

Mr DONALD PAGE: Those honourable members who are being hypocritical should acknowledge that this State Government has caused a lot of delays because of its inadequate road funding. It ill behoves Government members to make cheap political points by belittling AusLink—the most important road transport initiative in this country. Government members should support AusLink. They should not play politics and try to make out that somehow or another it is not a good idea. [*Time expired*].

Mr GERARD MARTIN (Bathurst) [3.51 p.m.]: I join with the Parliamentary Secretary in supporting this urgent motion. The honourable member for Ballina, who spoke of hypocrisy, made the mistake of talking about the closure of branch lines. It is worth pointing out to Opposition members, particularly those who are wet behind the ears, that between 1988 and 1995 the Coalition Government closed 18 branch lines in New South Wales. That is a major reason why former Country Party members lost all their seats. The honourable member for Lachlan admits that and confesses that it is a real black mark on his career.

Opposition members have the hide today to talk about the proposed closure of branch lines, yet the Coalition Government closed 18 branch lines in seven years. If the honourable member for Ballina denies that, he will be painted as a liar as well as a hypocrite. He should do his homework before coming into this Chamber and pointing the finger of blame. I agree with the Parliamentary Secretary for Roads: the AusLink package is running behind schedule, there has been no allocation of new money, and the whole process has been perverted and manipulated for political purposes. In 2001 the Federal Government went into panic drive. It promised everything, spent a fortune, and deliberately lied about the children overboard scheme to get itself through the election.

The Federal Government, which is now panicking about Latham's proposals, is doing the same thing again. The promises that it is rolling out week after week will continue until it goes down the gurgler later this year. Roads are a big issue for the people I represent in the electorate of Bathurst and for the people that Country Labor represents throughout the State. I am sure that all honourable members agree on that issue. Roads are used to transport produce to the markets and to maintain contact with other communities. Road funding is crucial to people in rural areas. It is a real insult to rural and regional communities that the Federal Government has been so late and so secretive about the new funding arrangements for AusLink—the greatest invention since the toaster, according to the honourable member for Ballina.

People in the regions are sceptical, and with good reason, about the pool of money that is to be controlled by The Nationals. That money is to be handed out at the discretion of a Nationals Minister. People in regional areas have seen what has happened to those pools of money. They are splashed around like confetti at a wedding in electorates that The Nationals want to hold or win. Everybody else suffers. All honourable members know that the Great Western Highway runs through the town of Bathurst. As a road of national importance, it has attracted Federal funding. I ask on behalf of those people: What Federal funding will be allocated to this road in the future? What future is there for this road of national importance?

I ask on behalf of the people of regional New South Wales: What Federal funding will be allocated in future for the Hume, Newell, New England and Sturt highways? Those roads are the responsibility of the Federal Government; it has always paid for their maintenance. That maintenance funding is now at risk, and I am not only talking about capital funding. That road funding is not at risk because the Federal Government is low on dough, and it is not at risk because taxes are low. This Federal Government is the highest taxing government in Australia's history—an achievement that can be put right on the top of the list.

I think the Federal Government receives \$12 million every year from fuel tax. Instead of using that tax revenue to fulfil its current obligations on national highways and roads of national importance and to attempt to fund more roads, it is walking away from the basic maintenance of national highways. It is a disgrace. What is the view of members of The Nationals on this important issue of road funding? Their view is the same as their view on national competition policy and the Grants Commission. We heard today from the Premier about the dud deal that we have been given by the Federal Government in this area. Where is the shadow Minister for Roads?

Mr Donald Page: I am right here.

Mr GERARD MARTIN: He should be in Canberra talking to his masters and doing something about these problems. He has no influence. He is not making an impact on people in New South Wales. He would do better if he travelled down the road to Canberra.

Mr Donald Page: Point of order: I advise the honourable member for Bathurst that I have had detailed discussions with the Federal Minister for Transport.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! There is no point of order.

Mr GERARD MARTIN: The honourable member for Ballina should tell us all about these issues and he should place a cheque on the table I do not think he knows where Canberra is. The honourable member for Ballina has not said on radio or in the newspapers that it is time the Federal Government made a move in relation to this national funding package. Is he doing the right thing by the people of New South Wales or is he, like the motor mouth Leader of the Opposition, not interested in the issue? All he is interested in is cheap political rhetoric.

Mr ANDREW CONSTANCE (Bega) [3.56 p.m.]: I am glad the honourable member for Bathurst concluded his speech with the words "cheap political rhetoric". He and the Parliamentary Secretary indulged in nothing other than cheap political rhetoric in this debate. It could be concluded from the contribution of the Parliamentary Secretary for Roads that he is walking away from the AusLink concept. He does not care about this vision; he referred to AusLink as "AusDud". The New South Wales Government has walked away from everything that AusLink stands for. We are aware of the Carr Labor Government's policy-free and bozo approach to transport and roads. It is quite happy to miss out on this vision. I will refer later to some of the highways that will be included in this project. This Government has walked away from AusLink because the Federal Government, in its forthcoming Federal budget, will outline \$800 million of projects that will form part of the AusLink package. That is a first step towards addressing an integrated land transport program and strategy for the future of this country.

At least the Federal Government is outlining its vision. All we are getting from this Government is cheap political rhetoric. AusLink will be used by the Carr Labor Government as an excuse for having failed communities throughout regional New South Wales. This Government is hiding behind another Federal Government program and it is blaming the Federal Government for its failures. We know there is to be a mini-budget next week and we know that this State Government has wasted \$3.3 billion of taxpayers' money. We are debating yet another Labor motion that attempts to blame the Federal Government for the shortcomings of the Carr Labor Government.

I represent an area on the far South Coast where the Princes Highway has been, and continues to be, underfunded by the Carr Labor Government. The Parliamentary Secretary complained about roads funding, but his Government has spent only \$5 million from a budget of \$2.6 billion on 400 kilometres of highway south of Kiama on which 30 people have died in the past 15 months. The Parliamentary Secretary has the hide to debate AusLink but he is not prepared to debate funding for the Princes Highway, the Pacific Highway, or any other State highway. It strikes me that representatives of the Carr Labor Government are happy to be reported on local radio and in local newspapers as saying, "These should be roads of national importance because we can't afford to fund them." Yet the national highways agreement, which was signed in 1991 under the Hawke Government, makes it very clear that highways such as the Princes Highway would be the responsibility of the State Government and that intercapital links would be the responsibility of the Federal Government.

The people of the far South Coast have had no joy from the Carr Labor Government in the past nine years in relation to funding for the Princes Highway. One week ago in this place I asked the Minister for Roads some serious questions. The Minister confirmed in a newspaper interview a couple of days later that he had met a number of local councillors before the last State election to discuss "matters of mutual interest". The Minister went to Batemans Bay and met the mayor of Bega and several councillors to discuss the Princes Highway. What cheap politics were at play from the Minister for Roads and from the Parliamentary Secretary? We know what happened because since then we have received only 0.0019 per cent of the State budget even though 30 deaths have occurred on that stretch of highway.

Those opposite have played cheap politics with roads funding. They are playing the same cheap politics today as they played before the last State election. I have a newspaper article that has the headline "Minister slammed over hell highway". Why will the Minister for Roads not listen to what the community and the local media have to say about the Princes Highway? The Parliamentary Secretary is playing cheap politics by moving pathetic motions such as this.

Mr GEOFF CORRIGAN (Camden) [4.01p.m.]: John Anderson's web site lists him as having four titles: Leader of The Nationals, Deputy Prime Minister, Minister for Transport and Regional Services, and

Member for Gwydir. I suggest a fifth title for him: the "Minister for Procrastination". How can it take someone more than two years to develop a white paper? What funding strategy is so complex and time consuming that it takes that long to put together? This white paper is late not because of the complexity of the policy. As my colleagues pointed out eruditely, it is something else: The Federal election is making the AusLink policy late.

I represent people in the south-west of this city who know what it is like to have a National party slush fund working not in their favour but against them. I will tell honourable members a little about how that funding has worked against the people of Camden. There is a road in my electorate called Camden Valley Way. It is part of the Hume Highway and it was the main route between Melbourne and Sydney. As such—to take up the point made by the honourable member for Bega—it should have been considered a road of national importance from 1991, when the Fahey Government signed the national highways agreement under the Hawke Government. Between 20,000 and 30,000 vehicles travel on the road every day, and that number is expected to continue to increase.

Unlike other members who have spoken in this debate, I do not intend to refer to the number of deaths that have occurred on a particular stretch of road. I intend never to do that in this Chamber. I respect the fact that the honourable member for South Coast has raised that issue in relation to the Princes Highway over the years, but I shall not do likewise. In light of the high growth and increasing needs in Camden I suggest that there should be Federal funding for Camden Valley Way, along which between 20,000 and 30,000 vehicles travel every day. However, the Federal Coalition does not agree—in fact, Pat Farmer has disagreed vociferously. He is happy to accept black spot funding but that is not enough for Camden Valley Way, which needs a complete upgrade. It should be considered a road of national importance. On the other hand, there is a dirt road on the South Coast between Nowra and Nerriga called Main Road 92 upon which about 100 vehicles travel each day—which is between 0.3 per cent and 0.5 per cent of the volume of the traffic on Camden Valley Way. The Nationals have allocated \$34 million to that road, which has been designated a road of national importance.

A road in a high-growth area in my electorate upon which 20,000 to 30,000 vehicles travel every day is not significant in John Anderson's mind, but a dirt road that has 100 vehicle movements a day is significant. How is that fair? Honourable members will understand the cynicism of the people of Camden when they learn that John Anderson has sat for two years on a new National Party fund for roads and transport and now intends to release it just before the Federal election. The people of Camden would also like to know whether the Hume Highway will receive adequate funding for maintenance under this package or whether the highway will be left to degenerate at the expense of another road like Main Road 92 that has political significance for The Nationals. We all know how this Federal Government behaves in the lead-up to elections. We have all seen the swifties that it likes to pull—

Mrs Shelley Hancock: Equal funding.

Mr GEOFF CORRIGAN: There is certainly not equal funding. Where is the equality when a dirt road upon which 100 vehicles travel each day is designated a road of national importance and gets \$34 million while a vital road through the main part of my electorate of Camden that feeds into the city cannot get similar funding? Explain to me how that works. We have all seen the swifties that the Federal Government likes to pull in an attempt to change voter attitudes in the weeks and months before the people go to the polls.

John Anderson has failed to meet his timetable to release a white paper 10 months ago. He has failed to meet his timetable to sign an intergovernmental agreement in September last year. He has failed to meet his timetable to introduce legislation into Parliament in the spring session last year—as the Parliamentary Secretary pointed out. John Anderson has failed to meet his timetable for negotiating a decision-making process that was to be in place by early this year. I would like to think the AusLink package is so far behind schedule and is still so thin on details because it is brilliant and needed two years of work, but I fear that it has been delayed for political purposes and will be an election year pork barrel for The Nationals. I fear that the people of Camden, of New South Wales, and of Australia as a whole will be worse off as a result of this very late and very flawed package.

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [4.06 p.m.], in reply: I was gobsmacked by the speeches of the honourable member for Ballina and the honourable member for Bega but I thank them for their contributions. I also thank the Labor members, who injected some commonsense into the debate, in contrast to the garbled nonsense from those opposite. To put this issue in perspective, I point to the comments of the Federal Minister for Transport and Regional Services at the National Local Road Congress on 30 June last year. On the subject of the white paper—which was significantly late even then—John Anderson said:

I am not setting a firm date for the release of the White Paper, but still remain confident that we can issue it before the end of this year.

The Minister made that comment in June last year and we are still waiting. The honourable member for Ballina asked what was wrong with the delay and said that this important package must be developed properly. But the Federal Government has had two years to develop the package properly and it has not yet produced a white paper. We are not talking about financial implementation at this stage; we are talking about a white paper that outlines the direction, implications, and focus of the package, and details what the States and Territories can expect from it. We have not even reached that point yet. That is the very least that New South Wales and the other States and Territories can ask for. I reinforce the comments of the honourable member for Bathurst.

I was staggered to hear the honourable member for Ballina speak about the possibility of closing branch lines. We are not talking about that at all. When the Coalition was in government it closed 18 branch lines for seven years. It severed the network and destroyed the opportunities, the financial perspectives and family needs of people in country New South Wales. The Government is about putting some equity into future funding. We do not want this to be a pork-barrelling exercise before an election. We want to take a fair, reasonable and fair dinkum approach.

The honourable member for Bega mentioned the Princes Highway. I make no bones about the fact that the Princes Highway is the highest road priority for the Government in the Illawarra and South Coast region. The Government is currently mid-way through a 12-year \$380 million program to upgrade the Princes Highway south of Wollongong, with \$50 million allocated in the 2003-04 budget to improve this vital link. The honourable member for Bega called the funding miserly, but the Opposition has not said a word about its commitment to the Princes Highway—\$200 million over five years, or \$40 million a year. It is silent once again.

If the Federal Government provides matching funding the Government will make the Princes Highway a four-lane dual carriageway to Kiama by 2010. Why did the Opposition raise this matter today? The honourable member for Bega has fallen into a great big hole. The Princes Highway should be declared a road of national importance [RONI] by the Federal Government. It could become a dual carriageway road all the way to Jervis Bay within 10 years, but the honourable member for Bega had the audacity to claim that this is purely a responsibility of the Carr Government. Declaring the Princes Highway a RONI is a responsibility that we need to take on in partnership with the Federal Government. The shadow Minister, the honourable member for Ballina, and the honourable member for Bega have not raised this matter with the Minister. The honourable member for South Coast has also been mute in not declaring that the Princes Highway should be declared a RONI so that it can get vital funding to move the project ahead and give the South Coast what it deserves ahead of time.

Those members should speak up for their communities. The Government is doing so on their behalf, and will continue to do so. I visit country and regional New South Wales almost weekly. I open bridges and roads for country and regional folk on behalf of the Minister for Roads. They know what the Government is doing but are perplexed and disappointed about the lack of action by The Nationals, the once great party in this State, to meet their needs. It is about time The Nationals stood up for their communities, as the Government and the Minister for Roads have done. They should ask what AusLink is about. The white paper should be put on the table so this great State can get what it deserves. [*Time expired.*]

Question—That the motion be agreed to—put.

The House divided.

Ayes, 55

Ms Allan	Mr Greene	Mrs Paluzzano
Mr Amery	Ms Hay	Mr Pearce
Ms Andrews	Mr Hickey	Mrs Perry
Mr Barr	Mr Hunter	Mr Price
Mr Bartlett	Mr Iemma	Dr Refshauge
Ms Beamer	Ms Judge	Mr Sartor
Mr Black	Ms Keneally	Mr Scully
Mr Brown	Mr Lynch	Mr Shearan
Ms Burney	Mr McBride	Mr Stewart
Mr Campbell	Mr McGrane	Mr Torbay
Mr Collier	Mr McLeay	Mr Tripodi
Mr Corrigan	Ms Meagher	Mr Watkins
Mr Crittenden	Ms Megarrity	Mr West
Ms D'Amore	Mr Mills	Mr Whan
Mr Debus	Mr Morris	Mr Yeadon
Mr Draper	Mr Newell	
Ms Gadiel	Ms Nori	<i>Tellers,</i>
Mr Gaudry	Mr Oakeshott	Mr Ashton
Mr Gibson	Mr Orkopoulos	Mr Martin

Noes, 30

Mr Aplin	Mr Humpherson	Mr Slack-Smith
Mr Armstrong	Mr Kerr	Mr Souris
Ms Berejikian	Mr Merton	Mr Stoner
Mr Cansdell	Mr O'Farrell	Mr Tink
Mr Constance	Mr Page	Mr J. H. Turner
Mr Debnam	Mr Piccoli	Mr R.W. Turner
Mr Fraser	Mr Pringle	
Mrs Hancock	Mr Richardson	<i>Tellers,</i>
Mr Hazzard	Mr Roberts	Mr George
Ms Hodgkinson	Ms Seaton	Mr Maguire
Mrs Hopwood	Mrs Skinner	

Pair

Ms Saliba

Mr Brogden

Question resolved in the affirmative.**Motion agreed to.****NEWCASTLE COAL HERITAGE****Matter of Public Importance**

Mr KERRY HICKEY (Cessnock—Minister for Mineral Resources) [4.21 p.m.]: This year Newcastle celebrates its bicentenary. It was founded after the Battle of Vinegar Hill, on 4 March 1804. Governor Phillip King ordered that a new penal colony be established as a place of secondary punishment for the rebellious convicts, most of them Irish. On 24 March Governor King commissioned Lieutenant Charles Menzies to establish the new settlement, which he named Newcastle. Lieutenant Menzies arrived in Newcastle on 30 March at noon, making the first European settlement in the penal colony of New South Wales outside the Sydney Basin. Why was Newcastle chosen above all the other potential sites? It was chosen for one reason: coal.

Escaped convicts discovered the first-known coal deposits near Newcastle in 1791, only three years after the First Fleet sailed into Sydney Harbour. A British soldier, Lieutenant John Shortland, found a river and a coal seam while looking for the escapees in 1797. Lieutenant Shortland's discovery of Coal River, now the Hunter River, and the sample of coal he took back to Sydney assured Newcastle's future. Coal was a much sought-after commodity for the domestic comfort and industrial growth of Sydney.

The Steel City was built on its winnable coal. Five years before the settlement was established, Newcastle exported its first coal: Australia's first mineral export. *The Hunter* carried the coal to Bengal, India. In 1800 coal shipments from Newcastle reached 4,000 tonnes. Convict labour was used in the first official coalmine, which was a government monopoly. Convict lives dominated the early cultural landscape and convict labour contributed to Australia's early economic success. Coal River's convict beginnings are representative of the worldwide movement of forced labour of the eighteenth and nineteenth centuries, which is a world heritage theme.

By 1804, the year Newcastle was founded, convict numbers in Newcastle coalmines reached 128, growing to 553 in 1817. The first privately owned coalmine in New South Wales was opened near Newcastle in 1831 by the Australian Agricultural Company. The mine produced 40,000 tonnes in its first full year. Convict miners were still part of the work force, although they were overtaken in numbers by free miners in 1843. The Australian Agricultural Company effectively took over the monopoly previously held by the Colonial Government, a monopoly that was not successfully challenged until 1847.

Three years later the borehole seam was discovered. The quality of the coal was far superior to anything else being mined at Newcastle, and greatly enhanced its future potential. Maps and plans of the early mines show they operated from tunnels and shafts driven into the cliff faces adjacent to Newcastle Harbour. These archival documents have been digitised and placed online by the University of Newcastle's Coal River Working Party. Formed in February 2003, the working party channels university expertise towards researching,

uncovering and interpreting Newcastle's past as revealed through the Coal River precinct. The discovery of the Coal River precinct, as well as its earliest convict mines, is potentially Australia's most significant regional historic site.

The precinct is situated at the mouth of the Hunter River and includes a number of historic sites: Nobbys Headland; Macquarie Pier, now Nobbys Breakwater; the military fortifications of Signal Hill, now Fort Scratchley; and the convict coalmines beneath. The precinct is an area much loved by Novocastrians as a place of historical and cultural significance. Thanks to the efforts of the working party, surveyors have now marked the original entry points to these tunnels. Coal River Working Party chair, Dr Erik Eklund, has reported that the three sites marked by surveyors were possibly the first coalmines in the Southern Hemisphere. The locations of the original mine drifts on the Flagstaff Hill plan of 1856 have been located by council surveyors and marked out in white paint on Fort Drive, the roadway surrounding Fort Scratchley.

Two sites are on the southern side of Fort Drive, while the site of the New Discovery mine is located near Nobby's Beach. The New Discovery mine was developed by Lieutenant Menzies after 1804 and provided a poorer quality coal that was used to light the coal-fired beacon that was placed on top of Signal Hill, or what is now Fort Scratchley. Coal River marks the birthplace of Australian coalmining and the beginnings of a major industrial city. Techniques used to mine in the early 1800s were at the forefront of world practice. Picks, shovels and other equipment used in Australia's first coalmines were forged and maintained at the convict lumber yard, discovered in 1989. The construction of the Macquarie Pier increased the navigational safety of the port of Newcastle, encouraging international shipping participation in the coal trade.

But without the coal—and the coalminers—there would be no Newcastle. The working party's progress to date is pleasing, but further research and geological work is needed to confirm its findings. But there is now a dog in the manger: the working party has had to call off its attempt to drill into the newly rediscovered mines. The drilling, which was scheduled to take place on Friday 26 March, would have enabled Novocastrians to once again peer into the 1804 convict mines in time to coincide with the 30 March bicentenary of permanent settlement open day. The proposal had State and local government approval, but the working party's request to the Commonwealth was referred to the Department of Environment and Heritage by the Department of Finance and Administration.

The working party was told that they could not officially reply until the 14 April. What a joke! Three or four Hunter businesses were prepared to support the Friday 26 March drill, which included a drilling rig, a camera set-up and gas testers. The generosity and commitment of those Hunter firms has been wonderful. It is a pity the Federal Government has let down the people of Newcastle once again. Nonetheless, in view of this setback, the working party is continuing to secure approvals from all levels of government to regroup for another attempt in the near future.

Further archaeological and archival investigation may also reveal the routines of daily life for the convict and military populations as well as further evidence of convict labour, particularly coalmining, quarrying and pier building. In August 2003 the State Heritage Register Committee recommended to the Minister for Infrastructure and Planning that the Coal River precinct be placed on the State Heritage Register. My colleague the Hon. Diane Beamer, the Minister Assisting the Minister for Infrastructure and Planning (Planning Administration), announced that the precedent would be gazetted, and it was placed on the register on 19 December last year. The contribution of the coal industry to Newcastle's development cannot be underestimated.

The Coal River Working Party open day at Fort Scratchley will go ahead today despite the Federal Government's action. Another important event is the Hard Work major exhibition, which will run from 16 April to 30 April. The exhibition contains art, photography, performance and heritage displays that focus on 200 years of coal, transport and steel—the three industries that have shaped Newcastle's development. Our coalmining industry is integral to our State's history and our future. I am sure all honourable members will join me in acknowledging the miners and mining operators who built Newcastle, and will join me in giving a vote of thanks to the Coal River Working Party for its hard work in bringing this part of our history to life.

Mr JOHN TURNER (Myall Lakes) [4.30 p.m.]: The Minister has given a good outline of the history of coal at Newcastle, and I will not repeat what he said. I am not sure how much notice the Federal Government was given of the request to approve the drilling, and I do not know the reason for putting off the request until some time in April. Perhaps the Minister could have been more forceful with his Federal counterparts in seeking to ensure that the full program of the open day went ahead. I hope the approval will come through and that the undertaking goes ahead so that people can have a glimpse of how mines worked in days gone by.

There is no doubt that the Newcastle area has a terrific coalmining heritage. I will refer more broadly to the Hunter Valley generally, which is the coalmining area with which I am more familiar. The Coal River area spawned the Maitland, Cessnock and Upper Hunter coalfields, as well as those further afield. If coal had not been found down the river at Shortland we may not have had this wonderful industry. Edgeworth David, who found the rich coal seam in Cessnock, was the father of the coal industry in the Cessnock area. The industry has changed considerably. We know that the coal barons who came into the area exploited the coal industry and its workers in a most regrettable way. The union movement introduced some respectability into the industry to even up the scales: some would say the scales became too even. Problems with wages and conditions resulted, followed by a downturn in coal prices in the 1970s.

When I was young I went down the coalmines many times. I could not think of anything worse than being down there with pit horses, skips and coalminers with black faces. Sometimes the beam from the lamps and their shining eyes were the only indication that people were around. It was quite an experience. Coalmining is still not the most pleasant way to earn a living, but the industry has improved significantly. The Hunter Valley and Newcastle were shaped by the mining industry. As the Minister said, convicts started working in the mining industry and were replaced by skilled workers—if that is the correct term—who came from Wales and Scotland. Their legacy is evident in areas like Spion Kop, Stanford Merthyr, Aberdare and Abernathy, names that appear on a map of Wales.

The Welsh and the Scots brought their own special culture to the area. They were strong men from a strong culture. For many years they formed and shaped the crust of the Hunter Valley. They lived a tough life. Many of them were squatters around the coalmines. When I was a councillor on Cessnock council we had the devil's own job trying to sort out property problems. There was no title, but people had been living in houses for many years through family connections. Often one could tell how many daughters a miner had by the number of fingers he had missing. Workers compensation for the loss of one finger was about the cost of one wedding. Unfortunately, a lot of coalminers were missing digits. It was a sad way to live.

I remember the pit horse derbies in Cessnock. They were 500 yards of sheer terror for little jockeys, but a great example of the heritage of the times. I regret to say that much of that heritage has probably been lost. We still have the Freemans Waterhole Memorial and the Rothbury Riot Memorial. Unfortunately, Mick Frame, a great supporter of the industry, died recently. However, our coalmining heritage is not sufficiently recognised. I was pleased to hear the Minister say that a working group is trying to raise the level of awareness of the role of the coal industry in Newcastle and the Hunter region. Coalmining is no longer part of the Newcastle trade, apart from coal-loading facilities and ships standing offshore. There are some working mines in the vicinity, but the mines are now up the valley.

New technology has resulted in longwall mining, continuous mining and open-cut mining, which are vastly different from the pick and shovel method. These days most miners are in airconditioned cabins on huge pieces of machinery and earn fairly good money. It is important to ensure that we acknowledge the work of the convicts, the Scots and the Welsh, and Australians who descended from the Scots and the Welsh. I would not have wanted to be involved with the mining industry, which was tumultuous but also very generous. If the miners wanted anything they had to get it themselves. For instance, Cessnock and Kurri Kurri hospitals were built by the miners. If miners were injured down the pit or they had the terrible choking coal dust disease they had nowhere to go. So they took it upon themselves to contribute to the building of the hospitals to ensure they had somewhere to take their injured and sick.

I remember when I was a kid hearing that terrible wailing siren alerting people that there was an accident down the mine. Although my father did not work in the mines, I knew a lot of people who did. I went to school with many coalminers' sons and daughters. If the wailing did not signal the shift ending at three o'clock and nine or ten o'clock you knew it was an accident. You hoped to blazes that it was not one of your friends and you hoped that nobody was seriously injured. Regrettably, in those days there was a significant number of deaths and injuries in coalmines. Coalmining continues to be a dangerous industry, although significant safety precautions have been put in place to try to minimise injuries and deaths. I do not know too much about the group formed by the Minister. However, I wish it well and I hope that it can make a lasting contribution to the coal industry, not only in Newcastle and the Coal River but throughout the State. There is not enough historical recognition of this vital industry that was so important to the development of the Newcastle and Hunter Valley regions.

Mr BRYCE GAUDRY (Newcastle—Parliamentary Secretary) [4.39 p.m.]: I am pleased to support the Minister for Mineral Resources today in bringing this matter of public importance before the House. As the

member for Newcastle, I know first hand the tremendous contribution that coalmining has made not only to our city but to the Hunter region and to the State as a whole. It fuels our power stations and contributes massively to the nation's export earnings. As the Minister outlined, today's coalmining industry follows on from events that took place just a few short years after the settlement of Sydney. In March 1804 Lieutenant Charles Menzies formed a second settlement with 34 Irish prisoners who had been convicted in relation to the notorious Castle Hill rebellion. Newcastle became the colony's major prison, with more than 1,000 convicts by 1814.

Those convicts mined the coal that warmed Sydney's homes and fed its industrial furnaces. Coal sales to other British outposts, including India and South Africa, boosted the colony's revenues. Without the coalmining pioneers of the eighteenth and nineteenth centuries, Newcastle may never have become an industrial powerhouse of the twentieth century. As a society, it is vital to protect our heritage. The Carr Government, like other Labor governments before it, is deeply committed to that value. As the Minister stated, the Coal River Precinct was placed on the State Heritage Register last year. The Carr Government created the register in 1999, under the auspices of the Heritage Council of New South Wales, which was founded under the Wran Government's Heritage Act 1977.

What makes this listing special is that it celebrates our industrial past, which is especially important in the history of cities like Newcastle. From its convict origins, coalmining spread from what is now inner-city Newcastle. As new mines were developed, villages sprang up around them—places such as Wallsend, which was home to the largest colliery in the Southern Hemisphere in 1860; Greta, whose population swelled to 2,000 on the back of the rich coal seam bearing its name; Stockton, north of the Hunter River estuary, which has been mined since 1882; Minmi, where J. & A. Brown's Duckenfield Colliery supported some 3,000 people; Charlestown, Burwood, Waratah and New Lambton, which all operated off the Borehole Seam; and Teralba, which was the centre of an estate bought by the Great Northern Coal Mining Company in 1882.

Australia's oldest continually mined colliery was founded in 1889 on the Wallarah peninsula in the electorate of Swansea. It was closed in 2000, but Wallarah remains Australia's oldest continually mined colliery. That is why the history of the coal industry deserves to be included in Newcastle's bicentennial celebrations. Several organisations must be congratulated on their commitment to bringing our industrial heritage to life: the Parks and Playgrounds Movement Inc., which is the community organisation that came up with the original proposal for the Coal River Precinct and spearheaded the vision under the leadership of Doug Lithgow; the University of Newcastle, which formed the Coal River Working Party to move the vision forward and engaged in research under the leadership of Dr Eric Eklund and Gionni Di Gravio from archives section of that university; Monteath & Powys Pty Ltd, consulting surveyors and planners, which came forward to prepare a schematic plan and then double-checked the markings that had already been identified; Coffey Geosciences Pty Ltd, which has been engaged to carry out the ground penetrating radar [GPR] and drilling component of the project; and the Newcastle City Council, which provided a \$10,000 grant, funding some of the research and allowing the drilling component of the event to occur.

I have been involved in the process, and it is great to see it reach this point. I congratulate Doug Lithgow on his drive and initiative over a long period to ensure that the Coal River Working Party has been focused and recognised in this bicentenary year. Together, all the people involved have focused our attention on coalmining and its impact on the development of Newcastle, the Hunter and New South Wales as a whole. I congratulate the Minister for Mineral Resources on bringing this matter to the attention of the House, and the honourable member for Myall Lakes, who spoke in detail during his contribution to this debate on the social impact of the mining industry. I also mention that miners once paid threepence a week to create the Wallsend Mining and District Hospital, which was a wonderful contribution to community life. My earliest memories are of my father returning home from the pits and of the black coaldust that remained after he had taken a bath in a galvanised tub—coaldust that was with coalminers to the end of their days.

Mr KERRY HICKEY (Cessnock—Minister for Mineral Resources) [4.44 p.m.], in reply: I welcome the participation in this debate by the honourable member for Myall Lakes and the honourable member for Newcastle. I note that the honourable member for Myall Lakes was originally from the Cessnock area—he is a Cessnock boy—and that he has a good understanding of coalmining, unlike the Opposition spokesperson, who continually displays his arrogance and laziness in his performance of the role entrusted to him by his political party. Where is he now? Where was he during the debate? If the truth is known, he is probably penning more articles for the *Daily Telegraph*.

I wish to deal in more detail with the point I made earlier on the delay in commencement of the drilling project. The Coal River Working Group gained approval for drilling from both the Newcastle City Council and

the State Government. However, drilling could not proceed as planned because the Federal Government's environmental authority did not even officially reply to the request until 14 April. That is simply a crying shame for everyone who has worked so hard to support the project and for the people of Newcastle. It shows that the sympathy that the Federal Government has for the preservation of Newcastle's coalmining heritage is absolutely zip. The Federal Government is not worthy of the trust of the people of Newcastle.

I know the history of the Cessnock coalfields very well and I am well aware of what happened at J. & A. Brown's at Minmi, where coalmining first started. My grandfather told me about the exploitation of workers and the Rothbury riot, and his accounts of what happened are preserved as treasured family history. People should remember what the union movement, in particular the Construction, Forestry, Mining and Energy Union [CFMEU], have done for workers over a long period. In the 1940s, 1950s and 1960s, an enormous downturn in coalmining left the city of Cessnock absolutely devastated. A former member for Cessnock, George Neilly, served as a union organiser before being elected to this Parliament. He staunchly stood by the workers during a time of crisis and was locked in a gaol cell for being a member of the union. Quite clearly, George placed the wellbeing of the workers above his own wellbeing and thereby demonstrated his level of involvement and commitment. As a member of this Parliament he served the community well.

Mr John Mills: As did Harry Cockrill in the upper House.

Mr KERRY HICKEY: As the honourable member for Wallsend says, Harry Cockrill did also. I think he and George Neilly were members of Parliament at the same time for a period. Towns in the Cessnock districts such as Paxton, Aberdare North, Aberdare East, Kitchener and Abernethy were formed around pitheads. One of the biggest problems in the area is that expansion of individual population centres around pitheads has resulted in the city of Cessnock growing disproportionately, which has had adverse impacts on policing and infrastructure. The contribution made by mines and miners to the community is immense—not just in economic and social development but also in cultural activities. We have mine pipe bands, mine choirs, the Welsh gymanfa ganu, and the Abermain Eisteddfod, which is the oldest established eisteddfod in New South Wales and probably Australia, and strongly continues to this day.

The modernisation of the coalmining industry has come a long way, but we should never forget our past. We have to preserve our past to ensure our future. It is great that the history of Newcastle is being recognised as based on coalmining and it is also great that the Coal River Working Group has been working so hard to ensure that the history of the area is never lost. The honourable member for Myall Lakes referred to the history of coalmining and to Freemans Waterhole site, which was formerly a mining museum. Consideration probably should be given to adopting a whole-of-government approach involving local government authorities and the State Government to re-establish the museum, bearing in mind the number of coalmines in the Cessnock electorate and the immense wealth the area has contributed to State and national economies.

Cessnock has been the powerhouse of New South Wales and has generated more economic strength and benefit to this State than has any other area. The Hunter region should hold its head high. Considering the net benefit to the State and the Commonwealth, it is pretty poor form that the Federal Government cannot find its way to even answer correspondence from the Coal River Working Group. The Federal Government should hang its head in shame.

BILLS RETURNED

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

Stock Diseases Amendment (False Information) Bill

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! It being before 5.15 p.m., with the consent of the House, I propose to proceed to the taking of private members' statements.

PRIVATE MEMBERS' STATEMENTS

BANKSTOWN CITY COUNCIL PROPERTY PURCHASE

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [4.50 p.m.]: I raise concerns about Bankstown City Council's recent purchase of a Kentucky Fried Chicken [KFC] outlet in St Peters for \$2.1 million. I learned about that purchase via the media, and my response, along with that of many of my constituents, was both astonishment and concern. Put simply, I do not believe that part of any local council's

core business should be the purchase of property or franchise infrastructure, such as the KFC outlet, for commercial gain. That the KFC outlet is in another council's area also raises concern. It seems that the General Manager of Bankstown City Council, Richard Colley, did not see fit to invest in the local Bankstown area. Pecuniary problems may have been attached to that decision, but it sends the wrong message to the wider community in my electorate.

I am advised that a KFC franchise was for sale in Revesby, but council decided not to purchase that because it was in a flood-prone area. However, the council had earlier authorised KFC to go ahead with its planned amenities. I am concerned about that purchase by council, principally because property acquisition, other than for the provision of council services, should never be part of any council's core business. Today a local paper, distributed in my area, stated:

Cr Ian Stromborg—

a councillor of long standing—

said he and 10 of his fellow 12 councillors had been left in the dark about the purchase ...

Mr Stromborg compared the KFC purchase to ... the Oasis scandal which saw millions of dollars squandered followed by the sacking of the councillors.

Cr Stromborg said a lack of transparency could "get councils into trouble."

I agree with that comment. I am concerned also that Richard Colley, a fine general manager in most aspects, seems to have fallen into a communication problem in this case. The local paper stated:

"The whole thing came down to a communication glitch, I was of the opinion one of the other directors had told the councillors," Mr Colley said.

Apparently, that did not happen. Is it a core business of local government to purchase a KFC outlet with \$2.1 million of taxpayers' money, which I acknowledge is earmarked for investment? I do not believe so. Local government should concentrate on the bread-and-butter issues. One of my major concerns is the Bankstown central business district [CBD]. The council has a master plan that would revitalise the CBD, which needs revitalisation, particularly the old town plaza. The CBD master plan states that council would reinvest in the Bankstown council plaza. I think that is foolish and shows lack of vision. Footpaths in the CBD are worse than goat tracks; I walked along better tracks in Nepal on my recent visit there to raise money for Youth Off the Streets.

The focus of the council and of the general manager should be on the residential streets and those in the Bankstown CBD—the bread-and-butter issues. The purchase of the KFC outlet sends the wrong message to the community. The KFC products, with their fat content, do not do a lot of good for our young people. I am concerned that my local council has purchased one of those properties outside its drawing area. I send a message to council to be more focused. A new council is now in place and I hope it concentrates on the bread-and-butter issues, particularly by revitalising the CBD. I hope that the general manager will be little more diligent in communicating about such important issues. The people of Bankstown are perplexed by that decision to purchase a KFC outlet.

CAROLINE BYRNE MURDER INVESTIGATION

Mr PETER DEBNAM (Vaucluse) [4.55 p.m.]: Many of my constituents have been disturbed for some time about the death of Caroline Byrne in my electorate in June 1995. Initially the death was investigated by the local police, who I know are concerned about the progress of the case. Nine years after her death there are still as many questions to be answered now as there were at that time. I said to many of my constituents that I understand their concern and that I would raise questions in this House with the Minister for Police about this matter. I believe that the Minister for Police should look into a number of questions. First, he should declare which police officers—by name, rank and position—have had responsibility for the investigation over the past nine years, including the dates of their involvement as the lead investigators. Second, given that Caroline Byrne's body was found between 9 and 10 metres out from the cliff face, did police attempt to determine how she could have landed at such a distance, and if so, when was that investigation undertaken?

Third, given that Sergeant Mark Powderly of the Police Rescue Squad, who attended the scene on 7 June 1995, stated in the media on 25 February 1988 that it would take a "fairly good run up" for Caroline Byrne's body to land 9 to 10 metres from the cliff face, that it was "not inconceivable" that someone threw her

off, what scientific advice was sought by NSW Police? Fourth, what forensic advice did police request and what forensic advice did police receive over the past nine years, including the relevant dates of request and receipt? Fifth, what overseas travel requests were submitted by police investigating the case, which requests were granted and which requests were denied? Sixth, with reference to the statement by a spokeswoman for Commissioner of Police Ken Moroney, published in the *Australian* on 29 March 2004, that "the gathering of evidence—both physical and forensic—does take a prolonged period of time", was the commissioner instructed by the Minister's office to downplay criticism of the investigation delays?

Finally, given the delays in the police investigation, the delay in the interviewing of witnesses, the delay in the testing of alibis and the delay in the pursuit of persons of interest, will the Minister establish an independent commission of inquiry to review the chronology and methodology of the police investigation? As I have said on a number of occasions recently, when one goes back over the sequence of events of the past nine years, one can readily understand the concerns of my constituents and many people in New South Wales—concerns that have been raised a number of times. In 1998 the media asked why we have not made more progress with this case. Obviously a number of different issues need to be pursued, but the Minister could answer the questions I have asked.

One of the most important questions is, simply, did police have the resources to pursue this case? I note that one of the lead investigators in 1998, at the time of the Coroner's inquest, was subsequently moved and seemed to reappear to comment on the case at a later time. A current lead investigator, who has been there for some time, is respected for his work.

For five years after the death of Carolyn Byrne, Rene Rivkin and Graham Richardson were not interviewed about the alibi that was given by Mr Wood at the time of the initial investigation. Seemingly, many aspects of this case were not pursued aggressively. In November 2002, Ron Dyer in the upper House put on the record that he understood from police that resources were the issue. Those resources were cut. I want to know whether it was resources, whether it was a competency issue, or whether the case was manipulated to slow it down. Late last year the media reported that police had finally sought forensic advice. Was that the case, or did they seek advice before then? It is inexplicable that police actually asked for that forensic evidence eight years after the death of Carolyn Byrne.

HONOURABLE MEMBER FOR PORT STEPHENS HEART SURGERY

Mr JOHN BARTLETT (Port Stephens) [5.00 p.m.]: This is my first day back in the New South Wales Parliament in 2004. I give thanks to the cardiac team at St Vincent's Private Hospital who made it possible. I also thank those who sent me good wishes during that time. In 54 years it was my first experience of hospitals. The co-ordination and organisation that went into my operation was a credit to everyone involved at St Vincent's Private Hospital. I had a congenital aortic valve problem that had gradually got worse over the past five years and had been monitored by my cardiologist, Dr Demetriou. In that time my aortic valve went from about 50 per cent malfunction to nearly 80 per cent malfunction. I thank Dr Demetriou and his staff for all the discussions that we had concerning this operation and for all the other issues that we discussed over the past five years.

I entered hospital on 9 December, had my operation on 11 December and was discharged on 18 December. I thank all the staff on level 7—Claire, Jo, Lyn, Alice, Julie, Ann and all the other nursing staff—for their care. I also thank Carly, Alice and Marcel and the X-ray staff. I thank the kitchen staff for their excellent meals and the presentation of those meals, even though I was not able to do justice to them for a few days. The pre-operation education program, which was excellent, addressed all my queries. I thank Dr Paul Roy and his angiogram staff, in particular, Donna and Oliver, for their assistance. Oliver's claim that this was his first involvement in an operation was appreciated only after I caught the devil's glint in his eye.

I thank the operating team—Dr Ron Benson, the perfusionist; Dr Sharp, the anaesthetist; Dr Alan Farnsworth, the surgeon; and all the others on the team—for their skill, professionalism and success. They all possess an amazing skill—the ability to give life and to prolong it. To that list I add all those staff from the intensive care unit for their dedicated care. I was very foggy during that period and I apologise for not being able to name them, but I appreciate their care. I actually died on the operating table—I would not kick-start. The surgeon wrote a report to my local general practitioner, Dr Mark Adamski. When I visited Mark he said, "You died on the operating table. They could not get any oxygen to your brain for a period of 15 seconds." He said, "With the rat poison I am about to prescribe for you, you will have all the attributes that are needed either to be Treasurer or to be Premier in the near future." I thank him for his advice.

To all the staff of St Vincent's Private Hospital I say: Thank you for your helpful and cheerful treatment. I appreciate being alive today and able to make this private member's statement. The alternative did not seem particularly attractive. I thank all my family and friends for their love and affection. I received many good wishes from my parliamentary colleagues from both sides of the House, and there were hundreds of phone calls to my office from residents expressing concern and wishing me good health. I thank in particular all those constituents whom I did not know who sent me cards wishing me success. I thought I would refer to just one example of that concern. Today I received a letter from the Hunter Koala Preservation Society Inc., which states:

Best wishes John, on your first day back in State Parliament after surgery and recuperation.

I appreciate all your efforts on behalf of Port Stephens environment. Keep up your good work and good health.

Regards

Jill Taylor

President
H. K. P. S.

I received hundreds of messages like that during my convalescence. I thank all those who were involved.

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [5.05 p.m.]: I state on behalf of the Government—and, I am sure, all Opposition members—that we are pleased to have the honourable member for Port Stephens back in this House, fit and well, after fairly major cardiac surgery. I join with the honourable member in commending the diligence and hard work of staff in our hospitals, in particular, St Vincent's Private Hospital. As the honourable member for Port Stephens said, those people are dedicated to saving lives and to ensuring that we receive the best care possible. The honourable member witnessed, and received, that care. We are pleased to have him back in the Chamber.

While the honourable member was away he was still active, wherever possible, in his electorate. I commend him for that. I, as Parliamentary Secretary for Roads, recently visited Port Stephens, conducted a roads inspection and looked at future prospects—issues for which the honourable member has been diligently and successfully lobbying this Government. The honourable member for Port Stephens turned up at those inspections. We had a wonderful day with a community group, and we looked at the progress that is being made as a result of the Carr Labor Government's commitment to improving roads in Port Stephens. I commend the honourable member for his diligence, for always being available to support his constituents and for ensuring that he returned to this Chamber healthy and well so that he can continue that great progress in Port Stephens, one of the best electorates in Australia.

SUTHERLAND SHIRE COUNCIL ELECTION

Mr KERR (Cronulla) [5.07 p.m.]: I join with other honourable members in wishing the honourable member for Port Stephens a speedy recovery. I recall one of his colleagues receiving a get-well card that was signed by a secretary of his branch that stated, "I have been instructed by the branch (49 to 50) to wish you a speedy recovery." Tonight I wish to refer to the new Sutherland Shire Council and to the challenges that it will face. That council will have a significant impact on my electorate. A number of problems within the jurisdiction of Sutherland Shire Council must be attended to. Before the council election the Cronulla Chamber of Commerce sent all candidates in the A riding a letter asking them what they were going to do in relation to traffic and parking in Cronulla. I would like those who were elected to council to respond to that letter, and that response should be made public.

Everybody would be aware that there are considerable parking and traffic problems in the Cronulla area. I urge the new council to work with the NRMA and to put in place a plan to alleviate traffic and parking problems in the Cronulla area and the shire in general. Concern has been expressed in my electorate about development and the nature of that development. I was pleased when former shire president, Michael Tynan, announced an annual civic design award. The panel that was established to judge the civic design award comprised representatives from the Institute of Landscape Architects, the Institute of Architects, the Royal Institute of Planning, the Local Government Town Planners Association, shire residents and people who enjoyed the confidence of shire residents. I am sure the Minister for Infrastructure and Planning will make his department available. The Minister for Energy and Utilities conducted a planning seminar in Rockdale. When was that?

Mr Frank Sartor: It was very successful.

Mr MALCOLM KERR: I did not ask that. When was it?

Mr Frank Sartor: It was last July.

Mr MALCOLM KERR: The Minister for Infrastructure and Planning might consider doing something similar in relation to the shire. I assume that, in view of the success of his seminar, the Minister for Energy and Utilities would support such a move. Financial challenges must be met in the shire but we must ensure that the new council has inherited a sound financial base. In 1988 Premier Greiner commissioned an audit of the State—the honourable member for Lachlan will remember it—that revealed the mess that the Coalition Government had inherited. The audit results were made available publicly. I suggest that there be a full financial audit of Sutherland Shire Council and that the results of that audit be made public. We could then see where the money has gone and what money is still available. That would alleviate any arguments down the track about the council's financial base. I wish the newly elected councillors every success. I hope they will meet the challenges in relation to traffic, parking and roads, and planning and provide a full account of the financial situation to shire residents.

SOUTH-WESTERN SYDNEY PUBLIC DENTAL SERVICES

Mr PAUL LYNCH (Liverpool) [5.11 p.m.]: I draw the attention of the House to a significant issue in my electorate that has been the subject of representations to me from the Liverpool Women's Health Centre. The women's health centre is a longstanding and important institution in Liverpool. Some years ago I remember attending the celebration of the twenty-fifth anniversary of its establishment. The centre has done much important work, including, in particular, advocating for women's rights not just in Liverpool but generally. I recently read a book called *A Few Rough Reds* that reminded me of the role that people from the Liverpool Women's Health Centre played in helping to establish the Workers Health Centre. The Liverpool Women's Health Centre describes itself as follows:

Liverpool Women's Health Centre was established under a Federal grant in 1975, by women from within the women's liberation movement in close consultation with a group of women from Green Valley.

It was the second women's health centre to open in New South Wales, helping to pioneer new approaches to health care and service delivery based on feminist principles and philosophy.

Over the years the centre has participated in campaigns and actions for change aimed at improving the quality, range and accessibility of health services for women.

The Liverpool Women's Health Centre sent me a letter dated 11 March that addresses an issue of great concern to many of my constituents. The letter states in part:

It has come to the attention of Liverpool Women's Health Centre that the South Western Sydney area has a notable deficit in public dental services. We have become aware of this problem after being approached by women seeking dental assistance. We are unable to offer satisfactory referrals.

Time and time again we have been told that the waiting list to see a public dental service is over two years. With the growing number of women requiring major dental work, the wait is aggravating other existing concerns, specifically poor nutrition and hence ill health not to mention declining emotional and psychological well being.

It was stated by one staff member from the dental hospital, that unless people were experiencing "life threatening" dental problems, meaning blood poisoning from infections, or extreme pain, it is unlikely they would ever be seen. How can this system ever possibly address the need of the greater community of which private dental care is totally out of reach?

One of the many reasons women seek assistance from Liverpool Women's Health Centre is for support and referral after living with domestic violence. One of the frequently overlooked yet substantial impacts on women is the loss of teeth after being punched in the face. Women frequently have difficulty discussing how and why their dental health is so poor, largely because of the shame associated with being a victim of domestic violence.

One woman reported that after waiting 18 months to see a public dentist, he pulled another tooth to ease her discomfort, however said she would have to return to the two-year waiting list to have the dentures made and fitted. This is not a satisfactory service. Her need for pain management continues, as does her ill health, which is complicated by poor nutrition.

Women regaining control after living with perpetrators of violence struggle financially on Centrelink benefits to meet basic needs. Therefore dental treatments costing thousands of dollars come last in their hierarchy of needs. At no time will grants from Centrelink (which must be repaid) pay for the expensive treatments, and there is no other system available that can meet the needs.

The impact on women's self-esteem and self-image with damaged or missing teeth is such that their ability to smile and speak with confidence is diminished. This has enormous implications on the long-term emotional and psychological well being of women expected to "move on" and "get a job" after leaving violence.

The Liverpool and Greater South Western Sydney area has one of the highest rates of domestic violence, as demonstrated every Tuesday by consistently overcrowded courts.

We would like to know what will be done about the dire state of the dental care system in South Western Sydney, and specifically Liverpool, to treat those women who suffer daily from poor dental health yet do not meet the "life threatening" or "extreme pain" criteria. Women being affected by domestic violence are frequently overlooked and it is time all aspects of care are addressed, especially the non-existent dental care.

The points made by the Liverpool Women's Health Centre are only too legitimate. Many people, particularly those highlighted in the letter, are victims of the 1996 decision by the Federal Government to stop funding for the dental programs that were then being run. It is very much a class issue: people who have money can get dental care and people who do not have money cannot. I add my plea to that of the Liverpool Women's Health Centre that this issue be addressed.

LACHLAN VINTAGE VILLAGE

Mr IAN ARMSTRONG (Lachlan) [5.16 p.m.]: An important yet sad event occurred in Forbes last week concerning Lachlan Vintage Village, which is well known. Lachlan Vintage Village was purchased in 1984 by the O'Keefe Family Trust from the local shire council for \$260,000. The price included all buildings, machinery, contents, fixtures and fittings plus a Crown lease of the village site for 40 years. The trust had clear title to all the land, everything upon the land, and all contained within the land at that time. Prior to the sale Forbes Shire Council—the then owner—invited any person who had donated items to come forward and claim them. Those items not claimed were included in the sale. The O'Keefe Family Trust never held in the village any item that was not paid for. Any claims for items that people believed they had were to be directed to Forbes Shire Council.

For the purchase of the village, Forbes Shire Council provided vendor finance of \$60,000 to the O'Keefe Family Trust. In 1986 the council authorised in writing the sale by the O'Keefe Family Trust of items in the village at public auction, with proceeds of the sale to be paid to Forbes Shire Council to liquidate the debt. So the O'Keefes liquidated all their debt. They had title in fee simple to all the land, all upon the land, and all contained within the land. The council endeavoured to satisfy itself and the public that there was nothing on the land that might belong to anyone else. The mayor said in the *Forbes Advocate* that the village was sold on the understanding that the tourist attraction would be maintained, but no such condition was included in the contract of sale between Forbes shire and the O'Keefe Family Trust.

In 1987 the NSW Heritage Office placed the stonemason's lathe, which is kept at the village, on the New South Wales Heritage Register. Neither at that time nor at any time since has any other item been placed on the register. At considerable cost to the O'Keefe Family Trust the Crown lease of the site was converted to freehold title. After 20 years, and only a few days before an auction scheduled for last Sunday, 28 March, an interim heritage order was placed on the village at the instigation of Forbes Shire Council. The auction, which was advertised in three States, was cancelled only 36 hours before it was to take place.

Mr Cameron White from the NSW Heritage Office came to Forbes and spoke to the council but did not go near the owners—no-one has spoken to them. He said the land could be rezoned, perhaps by council, and that he would try to expedite that rezoning so that some of the land could be sold for commercial development, such as a motel. However, Mr White offered no explanation to the O'Keefes, both of whom are 75 years of age and are on full pensions. Mrs O'Keefe suffers from dementia and Mr O'Keefe receives a carers pension to look after her.

This old couple have bought and run assets over the years. They have never had a problem when they have had a number of auction sales to sell down some of their assets to pay out their debts. Now, on the eve of this important auction, a heritage order was placed upon their property, which means that the entire land and everything upon and within it has been frozen, effectively for up to 12 months. Any goods sold from those lands cannot be delivered. If an auction were held tomorrow morning and a teaspoon knocked down to a buyer, the buyer could not take possession of it. In the meantime, while the heritage order exists, the O'Keefes are responsible for all rates, insurances, local, State and Federal government regulations for the control of vermin, weeds and bush fires, public liability insurance, occupational health and safety insurance, and all other matters that impose a cost upon those lands, yet the O'Keefes cannot earn any income.

The auction was cancelled because of the heritage order, not by the O'Keefes, and the auctioneers are owed approximately \$8,000 or \$10,000. Where will they get the money? The heritage order is flawed because it puts an impost on people virtually without notice, that can result in their losing money—in this case because of a cancelled auction—and can freeze their assets for up to 12 months. It is unfair and unjust in this case. The tragedy is that nobody—not the council and not the heritage officer—has spoken to them. The Minister may laugh, but I was there on Saturday and I saw a lady with dementia and her 75-year old husband having their assets locked up, but nobody went near them. It is a disgrace. [*Time expired.*]

Ms DIANE BEAMER (Mulgoa—Minister for Juvenile Justice, Minister for Western Sydney, and Minister Assisting the Minister for Infrastructure and Planning (Planning Administration)) [5.21 p.m.]: The honourable member for Lachlan has highlighted how an interim heritage order was placed on the Lachlan Vintage Village at Forbes after strong representations from Forbes Shire Council. I am advised that the owners of the village want to have a vacant site to enhance its future development potential, but presently the site is zoned "special uses", which provides no scope for future development.

The site would require a rezoning, and that would need the support of Forbes Shire Council. The interim heritage order will allow for the establishment of items of heritage significance. Forbes Shire Council was asked by the Heritage Office, in consideration of the situation of the owners, to fast-track its heritage assessment. The Government has asked Forbes Shire Council to fast-track its assessment. Forbes Shire Council has also advised the Heritage Office that it wishes to explore commercial adaptive re-use options for the sale, so that it can enhance the zoning of the site for its future potential whilst maintaining the heritage significance of some of the buildings in situ.

Rather than preventing the owners from getting a return, an appropriate rezoning, which will provide a commercially viable future while maintaining the most important heritage aspects of the site, will ensure its future potential and value, particularly given its restrictive zoning. I can assure the honourable member that the Heritage Council will be in regular contact with Forbes council to ensure that as soon as practicable this order can be lifted so there can be a responsible rezoning of this site.

TRIBUTE TO MR MERVYN LYNCH

Mr KEVIN GREENE (Georges River) [5.23 p.m.]: Last Saturday council elections occurred through the State, and I will highlight the efforts of councillors who retired in my electorate. I particularly note the long service of the Mayor of Kogarah, Councillor Jim Taylor, and west ward councillors Graeme Staas and Susan Gainsford. From Hurstville council I thank Mick Frawley for his efforts. I will focus on the outstanding contribution by Councillor Merv Lynch who was elected to Hurstville City Council in 1980. He decided, with his impending seventy-third birthday in May, to not seek re-election, after having given enormous service for more than 20 years.

Merv and his family have been great contributors to the St George district, particularly to the Hurstville council area. Merv served as mayor in 1991-92, and has been very generous in his commitment to the Hurstville community, for which I sincerely thank him on behalf of all residents of Hurstville and the greater St George area. In 1997, unfortunately, Merv lost his wife, Faye, who was a great stalwart, particularly in the sporting community. Faye gave long service to netball and was a life member of the St George Netball Association and the Illawarra Catholic Club netball club. She is survived by her three children: Maria, who is now the inaugural coach with the Hunter Jaegers, the new side in the national netball competition; Glenda, who was heavily involved in local netball and has two boys and a girl; and David, who was a school friend of mine at Marist Bros Penshurst in the early 1970s.

As well as his involvement with council, Merv Lynch was particularly active in many service organisations. I instance his role as chairman of St George Community Services since the mid-1980s, and as a member of the management committee since his election to council in 1980. Since 1980 he has been involved with the management committee of the Hurstville senior citizens group. He is also well known for his role as director since 1984, and later as vice-president, of the Illawarra Catholic Club, to which he has made a significant contribution. Merv's involvement with the Illawarra Catholic Club started with his commitment as president of the youth sports club of the Illawarra Catholic Club. From the late 1960s he was also involved with Peshurst RSL youth club in cricket and football through his son David. Merv has had a long and distinguished career in administration with the St George junior rugby league club, of which he is a patron and life member, and for many years he was its president.

With everything he did, Merv undertook a hands-on role and made a generous commitment over an extended period of service to his community. Merv cared for the needs of individuals as well as groups, for whom he made representations in his role as a councillor. Merv was very much about meeting people, going on site, seeing what was happening, listening to people, and making representations on their behalf. It is fair to say that Merv was an archetypical Labor councillor: very much a man of the people who was devoted to his community. He had great family support, particularly from Faye and his children. Merv wanted to serve and give his best to the community so that the little people could have the little things looked after, which is very important. Merv Lynch will be thanked by many in the community. I place on record my personal thanks and the thanks of the people of the Georges River electorate. [*Time expired.*]

Mr BRYCE GAUDRY (Newcastle—Parliamentary Secretary) [5.28 p.m.]: I congratulate the honourable member for Georges River on bringing to the attention of the House the enormous work done by councillors in serving the needs of their communities, and in particular the tremendous contribution made by Councillor Merv Lynch, a longstanding Labor councillor in the honourable member's electorate. The honourable member outlined a whole range of services that Merv Lynch and other councillors from that area have performed for constituents within their area of influence. For many people, the first contact with government is through local government. This underscores the importance of the work of councillors in dealing with not only the strategic issues of council—planning generally, local environmental plans, and development control plans—but also, at the grassroots level, the day-to-day issues that confront people in their dealings with councils.

The honourable member mentioned also the enormous support given by the families of councillors at times of elections and the sacrifices they make and the time they devote to councillors in discharging their formal council functions but also dealing with the day-to-day matters. He emphasised the contributions that families must make to support councillors. It is for those reasons that I congratulate the honourable member on bringing this matter before the House. In particular, I commend his recognition of the great contribution that a longstanding councillor, Merv Lynch, made to his council and his community.

ORANGE ELECTORATE CHILD THERAPY SERVICES

Mr RUSSELL TURNER (Orange) [5.30 p.m.]: I wish to refer to the need for ongoing funding of long-term speech pathology, occupational therapy, and physiotherapy services for children, especially young children. I am talking about not just children with physical disabilities but also those with mental disabilities. Although children in major cities have a reasonable chance of accessing those services, children in some smaller towns have great difficulties obtaining them locally because quite often their towns are unable to either engage or retain the services of specialists in those fields. All too often parents, carers and those helping the children become excited about an occupational therapist coming to town perhaps two or three days a week or two or three days a month, only to find that funding of the specialist is for only six months or twelve months. Therefore these people have no certainty about the long-term provisions of these specialist services. This is a continuing problem. I will quote briefly from letters I have sent to Parliamentary Secretaries and Ministers for Health over the past couple of years. In one letter, dated 15 October 2002, to the Hon. Craig Knowles, then Minister for Health, I said in part:

Dear Minister,

I wish to make urgent representations on behalf of Mrs Lisa Thompson of Gooloogong in respect of the availability of speech therapists within the Cowra Health District.

Mrs Thompson has a son who is deaf and requires regular speech therapy to ensure he maintains a high level of speech clarity.

The speech therapist that was located in the area left in June and has not been replaced.

Mr Ian McManus, who at the time was Parliamentary Secretary for Health, responded to the letter by acknowledging that the position was of short tenure and adding that a locum was provided on a temporary basis. Mr McManus also said:

At the time the speech therapist went on leave all clients were notified and alternative options were made available.

However, in some instances those optional services were at locations some hundred kilometres away, and parents were unable to travel such long distances. I acknowledge that in some instances the Government does its best, but some towns have no specialists available—quite often because of the short tenure of funding. On 25 July 2003 I wrote to the Hon. Carmel Tebbutt, the Minister for Community Services. I stated:

Dear Minister,

Cowra Early Intervention Service currently provides support for some thirty-two children between 0 and 6 years. These children come from a wide area within the Cowra, Boorowa, Weddin and Cabonne Shires. Support for these children is received within the two rooms currently located at the Carinya Childcare Co-operative facility in Cowra.

I went on to say:

Sue Davidson, the teacher-coordinator and the small group of carers—

including Anne Jeffrey, with whom I am in constant contact—

at the Service, provides enormous support to the children accessing the services provided by the Cowra Early Intervention Service.

As recently as 25 March this year I wrote again to Minister Tebbutt and said:

I would like to make representations on behalf of Mrs Lisa Thompson of ... Gooloogong. Mr and Mrs Thompson have a son, Lachlan, aged six years who is profoundly deaf in one ear and moderately deaf in the other ear.

I went on to point out that the necessary services were no longer available in Cowra, Canowindra or Forbes, but that I understood that the Spastic Centre in Orange was providing some services for children with all disabilities, not just those with cerebral palsy. But, even though that service has been open for less than 12 months, it now has a nine-month waiting list and cannot satisfy the service needs of children from out of town within a reasonable time. Mr and Mrs Thompson find it virtually impossible to travel to Orange. They were able to get to Cowra, Canowindra or Forbes with some difficulty, but services are no longer available in those centres. Every member of this House would know that these children need early intervention and treatment to give them at least some chance to get into a mainstream school and have meaningful lives. But long-term, ongoing planning is required to maintain specialists in isolated areas. [*Time expired.*]

MATER MISERICORDIAE HOSPITAL UPGRADE

Mr MILTON ORKOPOULOS (Swansea) [5.35 p.m.]: The redevelopment of the Newcastle Mater Misericordiae Hospital is very dear to many members of this House as well as to people in the Hunter region. On 29 August 2003 the Hunter Area Health Service and the *Newcastle Herald* revealed extensive plans for a \$132 million redevelopment of the Mater hospital. Part of that redevelopment included a public-private partnership, on top of the \$80 million already allocated for the rebuilding of the Mater hospital. It included the \$34 million construction of a new 96-bed acute mental health facility on the Mater site, to replace the James Fletcher Hospital in Newcastle, and an \$18 million expansion of cancer radiation therapy facilities, including two extra bunkers and linear accelerators and refurbishment of existing facilities.

The Hunter members took on board the proposal, which was promoted by the Hunter Area Health Service, as a way of bringing forward the new cancer therapy services and acute mental health facilities, which are much needed in the Hunter region. The public-private partnership proposal has attracted, even at this very nascent stage, some opposition from a number of community organisations, but specifically the Defend the Public Health Committee and one physician employed by the Mater hospital.

The Hunter members met with the Defend the Public Health Committee and made very clear that our support for the public-private partnership proposal, to bring forward these services for the Hunter communities, was based on a number of conditions. First, the proposal had to demonstrate a public benefit, by bringing the mental health and cancer services to the community. Second, it had to be financially sound, to protect the interest of taxpayers. Third, it had to ensure that Mater workers retain their public sector status and entitlements. Since that time there have been a series of protests in the community—quite often misdirected, and certainly creating a lot of confusion, because they characterised the proposal as a privatisation proposal. It is clearly not. They also stated that the \$80 million that was allocated in the budget two years ago had been given back to Treasury. Clearly, that is not the case. At this stage the proposal has not gone out to public tender. A more detailed proposal will be issued in April and a decision will be made by the Hunter Area Health Service later in the year.

Today on the Madeline Randall program on ABC Newcastle, Dr David Henry from the Mater Hospital ran a singular campaign to confuse the community. He cast doubt on the New South Wales Government's agreement with the Health Services Union that the employees of the Mater and James Fletcher hospitals would be retained in the public sector and that they would retain their public sector entitlements. Dr Henry tried to

draw a crazy distinction between the Mater hospital and a public hospital when the Mater is a schedule 3 hospital. The buildings and the grounds belong to the Sisters of Mercy. How on earth could this be privatisation? My concern is that the services are brought forward and that we are able to provide these much-needed upgraded mental health and cancer facilities to our community.

Mr BRYCE GAUDRY (Newcastle—Parliamentary Secretary) [5.40 p.m.]: When I brought this matter to the attention of the House on 3 September last year I made it clear that the privately financed option proposed by the Hunter Area Health Service, which would bring forward improved cancer treatment and the transfer of the James Fletcher Hospital, would be supported only if it demonstrated a public benefit and if it was financially sound. At that time I made it clear that we needed an open, accountable and transparent process. We have made it clear that the Labor Government remains rock solid in its \$80 million guarantee for the redevelopment of the Mater Hospital.

However, in view of the savage funding cuts to health services by the Howard Government, particularly this year, the New South Wales Government does not have the capacity to bring forward the development of the new mental health and cancer services by allocating a further \$52 million in addition to the \$80 million that is guaranteed for the redevelopment of the Mater. Obviously, we are asking for full protection of public sector employment for the workers, a financially sound outcome that will protect the interests of the taxpayers of New South Wales and a clear demonstration of the social benefit of bringing forward the mental health services and cancer facilities. [*Time expired.*]

BILGOLA SURF LIFE SAVING CLUB

Mr JOHN BROGDEN (Pittwater—Leader of the Opposition) [5.42 p.m.]: One of the great pleasures every member of Parliament has is praising a local organisation, an individual or a group of individuals for success in their endeavours. Today I pay a great tribute to Don McManus, the sweep for Bilgola Surf Life Saving Club. First, I need to declare my interest: I live in Bilgola, my wife patrols for Bilgola Surf Life Saving Club, and I am the patron of the club.

Mr Milton Orkopoulos: What about Flinders?

Mr JOHN BROGDEN: Flinders will be a nipper in Bilgola Surf Life Saving Club if he wants to be. It is a great club and its members are a great group of people. Graham Foran is a magnificent president. The past presidents, life members and all the members down to the nippers' mums and dads and the nippers themselves make it a fantastic club. I have the honour of representing Pittwater, and within my electorate there are 12 surf clubs, including South Narrabeen and North Palm Beach. As honourable members may be aware, the Australian Surf Life Saving Championships were held on 20 and 21 March at Kurrawa beach on the Gold Coast. The championships attracted more than 2,700 competitors.

There is much conjecture over what is and what is not the premier event at a surf carnival. I would argue that it is the surf boat race, and I am pleased to inform the House that the Bilgola Surf Life Saving Club women's crew won the championship and the colts crew, the under 21s, won the silver medal. It was a fantastic achievement by Bilgola Surf Life Saving Club. I pay tribute to the members of the women's crew: Lara Raymond, Melanie McPherson, Rowena Bull and Natalie Gartner. I know two of the girls very well. They have been long-time competitors. I cannot imagine how pleased, thrilled and excited they must have been when they crossed the line and won the gold medal.

I pay a strong tribute to Don McManus, a living treasure. We talk a lot about national living treasures. Don McManus would never think that his name would be raised in this House or that anyone would ever refer to him as a national treasure. He is a humble and down-to-earth man, but he is the silent backbone of Bilgola Surf Life Saving Club. He has won seven gold medals in his surf lifesaving career, only one medal behind the national record of eight. He is not about to retire, so come 2005 and beyond he has every chance of equalling and surpassing the record. He will then hold the greatest number of gold medals in sweeping for surf boats in Australian history.

Fortuitously, I saw a snippet of the television coverage previewing the women's surf boat race final. The television interviewer said that Don McManus is a legend—and there is no doubt about that. He and his wife, Carol, and their family are all part of the surf life saving movement. Carol is a great supporter for Don and a great member of the club. She wears around her neck a pair of oars on a necklace. They are lovely, unassuming people. Don is a little less unassuming than Carol, who can be the life of the party. Don is a nice

person who would have been so proud to have swept the girls to their victory. Seven gold medals is a great victory for him, but he takes more pride in and gets more joy out of seeing the team and the club benefit than he does for himself.

I congratulate the colts—Simon Crayford, Richard Bruse, Michael Haven and Mitchell Foran—who won the silver medal this year. There is every chance that they will win the gold medal next year. The club is doing exceptionally well. I am proud to be its patron and Lucy is proud to be a member. It is a terrific club, as are all the surf clubs in my electorate. I particularly praise Don McManus, who is well known around surf life saving in Australia. He is a terrific person and works extremely hard for surf life saving. He does his bit all the way down through the club. He is not in any sense a proud or boastful person. It is a pleasure for me to take this opportunity to put his name on the record so that all the people of New South Wales will know of his wonderful work, his commitment and his great pursuit of excellence in his years of surf life saving. I congratulate him on his seven gold medals, and I wish him luck for the eighth. [*Time expired.*]

RAIL INFRASTRUCTURE CORPORATION EMPLOYEES

Mr PETER DRAPER (Tamworth) [5.47 p.m.]: Recently I attended a meeting in Tamworth with some concerned employees of the Rail Infrastructure Corporation who fear for their jobs now that Australian Rail Track Corporation [ARTC] has leased the tracks from the New South Wales Government. Meetings with representatives of the ARTC have taken place, but there is a great deal of uncertainty over the future of the employees. They believe that many questions remain unanswered. Some of the issues they have raised should be brought to the attention of this House. I have written separately to Minister Costa raising many other questions.

According to the affected workers, the information flow arising from the process has been poor, with uncertainty strongly affecting their work and their home lives. Many of those affected have devoted their lives to working on the rail—in many instances they have known no other career—and they have built up an irreplaceable store of experience and knowledge particular to the safe operation of rail services in New South Wales. The early indication for many of these workers is that the ARTC does not value this experience, and is prepared to sacrifice them for expediency and cost reduction.

The workers point to the decline of maintenance funding and infrastructure maintenance, especially in the past 10 years. They are all concerned that necessary upgrading work in the north-west has repeatedly been put on hold, leaving track and structures in urgent need of work. Given the required resources, these workers could and would maintain rail infrastructure to the high standards needed by rail users of New South Wales. Much has been made of the \$870 million that is supposed to be invested in the infrastructure as a result of the sale to the ARTC, but the workers point out that the ARTC has indicated an intention to construct a dedicated freight line from Macarthur to Chullora. The workers expressed concern that this will take the vast majority of the funds, leaving regional and rural track without sufficient funding for upgrades. Concern has been expressed regarding the role of surveyors in the restructure, as it seems that up to five survey positions may be lost in Tamworth alone. A letter I received from one surveyor may in part sum up these concerns:

I am greatly concerned for the safety and integrity of the track as the Survey Section designs and marks both the horizontal and vertical alignments of the track geometry. These alignments allow for the safe monitoring of the welded track, which helps prevent track misalignments and hence derailments.

He went on to say:

The Survey Section also measures and assesses the correct safety protection required for all level crossings. Parts of the "leased" lines and most of the "residual" lines have yet to be co-ordinated, hence in effect we as yet do not know where the track is. There are many other tasks that the Survey Section undertakes on a daily basis including Structure clearance surveys, and Geotechnical risk area surveys. There is a dearth of surveyors in NSW and only a few private sector surveyors who have any railway surveying expertise. Railway surveying is a specialised field, which can only be gained by experience. The Government appears willing to have professional expert railway surveyors sit doing nothing as "displaced staff", whilst contracting in inexperienced costly private sector surveyors, if they can find them.

The workers raised many questions that deserve answers from the Minister for Transport Services, Mr Costa. It is unfair to continue this situation when the future plans for experienced rail employees are not being made clear. These are some of the relevant questions raised. What happened to the State Government's commitment to protect and maintain country jobs? What consideration has the State Government given to the economic effects on regional communities? Why are there no administration or technical officers positions in the ARTC in a major centre like Tamworth?

How will the Rail Infrastructure Corporation [RIC] manage regional employees who are deemed to be surplus and who have no interest in the so-called enhanced voluntary redundancy package? Similarly, how will the RIC manage employees who are either unsuccessful or not interested in taking up employment with the ARTC? How will the RIC assist staff who may wish to redeploy from the country to the city, but who find the associated costs prohibitive? Why are there no allowances for retraining or study incentives incorporated in the enhanced voluntary redundancy package? Will those choosing to transfer to the ARTC receive confirmation that existing superannuation entitlements and conditions will be maintained and honoured for the length of their employment with the ARTC? What facilities will be maintained at Tamworth for staff wishing to remain with the RIC prior to deployment? Will redeployment to other government agencies or departments be an option available to RIC staff for country areas? When will staff numbers required for the residual lines be made available? If staff numbers in the field under the ARTC are reduced, how will safety and reliability be maintained?

If a worker is faced with the prospect of there being no position available to be filled, therefore having no job, how can this not be regarded as a forced redundancy? The electrical section maintenance groups are not identified within the ARTC. What is their position? How will high-voltage equipment between Hamilton and Muswellbrook be serviced, given that the State Government owns the system? As there will be two separate entities, how will the programming of work occur when the work transcends from leased to residual lines? The Gwabegar line is rumoured to close. Is this closure definite? The focus of the ARTC briefings has centred around redundancy or relocation. What about retraining? That has not been represented. The workers have raised good questions. I call on the Minister to provide them with some answers as a matter of urgency. *[Time expired.]*

MENTAL HEALTH SERVICES

Ms CLOVER MOORE (Bligh) [5.52 p.m.]: Tonight I speak yet again about the crisis in mental health services and urge the Government to respond immediately. The 2002 Senate inquiry into mental health services called for revolutionary improvement in long-neglected mental health services. As I stated in my November 2003 speech, chronic underfunding, aborted implementation, poor co-ordination, and failed accountability have left mental health services in utter disarray. Psychiatric institutions were dismantled without comprehensive community care to replace them. There has been a gross lack of supported accommodation which prevents recovery for people with mental illness. Mental health teams in the community and prisons cannot meet rising demand and clinical services have actually declined. High demand for scarce inpatient beds means that hospital admissions are brief, bandaid solutions are applied to the most serious situations, and people are discharged before they are stable, without support, into crisis accommodation or onto the street. Homelessness services cannot meet the huge mental health needs among rough sleepers.

The report recommended sweeping measures to improve transparency, accountability and co-ordination, and drastic funding increases to expand services, particularly supported accommodation. In November I called on the Government to respond urgently and fund genuine reform. In reply, the Parliamentary Secretary assured Parliament that mental health was a Government priority and real changes would occur. However, it appears that the Government has once again failed to commit the resources needed to improve mental health services. While some positive administrative changes have been made, the Government is still not taking responsibility for some of the most vulnerable in our community.

The office of mental health proposed by the inquiry was to provide a whole-of-government approach to drive reform and overcome a lack of leadership and fragmentation. Instead the Government's Cabinet human services committee will keep mental health policy behind closed doors, preventing informed public comment. The inquiry's report recommended that area health services publish detailed information about mental health expenditure, but this lack of transparency and accountability seems to continue. I am concerned that the Government seems to have ignored recommendations for more psychiatrists within the prison system and extra mental health workers in crisis teams, and for improved conditions and support for crisis team staff.

Five months ago, the Government announced an allocation of \$22 million to expand rehabilitation and supported accommodation, yet those funds have not reached community organisations. I understand that government services have absorbed the money, and little or none is left to provide community support, which is where the big gap is. The Government has effectively rejected recommendations for much-needed programs for people with complex needs, an integrated service for people with a mental illness and substance use disorder, an assertive case management program providing intensive long-term support for people with a chronic mental illness, and case-management services for people with a mental illness who are accommodated in public

housing. Without these vital services in the community, more people with complex needs will end up on the street or in prison.

Drug and alcohol workers still will not get mental health training, despite the need for skills to help people with both mental illness and substance use disorder. In contrast to New South Wales, the Victorian Government has dual diagnosis specialists in each health region to help people with complex needs and support clinical staff. Recently the New Zealand Government provided \$50 million to train mental health and alcohol and drug workers so that they can help people with dual diagnosis. Services, staff, consumers and families languish without help in New South Wales. Failed community care means that police are increasingly called upon to intervene, but they should be focusing on crime, not propping up the mental health system. Instead of proper mental health training for police, the Government has optional training videos.

I strongly support the mental health sector's recent vote of no confidence in the Government over this failure to provide effective mental health care. Staff are increasingly burnt out and demoralised by the lack of resources and support. Consumers, families and care-givers have been let down for too long and have had to endure inordinate suffering and tragedy. The community has had enough of empty promises and delays. Tonight I again call upon the Government to implement the Pezzutti report recommendations, to dramatically expand mental health funding to 15 per cent of overall health funding within five years, and to expand community services for people with a mental illness to ensure they have a real opportunity to recover.

[Mr Acting-Speaker (Mr John Mills) left the chair at 5.57 p.m. The House resumed at 7.30 p.m.]

FREEDOM OF INFORMATION AMENDMENT (TERRORISM AND CRIMINAL INTELLIGENCE) BILL

Second Reading

Debate resumed from 18 February.

Mr ANDREW TINK (Epping) [7.30 p.m.]: The Freedom of Information Amendment (Terrorism and Criminal Intelligence) Bill amends the Freedom of Information Act 1989 to exempt certain documents relating to counter-terrorism and criminal intelligence from disclosure under the Act and to exempt the New South Wales Crime Commission from the operation of the Act in the exercise of certain of its functions. The bill provides that the following documents are both exempt and restricted documents for the purposes of the Act: documents containing matter the disclosure of which could reasonably be expected to facilitate the commission of terrorist acts or to prejudice counter-terrorism activities; documents created by the Counter Terrorist Co-ordination Command of NSW Police; documents created by the State Crime Command of NSW Police in the exercise of its functions concerning the collection, analysis or dissemination of intelligence; and documents created by the Corrections Intelligence Group of the Department of Corrective Services in the exercise of its functions concerning the collection, analysis or dissemination of intelligence.

The bill provides also that the New South Wales Crime Commission is exempt from the operation of the Act in relation to the exercise of its investigative and reporting functions. The Government has stated that the bill is necessary to prevent the Freedom of Information Act from unwittingly becoming a tool of terrorists, as it does not contain any specific exemption on the grounds of protecting national or State security. Exemptions in Commonwealth, Victorian and Northern Territory freedom of information laws are provided as precedents for the bill. The Government has indicated that the application of those exemptions will be reviewable internally within agencies and externally by the Ombudsman or the Administrative Decisions Tribunal. I have spoken to the Ombudsman, Mr Bruce Barbour, about that, and he has confirmed that that is the case. He and his office are in a position to externally review decisions taken under the Freedom of Information Act. I should add that he had seen a copy of the bill before providing that advice.

It is obvious to everyone in the House that it is important that terrorists should not have access to documents that can assist them in any way. The countervailing balance is, of course, that it is equally important that the public and the Parliament should have reasonable access to all documents necessary to keep the Government accountable. Things that are done in extreme secrecy are often done, regrettably, totally incompetently. There are far too many examples of incompetence by the Government to enumerate in this debate. Keeping documents out of the public domain to ensure security without at the same time encouraging unaccountable incompetence within government agencies is a fine balance. That is the dilemma we all face. My great concern about the bill is that on balance it may end up hiding and protecting incompetence rather than

protecting us from the threats of terrorists. Things done incompetently by government, of course, increase terrorist threats.

For example, it may be that plans or documents relating to the design of a railway station are suppressed on the basis that if terrorists got hold of them they could figure out how to blow up a railway station. That is not a fanciful proposition, unfortunately, in this day and age. On the other hand it is equally plain that a government might be totally unaccountable into the indefinite future for a railway station which has an incompetent design, and, in fact, encourages terrorists. Indeed, the Parliament and the public may be prevented from getting information that may become available to terrorists through other means. That is the balancing act that is required, and it is easy to understand how a bill that withholds documents from Parliament at the same time encourages incompetent conduct that could lead to terrorist acts. For example, a document could allow designs that may be likely to attract a terrorist act to go unidentified, and, therefore, uncorrected.

Since the introduction of the bill an amendment has been foreshadowed because of concerns expressed by the media about its scope. That does not encourage me to believe that other parts of the bill may not be problematic as well. We have to accept the bill at face value. We have to accept that it is brought forward in good faith and that it is based, in the main, on a co-ordinated approach by all Australian governments to deal with terrorism. It is worth noting that the foreshadowed amendment was reported in an article in the *Sydney Morning Herald* on 26 March. The article stated:

The NSW Government has dropped legislation that media groups argued could have affected reporting on terrorism responses. John Fairfax, publisher of the *Herald*, News Limited and commercial TV stations said there was ample scope to stop the release of documents under freedom of information laws. The Government had sought to exempt sensitive information produced by NSW agencies from FOI laws, but accepted this might suppress information "about the lawfulness of a law enforcement investigation".

As I understand it, the Opposition does not oppose the foreshadowed amendment and it will not be opposing the bill. I trust that some commonsense will be exercised in relation to what is and what is not made available under freedom of information. If all else fails, I trust that the Ombudsman lives up to an undertaking that he has given—that his external oversight of the freedom of information powers to be effected in this bill will remain unaffected.

Mr LYNCH (Liverpool) [7.40 p.m.]: I will make only a brief contribution in debate on the Freedom of Information Amendment (Terrorism and Criminal Intelligence) Bill and I will comment on a couple of curious aspects about the legislation. General publicity in support of the bill and the arguments of the Parliamentary Secretary reveal that this legislation is necessary because of the increased risk resulting from events surrounding September 11 in the United States of America and events in Bali. The bill will amend provisions in the Freedom of Information Act by increasing the number of documents that are exempt and the number of documents that are restricted.

If the expressed aim is to help fight terrorism by protecting counter-terrorist organisations, it flows logically that the documents created, for example, by the Counter Terrorist Co-ordination Command of NSW Police should be regarded as exempt and protected in the same way as documents from the Protective Security Group [PSG] are exempt and protected. It is not quite so clear to me that the New South Wales Crime Commission should, on the same basis, be exempt from the operation of the Act in relation to the exercise of its investigative and reporting functions. There is no reference in this legislation to fighting terrorism; it is simply an unqualified and unrestricted exemption. It is not in any way restricted only to terrorist or to counter-terrorist-related documents.

That seems to me to be somewhat disingenuous. The Crime Commission, whether or not it is dealing with terrorism, is just getting complete protection. I find it incongruous that extra protection from scrutiny is being provided to the Crime Commission, of all bodies. Comparisons are sometimes made between the Crime Commission on the one hand and the Independent Commission Against Corruption, the Police Integrity Commission [PIC] and the Ombudsman on the other hand. The one great contrast is in the level of accountability. There is less accountability for the Crime Commission than there is for the other bodies. For example, those three other bodies have parliamentary oversight bodies and the Crime Commission does not.

The PIC has an inspector overseeing it; the Crime Commission does not—a serious practical issue. Honourable members may remember the furore over *Four Corners* televising film footage before it was tendered in evidence before the PIC. The PIC inspector conducted an inquiry into the actions of the PIC. However, it led inevitably to the activities of the Crime Commission and its role in releasing some information.

The inspector was not able to inquire into that because he did not have jurisdiction over non-PIC officers. The officers of the Crime Commission were able to avoid scrutiny. I also find it curious that we are providing further protection from scrutiny for the Counter Terrorist Co-ordination Command [CTCC].

The formation of the CTCC was announced in October 2002. It consisted of a number of units. It incorporated and expanded on the role of the Protective Security Group. The PSG replaced the special branch that had been heavily criticised by the Wood royal commission and that had been disbanded in 1997. When the PSG was established it was placed under what was described as a regime of strict accountability. The Police Act required an annual audit to be carried out by the commissioner of the PSG. A written report of that audit was to be provided to the PIC. The PIC legislation required the PIC to monitor and report on those audits. The establishment of the CTCC avoided those provisions.

In this context it is rather curious that steps are being taken to remove further levels of accountability from the CTCC. The CTCC is getting the extra protection that the PSG got, but it is not having the oversight imposed upon it that was imposed on the PSG. I should add that a committee that I chair has resolved to conduct a parliamentary inquiry into the jurisdiction of the PIC to oversight the CTCC as a way of pursuing that argument. I also note the other curious aspect about this bill. I would have thought that the legislation was well and truly broad enough to cover most of the things that the amendments are trying to deal with, which strikes me as a rather curious way of proposing this amendment. With those brief comments, I commend the bill to the House.

Mrs JUDITH HOPWOOD (Hornsby) [7.44 p.m.]: I speak in debate on the Freedom of Information Amendment (Terrorism and Criminal Intelligence) Bill. Whilst Opposition members do not oppose the bill, I wish to make a few comments in relation to it. The overview of the bill states:

The object of this bill is to amend the Freedom of Information Act 1989:

- (a) to provide that the following documents are both exempt documents and restricted documents for the purposes of the Act:
 - (i) documents that contain matter the disclosure of which could reasonably be expected to facilitate the commission of terrorist acts or to prejudice counter-terrorism activities,
 - (ii) documents created by the Counter Terrorist Co-ordination Command of NSW Police,
 - (iii) documents created by the State Crime Command of NSW Police in the exercise of its functions concerning the collection, analysis or dissemination of intelligence,
 - (iv) documents created by the Corrections Intelligence Group of the Department of Corrective Services in the exercise of its functions concerning the collection, analysis or dissemination of intelligence, and
- (b) to provide that the New South Wales Crime Commission is exempt from the operation of the Act in relation to the exercise of its investigative and reporting functions.

The Government said that this bill is necessary to prevent the Freedom of Information Act from becoming an unwitting tool for terrorists. It is alleged that the current Act does not contain any specific exemption on the grounds of protecting national and State security. Exemptions in Commonwealth, Victorian and Northern Territory freedom of information laws are provided as precedents in this legislation. The Government indicated that the application of those exemptions would be reviewable internally within agencies and externally by the Ombudsman or the Administrative Decisions Tribunal. However, it is believed that the Government could hide behind that.

Similar laws are in place in the Commonwealth, Victoria and the Northern Territory. The Ombudsman and the Administrative Decisions Tribunal will retain external oversight in appeal jurisdictions. However, the law could further restrict access to documents under freedom of information. I refer, next, to an application that I made for information relating to funding for the Greater Metropolitan Transition Taskforce at Hornsby hospital. In December last year I applied for information relating to that funding. I wanted to establish how much funding had been allocated to Hornsby hospital and how much funding had been allocated to a hospital

close by. I have been thwarted at every attempt that I have made thus far to obtain that information. I was told that I would be charged the exorbitant fee of \$420 under section 21 of the Freedom of Information Act for the information that I sought.

Mr Paul Lynch: Point of order: My point of order is fairly obvious. I cannot see how this matter is in any way relevant to the legislation before the House. It might well be relevant to the Act but it is not relevant to the legislation before the House, which has as its intention to amend the Act.

Mr DEPUTY-SPEAKER: Order! I am sure that the honourable member is making a passing reference to Hornsby hospital and will return to the substance of the bill.

Mrs JUDITH HOPWOOD: One of the views expressed in opposition to this legislation was that it could prohibit freedom of information across the board. I was giving an example of that. I was going to be charged \$420 for information that I required relating to a hospital. I think that matter is directly related to this legislation. The Ombudsman is also investigating that issue. To date I have not received any response from the Department of Health as to whether or not I am able to obtain the information. The Department of Health refused my request—an issue in which the Ombudsman has taken a great deal of interest. The Opposition does not oppose this legislation. However, it has certain concerns about obtaining freedom of information across the board.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 3 agreed to.

Mr JOSEPH TRIPODI (Fairfield—Parliamentary Secretary) [7.50 p.m.]: I move:

Page 3, schedule 1 [4]. Insert after line 31:

- (3) A document is not an exempt document by virtue of subclause (2):
 - (a) if it merely consists of:
 - (i) a document revealing that the scope of a law enforcement investigation has exceeded the limits imposed by law, or
 - (ii) a report on a law enforcement investigation that has already been disclosed to the person or body the subject of the investigation, and
 - (b) if disclosure of the document would, on balance, be in the public interest.
- (4) In this clause, a reference to the law includes a reference to the law of the Commonwealth, the law of another State and the law of another country.

The Government commends to the Committee the amendment as circulated.

Mr ANDREW TINK (Epping) [7.50 p.m.]: The Government is proposing an amendment to the Freedom of Information Amendment (Terrorism and Criminal Intelligence) Bill, which is incorrect in its original form. That is why this amendment is necessary. If the bill had been correct in the first place it would be in a different form and this amendment would not be necessary.

Amendment agreed to.

Schedule 1 as amended agreed to.

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

BUSINESS OF THE HOUSE

Admission of the Treasurer into the Legislative Assembly: Suspension of Standing and Sessional Orders

Mr CARL SCULLY (Smithfield—Minister for Roads, and Minister for Housing) [7.52 p.m.]: I move:

That standing and sessional orders be suspended to allow consideration of the following motion forthwith:

- (1) That the Honourable M. R. Egan, MLC, Treasurer, Minister for State Development, and Vice-President of the Executive Council, be requested to address the House on Tuesday 6 April 2004 at 11.00 a.m.
- (2) That a message be sent to the Legislative Council accordingly.

Mr ANDREW TINK (Epping) [7.52 p.m.]: The Opposition opposes the motion, which is totally unnecessary both in substance and in form. The Legislative Assembly is sitting on Friday. Why can the Treasurer not get his act together and address the House then? Why do we have to wait until Tuesday? We must wait until then because the Premier spent last week in London. He wanted to be as far from New South Wales as it was possible to be on this planet for the ninth anniversary of his Government! If the Premier had been around when the Treasurer was meeting the other State and Territory Treasurers in Canberra, this process would be much more advanced and the Treasurer could make his address on Friday, when members will be here anyway. The Government is wasting \$1 million to have a sitting next Tuesday involving not both Houses but one House of Parliament.

What will we hear from the Treasurer next week? Will the former member for Cronulla make a glorified private member's statement? We do not know whether the Treasurer will come into this place to introduce a bill or to make a speech that in the other place would be called a contribution to the adjournment debate. Some may be of the view that the Treasurer is coming to this Chamber to slash his wrists. He has been telling everyone across the country that he will slash his wrists. The Treasurer could not convince Terry Mackenroth, his counterpart in Queensland—

Mr Joseph Tripodi: Point of order: The honourable member for Epping is not only wasting our time by discussing issues that are completely unrelated to the motion before the House but using a prop, which is in direct contravention of standing orders in this place. If the honourable member for Epping plans to carry on about issues that are not related to the motion, he might explain where the \$376 million of New South Wales money has gone.

Mr ANDREW TINK: I am entitled under standing orders to refer to a newspaper report. That is what I am doing. I have the original newspaper article with me.

Mr DEPUTY-SPEAKER: Order! The honourable member for Epping is entitled to refer to a newspaper report but he must guarantee the veracity of the document, which I am sure he will do in due course.

Mr ANDREW TINK: I will indeed. In answer to the Parliamentary Secretary's question, we know who got the \$376 million. Terry Mackenroth and Peter Beattie and the Treasurer of South Australia got it. In an article in the *Australian* newspaper of 24 March Peter Beattie said:

They do whinge about these things, but they don't get a sympathetic ear from us.

He is referring to New South Wales Labor members. Comrade Beattie says they are whingers. He says that those opposite and their little mate the Treasurer, who is great at threatening to slash his wrists and nothing else, cannot make a case for retaining the \$376 million. That is the point: Those opposite cannot get their way with their Labor mates in other States. So we will be dragged back here next Tuesday, at a cost of \$1 million, when the Treasurer could address the House on Friday.

What is the purpose of the Treasurer's visit? We do not know whether he will come into this place and slash his wrists, admit defeat at the hands of the Queenslanders and South Australians, raise stamp duty or announce the installation of another 500 red light cameras across the State. We have no idea what the Treasurer will do. The only guarantee is that we had better bring a few bandaids and keep the razor blades out of the Chamber because the Treasurer is in a very strange, contrary and feral mood, the likes of which only he is

capable of being in from time to time. We have no idea and we have been given no reason why the Treasurer is taking this step next Tuesday. The Leader of the House does not know; he is none the wiser. At a time when it is short of money the Government is spending \$1 million so that the Treasurer can slash his wrists in a public place. Do it in the bathroom, Michael, and save us the drama.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 49

Ms Allan	Mr Greene	Mr Orkopoulos
Mr Amery	Ms Hay	Mrs Paluzzano
Ms Andrews	Mr Hickey	Mr Pearce
Mr Bartlett	Mr Hunter	Mrs Perry
Ms Beamer	Mr Iemma	Dr Refshauge
Mr Black	Ms Judge	Mr Sartor
Mr Brown	Ms Keneally	Mr Scully
Ms Burney	Mr Knowles	Mr Shearan
Mr Campbell	Mr Lynch	Mr Stewart
Mr Collier	Mr McBride	Mr Tripodi
Mr Corrigan	Mr McLeay	Mr Watkins
Mr Crittenden	Ms Meagher	Mr West
Ms D'Amore	Ms Megarrity	Mr Yeadon
Mr Debus	Mr Mills	
Ms Gadiel	Ms Moore	<i>Tellers,</i>
Mr Gaudry	Mr Morris	Mr Ashton
Mr Gibson	Mr Newell	Mr Martin

Noes, 35

Mr Aplin	Ms Hodgkinson	Ms Seaton
Mr Armstrong	Mrs Hopwood	Mrs Skinner
Mr Barr	Mr Humpherson	Mr Slack-Smith
Ms Berejiklian	Mr Kerr	Mr Souris
Mr Cansdell	Mr McGrane	Mr Stoner
Mr Constance	Mr Merton	Mr Tink
Mr Debnam	Mr O'Farrell	Mr Torbay
Mr Draper	Mr Page	Mr J. H. Turner
Mr Fraser	Mr Piccoli	Mr R. W. Turner
Mrs Hancock	Mr Pringle	<i>Tellers,</i>
Mr Hartcher	Mr Richardson	Mr George
Mr Hazzard	Mr Roberts	Mr Maguire

Pair

Ms Saliba

Mr Brogden

Question resolved in the affirmative.

Motion agreed to.

ADMISSION OF THE TREASURER INTO THE LEGISLATIVE ASSEMBLY

Motion by Mr Carl Scully agreed to:

- (1) That the Hon. M. R. Egan, MLC, Treasurer, Minister for State Development, and Vice-President of the Executive Council, be requested to address the House on Tuesday 6 April 2004 at 11.00 a.m.
- (2) That a message be sent to the Legislative Council accordingly.

FAIR TRADING AMENDMENT BILL**Second Reading****Debate resumed from 12 March.**

Ms KATRINA HODGKINSON (Burrinjuck) [8.06 p.m.]: I lead for the Opposition in relation to the Fair Trading Amendment Bill, and state at the outset that the Opposition will not oppose the bill. The chief purposes of the bill are to give greater powers to Office of Fair Trading investigators to seize or examine, with a search warrant, anything believed to be in contravention of a provision of the Fair Trading Act, and to prohibit participation in pyramid selling schemes. The Fair Trading Amendment Bill will increase the powers of Office of Fair Trading inspectors to disclose and receive information limited to investigative law enforcement, licensing, disciplinary and complaint handling functions, probity assessments and reference checks. It will facilitate the exchange of information between the Office of Fair Trading and other agencies, including those interstate and internationally, giving consideration to the Fair Trading Privacy Code of Practice, gazetted in 2000, and also the Privacy and Personal Information Protection Act 1998.

In today's borderless society, the Opposition agrees that the facilitation of information on an interagency basis to prevent fraud is vital. The bill also allows for an investigator who has reasonable grounds for believing that a contravention of the Fair Trading Act has occurred, to be able to apply to an authorised justice for a search warrant to enter any place, including a vehicle, vessel or aircraft, to search for and seize anything that an investigator reasonably believes will provide evidence of a contravention.

Currently, the Office of Fair Trading does not have the power to seize articles which contravene the Act. In one case, the Office of Fair Trading wanted to seize a computer for forensic examination relating to the first Internet-based pyramid selling scheme in New South Wales. The Supreme Court refused its discretion in that case because the Office of Fair Trading had no power to seize articles, which clearly requires rectification. There have been other cases in which traders, subject to compliance programs under which dangerous toys needed to be taken off the shelves to be tested to see if they met Australian standards, have simply refused to sell those dangerous items to Office of Fair Trading investigators.

The powers of section 19 of the current Act were therefore rendered ineffective. Quite obviously, enforcement by Office of Fair Trading investigators should not be totally reliant on the co-operation of traders who are under investigation because it will behove them not to try to assist those investigators in any way. That would basically render Office of Fair Trading investigators powerless when they are trying to enforce the law. The Fair Trading Amendment Bill will assist Office of Fair Trading investigators to prevent fraudulent activity. It will also help to prevent the circulation of dangerous goods and their sale by traders or other operators who do not intend to comply with the law.

The bill also prohibits pyramid selling, and is in line with the Trade Practices Act and the Australian Capital Territory's Fair Trading Act. Similarly, the Opposition supports the amendment. The Opposition recognises that there are many cross-border anomalies, particularly between the Australian Capital Territory and New South Wales. The Australian Capital Territory lies wholly within the geographical boundaries of New South Wales, and many cross-border anomalies occur in relation to various pieces of legislation, not only fair trading but many of the portfolios spanning the entire width of government. Consistency in pyramid selling legislation in all States can only be regarded as very sensible, and the Opposition does not oppose the bill.

Mr PAUL McLEAY (Heathcote) [8.10 p.m.]: I support the amendments in this bill, particularly those relating to the exchange of information. No-one in this House can be unaware of the power of information. Indeed, this is the information age, where to be denied access to information is to be powerless. The Office of Fair Trading cannot carry out its essential function of protecting consumers and legitimate businesses if it is powerless. With the information age comes information technology and the potential for unscrupulous traders to reach consumers all over Australia and beyond its borders. And, of course, we have incoming scams such as the Nigerian scam, which everyone must be aware of. Who has not had a letter or email from someone wanting to put millions of dollars into their account if only they will provide their account details? These were once limited to letters and chain mail, and then later to hot mail accounts, but now unscrupulous people are using sophisticated technology to attack at all levels of email interaction.

The Office of Fair Trading and its counterparts all over the world can only keep up with these scams if they can exchange information with relevant agencies to locate and deal with the despicable people who prey on

trusting individuals who fall for a hard luck story. Scams such as these can shift their basis and their focus almost as fast as technology moves the information, and it is essential that information exchange be facilitated. There are, of course, other day-to-day functions of fair trading agencies that require regular exchange of information, such as checking on a person's identity and their record for a licence application, as well as exchanging details on investigations where there is a joint interest or an overlapping of State and Federal powers. In relation to those joint or overlapping powers, the bill expressly permits joint investigations. This will enhance the efficient use of those agencies' resources.

Agencies, such as legal centres, that take referrals from the Office of Fair Trading or refer matters to the Government are also concerned with the exchange of information. There is a seemingly unlimited need for information exchange to keep up with those who flout the law, and the Office of Fair Trading should not be hampered by the lack of proper authority to assist consumers in this State. That is not to say that there should be unlimited access to private information. New South Wales has stringent privacy laws, and this bill provides appropriate restrictions on the scope of the information that can be exchanged, limiting it to that which is reasonably necessary for the Office of Fair Trading or other agencies to carry out their functions.

The agencies and bodies with which information can be exchanged are also carefully defined. They include fair trading and law enforcement agencies as well as other agencies of this State, the Commonwealth, another State or Territory, or an overseas jurisdiction. They also include any other person or body which, in the public interest, exercises functions that involve protecting the interests of consumers. They would include bodies such as legal centres, which I referred to previously. Many of these exchanges will be formalised in memoranda of understanding, or information sharing arrangements, as foreshadowed by the bill. Others may be individual complaints, passed on to a more appropriate agency. It is in acknowledgment of the rights of the individual to privacy that these provisions have been included in the Fair Trading Amendment Bill. A balancing of those rights with the need to protect the rights and interests of consumers is achieved in this legislation. I commend the bill to the House.

Mrs JUDY HOPWOOD (Hornsby) [8.15 p.m.]: The Opposition does not oppose the Fair Trading Amendment Bill, but certain comments must be made. The object of the bill is to amend the Fair Trading Act 1987 to, first, expressly authorise the Commissioner for Fair Trading—called the Director-General—to disclose information to, and receive information from, fair trading agencies, law enforcement agencies and other relevant agencies; second, empower investigators, under the authority of a search warrant, to enter and search any place—which includes a vehicle—for evidence of a contravention of the Act and to seize anything that is connected with any such contravention; third, replace the current provisions that regulate pyramid selling with provisions that mirror those contained in the Trade Practices Act 1974 of the Commonwealth; and make other miscellaneous amendments relevant to the operation of the Act.

As I have said, the purpose of the bill is to increase the powers of the Office of Fair Trading to disclose and receive information limited to investigative, law enforcement, licensing, disciplinary and complaint-handling functions, probity assessments, and reference checks. The bill will, subject to privacy considerations, facilitate the exchange of information between the Office of Fair Trading and other agencies. An investigator who has reasonable grounds for believing that a contravention of the Fair Trading Act has occurred will be able to apply to an authorised justice for a search warrant to enter any place, and search for and seize anything that the investigator has reasonable grounds for believing will provide evidence of the contravention.

A number of people have been the innocent victims of scams, and authorities need the power to deal with those who would interfere in the personal lives of unsuspecting people and seriously disadvantage them. Currently, the Office of Fair Trading has no powers to seize articles. The Supreme Court refused the Office of Fair Trading permission to seize a personal computer for forensic examination relating to an internet-based pyramid selling scheme operating in New South Wales. It is therefore important to ensure that the Act enables such authorities to deal with pyramid selling schemes because of the danger that such schemes pose to the general public.

At present, the Office of Fair Trading also has to be reliant on the co-operation of a trader under investigation for circulating dangerous goods. Any items seized for evidence by the Office of Fair Trading will be required to be returned to the owner if it is no longer needed for evidence, unless it was illegal for the item to be in the possession of that person in the first place. It is necessary to increase the powers of the Office of Fair Trading and thus increase public safety. It is most important that public safety be first and foremost in our minds. Where, for example, dangerous toys are being sold that could cause serious injury to unsuspecting children, the Office of Fair Trading must be able to remove those toys from outlets.

I have received a number of complaints from people in my electorate about firecrackers going off. It is hard to know whether those firecrackers were obtained legally or illegally, and I ask the Minister to address this issue in her reply. Whatever the legal position may be, firecrackers cause a great deal of angst. In particular, it has come to my attention that animals have sustained serious injuries and their owners have been required to pay many thousands of dollars in veterinary fees to deal with them. I believe that firecrackers may be a very important part of the work of this legislation. I repeat: The Opposition does not oppose this legislation, because it regards it as very important in providing greater protection for New South Wales consumers.

Mrs BARBARA PERRY (Auburn) [8.19 p.m.]: I support the amendments in the bill, particularly those relating to the seizure powers. I believe that the vast majority of traders in this State are hardworking, honest and law-abiding people who are committed to customer service and would not dream of trying to cheat their customers. But at the other end of the scale individuals set out to cheat and defraud unsuspecting consumers, often holding out promises of goods or services they never intend to provide and moving from State to State or reinventing themselves in different guises to avoid the law. Last year the Parliament passed laws to increase penalties and it even legislated for a prison sentence for the worst serial offenders. This bill now provides the means by which to catch these people.

It is a sad reflection of the times that the Fair Trading Act is no longer able to deal with the sorts of practices that are now evident—partially due to technological changes and partly because it seems that the number of fraudsters has increased exponentially. The Fair Trading Act was drafted when computers were in their infancy, and now every business has one. One of the drawbacks from a compliance point of view is that all records are computerised. It is no longer possible to enter premises and inspect records without the co-operation of the trader. If the trader has nothing to hide, he will grant access, but the problem is the trader who has no intention of complying with the law.

In her second reading speech my colleague the Minister for Fair Trading gave the example of the Supreme Court not permitting the seizure of a computer in which a pyramid selling scheme was stored, because the Fair Trading Act did not authorise seizure. Fair Trading investigators do a great job with the resources available to them, but they should not be hampered in their efforts to maintain consumer confidence in the marketplace. Legislation must keep pace with the market it regulates, and seizure powers are essential to the investigators' tasks. It is not only computers but also unsafe toys and goods that need to be removed.

Some traders are not concerned if a person is injured by a product that does not comply with the safety standards that have been so carefully developed. All that matters is getting rich quick and keeping one step ahead of the law. These people are getting smarter in finding ways to avoid the law. Therefore the Government cannot afford to have loopholes in the system, and the bill provides for the closure of one of those loopholes. It also provides safeguards for respectable traders, because a search warrant is required before an investigator can enter a place and seize anything that may provide evidence of contravention of the Fair Trading Act. Search warrants are not handed out just for the asking: an investigator will have to convince an authorised justice that there are reasonable grounds for believing that contravention has occurred.

The bill does not stipulate all the requirements for search warrants; they are to be found in the Search Warrants Act 1985. An authorised justice must consider the reliability of the information on which an application is based, including the nature of the source of the information. The connection between the alleged offences and the thing or things sought must also be considered. Strict penalties apply for giving false or misleading information to an authorised justice, and records of the transaction must be kept. Apart from those requirements, the occupier must be served with appropriate notice before the investigator enters the premises, unless such notice would frustrate such entry. Apart from all the up-front restraints in the Search Warrants Act the investigator is required to report back within 10 days of the execution of the warrant.

These administrative procedures will ensure that any seizure powers will be used only when needed, which is how it should be. It is most unlikely that anything will be seized unnecessarily. However, the bill requires that anything seized must be returned if it is not needed for evidentiary purposes, provided that it is lawful for the person from whom it was taken to have possession of that thing. An appropriate balance has been struck between the investigators' need for the appropriate tools to do their jobs and community concern for the rights of individuals. I commend the bipartisan approach to the legislation, which will benefit consumers. I commend the bill to the House and I greatly acknowledge the approach of the Minister for Fair Trading.

Mrs KARYN PALUZZANO (Penrith) [8.25 p.m.]: I am very pleased to speak in support of the Fair Trading Amendment Bill, which makes compliance and enforcement more effective. This House can pass

substantial, well-targeted legislation but unless enforcement powers are adequate it cannot be effective. We might like to think that once a law is passed the problem it seeks to address is automatically fixed. Unfortunately, that is not the case. Traders and consumers must be informed, educated, and assisted to understand their obligations and their rights. Honourable members of this House may not be aware how much effort the Office of Fair Trading puts into education, compliance and enforcement activity.

In 2002 and 03 the Office of Fair Trading held 794 information seminars, produced 198 publications, and carried out 5,196 inspections. This is all about helping industry understand and comply with the laws, and I have not yet touched on the next level of compliance activity, which included 2,406 investigations, 77 disciplinary actions, 154 civil proceedings and 668 prosecutions. These figures will give some idea of the magnitude of the problems that consumers may encounter in their dealings with traders. We might ask what this has to do with the bill we are debating. It is relevant because a law is only as good as the capacity of an agency to enforce it.

New section 9A, exchange of information, deals with making the best use of resources. Abundant sources of information that can assist investigators in preventing illegal activities and in pursuing traders who are breaking the law are available in other agencies. Section 9A makes it manifestly clear to any agency that is asked to provide information that the Office of Fair Trading has a right to ask for such information. It also makes clear that the agency is empowered to take it. Government today is very aware of the need to operate transparently. Section 9A provides that transparency and the parameters within which information exchange can take place.

New section 19A deals with enforcement. We have already heard from my parliamentary colleagues the honourable member for Tweed and the Minister for Fair Trading how traders can evade the law because of the lack of effective seizure powers. A hardcore group of people involved in scams are expert at finding, and blatant at exploiting, any gaps in the law. These gaps must be filled so investigators can do their jobs and protect the consumers of this State. Seizure powers with appropriate controls, such as those found in the Search Warrants Act, are essential if we are to keep up with and keep under control deliberate abuses of the law that can cause so much damage to unsuspecting consumers.

Finally, the redrafted pyramid selling provisions are in response to the difficulties encountered in enforcing the current provisions of section 56 of the Fair Trading Act. The provisions in the bill have the same intention as the current provisions—to prohibit pyramid selling—but they are drafted so the courts can more precisely interpret them and, therefore, more effectively stamp out these scams. The redrafted provisions will also be consistent with the Trade Practices Act. Consistency of law is, where possible and appropriate, a benefit to both traders and governments. I am pleased to say that this is another step in the right direction. These important amendments will appropriately enhance the powers available to the Office of Fair Trading in its compliance and enforcement role. I commend the bill to the House.

Ms REBA MEAGHER (Cabramatta—Minister for Fair Trading, and Minister Assisting the Minister for Commerce) [8.29 p.m.], in reply: I thank all honourable members who contributed to the debate on the Fair Trading Amendment Bill. The Fair Trading Act is flagship legislation that regulates consumer transactions in New South Wales: It is the legislative framework through which we make the robust New South Wales economy a fair marketplace for New South Wales consumers. This amending legislation is necessary to ensure that the statutes keep pace with changing technologies in the marketplace. It will provide the Office of Fair Trading with the necessary enforcement regime to protect the rights of people who are conducting transactions in New South Wales. For the information of the honourable member for Hornsby, I point out that firecrackers are covered not by the Fair Trading Act but by the Dangerous Goods Act. I commend the legislation to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

NATIONAL COMPETITION POLICY AMENDMENTS (COMMONWEALTH FINANCIAL PENALTIES) BILL

Second Reading

Debate resumed from 18 March.

Ms VIRGINIA JUDGE (Strathfield) [8.31 p.m.]: I support the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill. I wish that this bill did not have to be introduced at all,

but I believe that we have little choice. The Federal Government has virtually placed a gun to the head of the State of New South Wales. As all honourable members are aware, the Commonwealth Government is compelling New South Wales to change the way in which it regulates certain industries or forfeit \$51 million in competition payments because the National Competition Council [NCC] has deemed New South Wales to be non-compliant under the National Competition Policy Agreement. The reduction represents 20 per cent, or one-fifth, of the competition payments to New South Wales and is a major blow to this State's budget.

The sum of \$51 million per year over four years would pay for 2,240 police officers, 2,270 prison officers, 2,800 school teachers, 2,800 nurses, 80 linear accelerators, 360 fully staffed intensive care unit beds, 2,000 new ambulances, and four regional multipurpose health centres. New South Wales should not have to do without those funds. The Premier has made the sensible decision of amending the Liquor Act to ensure that national competition policy requirements are met while at the same time ensuring that the number of liquor outlets cannot increase dramatically. Last year I attended the New South Wales Alcohol Summit—a wonderful initiative by the New South Wales Labor Government. Submission after submission linked the degree of alcohol-related harm in the community to the density of alcohol outlets. It was sensible for New South Wales to wait until after the alcohol forum to amend the law in this area so that the views of the various summit participants could be carefully, properly, openly and transparently taken into account.

I held a forum in the Strathfield electorate, which is part of the Sydney's vibrant inner-west, in preparation for attending the Alcohol Summit. The forum presented a submission to the summit. I was overwhelmed by the level of concern and anxiety felt about the abuse of this illegal drug in our community. Of particular concern was the rate of risky drinking or binge drinking by young people. When I heard that the National Competition Council was compelling New South Wales to deregulate our liquor industry, I circulated a petition in my electorate, and I have been absolutely amazed by the response. My office has received over 500 petitions through the mail and people have taken the trouble to walk into my office and deliver them personally. Although counting has not been finalised, I conservatively estimate that already over 1,000 signatures have been collected. As well as signing the petition, some residents wrote to me to express their concerns, and, without mentioning their names out of consideration for their privacy, I will read a couple of their letters. One letter states:

I fully support this issue [the petition]. My teenager daughter is lost in the crowd because of the easy access to alcohol, cigarettes and drugs. We have a generation of confused teenagers that no parent can handle or communicate with any more. The authority washes their hands and us parents have no way to turn. Since my daughter left home I'm devastated. My life has no meaning. My dreams have vanished along with everything else.

I'm sure thousands of other parents feel the same. I do wish that this matter will be rejected for the sake of many parents like me.

Please don't hesitate if you wish to call me.

Good luck.

Another letter states:

Dear Virginia

I have approached a lot of people. Told them they did not have to sign [the petition], the decision was theirs.

The rejections were very few. I was actually surprised at the reaction & so many people signing.

Your staff are sending me more petitions. Also I am getting some more information from your staff.

Sincerely

The next letter states:

Virginia,

I am not optimistic of a favourable outcome knowing Federal Governments as I do, unwilling to admit they are wrong about anything. Still, it is better than doing nothing.

It is clear that access to alcohol is particularly important when it comes to dangerous drinking among young people—our youth, our future. Clearly there is a strong need for a very robust regulatory regime. However, the National Competition Council suggests that the current needs test in the Liquor Act restricting the number and location of liquor outlets is being used by existing liquor outlets to restrict competition.

The bill will make changes to the Liquor Act's licensing provisions while maintaining the integrity of the liquor licensing system. A social impact assessment will replace the needs test. Changes will also be made to the way that fees for liquor licences are determined. The bill will continue to impose an absolute ban on the sale of alcohol through petrol stations and expand current restrictions on the sale of alcohol by broadening the definition of convenience stores to include corner shops, mixed businesses and milk bars. Hopefully the provisions of this bill will meet the Commonwealth's demands and at the same time ensure that a dangerous proliferation of liquor outlets does not occur across this State. New South Wales has led the way in implementing Federal Government policies in some areas, particularly in big industries such as sport, rail freight and electricity. For example, last year New South Wales signed up to one of the biggest rail freight reforms in Australian history by leasing New South Wales interstate track to the Federal Government for 60 years.

The New South Wales Government has delivered reforms in line with the Federal Government requirements with the result that consumers of services provided by big business now pay less and receive a better product. The Federal Government has decided not to comply with many of the National Competition Council's recommendations for reform of Commonwealth-controlled legislation. The New South Wales Government supports this decision, but objects to the Commonwealth Government's double standard in penalising the States while ignoring the National Competition Council's recommendations. The New South Wales Government has completed reviews of 69 per cent of priority legislation to test whether it contains any unnecessary competitive restrictions, but the Commonwealth Government has completed only 33 per cent of its priority legislation. The Federal Government is now forcing—I emphasise "forcing"—New South Wales to amend its legislation.

The Federal Government should realise that when dealing with liquor shops and other affected industries such as pharmacies, we are dealing with small, family-owned businesses, not big industry—not the big end of town. What might be good for big corporations is not good for small, community-based businesses. Recently I met with one of my local liquor shop owners, Roy Schmidt, who owns Cellarbrations on The Boulevard at Strathfield. Mr Schmidt says that margins from alcohol sales are already "very low" and that competition and price undercutting from other more diversified businesses could erode those margins even further. He stated:

It's an extremely price-sensitive industry already—25 per cent of gross profit before overheads ...

Mr Schmidt said that the price of some sweet alcoholic canned drinks was "almost as cheap as Coca-Cola", and that if prices were lowered further by competition, it is logical that drinking will become even more easily accessible for young people who are on a limited budget. I share his concerns. Thankfully, the social impact assessment, which is part of the amendments, seems to be a broader process than the needs test that currently exists under the Act. The social impact assessment will consider whether any net detriment will flow to the community from the granting of a licence. As we know, the Federal Government's demands do not begin and end with liquor stores. Pharmacies are also affected. The bill removes the cap on the number of pharmacies that pharmacists may own and the restrictions on the entry of new friendly societies, but it does not allow for unbridled corporate consolidation of pharmacy ownership. The Government has drafted the bill so that it will have the least possible impact on New South Wales families and our youth without costing the State \$51 million in services. I commend the bill to the House.

Mrs JUDY HOPWOOD (Hornsby) [8.40 p.m.]: It gives me great pleasure to speak on the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill. The overview of the bill states that the national competition policy [NCP] reform program was established on 11 April 1995 under the auspices of the Council of Australian Governments [COAG]. The NCP is implemented through three agreements, namely the Conduct Code Agreement, the Competition Principles Agreement and the Agreement to Implement the National Competition Policy and Related Reforms (Implementation Agreement). Under the Competition Principles Agreement all governments agreed to put in place a range of structural reforms, including the review and reform of all legislation that restricts competition. Reform of legislation is required unless the benefits of restrictions to the community as a whole outweigh the costs, and the objectives of the legislation can be achieved only by restricting competition.

The Coalition opposes the bill, which amends the Liquor Act 1982, the Poultry Meat Industry Act 1986, the Dentists Act 1989, the Dental Practice Act 2001, the Optometrists Act 2002, the Pharmacy Act 1964 and the Farm Debt Mediation Act 1994. The bill will have a major effect on the liquor industry. It is hypocritical of the Government to introduce this bill, because the National Competition Council [NCC] was established by COAG in 1995 and the Premier, Bob Carr, is the sole survivor of the signatories to that anti-competitive

agreement. COAG agreed to a program of competition principles and provision was made for the Commonwealth to pay annual competition dividends to the States out of the increased Federal taxation that would accrue from increased competition.

This year the NCC advised the Commonwealth Treasury to withhold \$51 million, of which \$12 million is attributable to the liquor industry. That came about because New South Wales argued only a commercial case for the retention of the needs test, instead of the public good in relation to liquor licensing. Obviously, to argue to latter option would have been a more sensible decision. The Carr Government has been criticised heavily by the NCC. The bill is an attempt to recover the dividends, and, unfortunately, has the support of the NCC. The Liberal-National Coalition is opposed to the bill, as it will generate a considerable number of new liquor store outlets and a proliferation of liquor outlets in existing supermarkets. That is a matter of serious concern, following the interim report of the New South Wales Summit on Alcohol Abuse. The report mentions a partnership with industry and the Government's commitment to working with the alcohol industry to reduce alcohol abuse and the damage it causes. The report proposed that a partnership approach be adopted so that industry and government can work together to continue to manage the supply of alcohol and encourage its responsible use. That seems to fly in the face of the bill.

In the Local Communities, Local Solutions initiative the Government states that it is committed to increasing local community awareness and action regarding the damage caused by alcohol abuse, the risk factors associated with alcohol abuse and ways that abuse can be prevented. Communities will be encouraged to work with the Government to identify ways to reduce alcohol abuse and implement local solutions to local problems. The bill flies in the face of that commitment as well. On 26 February the Police Association of New South Wales issued a press release headed "Alcohol Deregulation Will Fuel More Riots", which stated:

In a submission to the NSW Government, the Police Association argued the greater availability of alcohol will:

- increase crime and the road toll and reduce safety on our streets
- result in more public order riots such as the Redfern riots last week
- make policing an even more dangerous job than it is today

That is of great concern. I turn now to the health aspects of the NCP amendments. The playing field is not level. It is important that we deal with public safety and the levels of standards of health care in opposition to an NCC interpretation that the Premier could turn around if he so wished. There has been an across-the-board lack of consultation in relation to the Dental Practice Act, the Optometrists Act and the Pharmacy Act. It is absolutely disgraceful that there was not more consultation with those who will be affected by the bill. There is not doubt that the bill will dilute existing effective and ethical control of pharmacies, dental and optometry outlets, for example. The proposed amendments to the Dentists Act lift the restrictions on the ownership of dental practices. That will have the following impact: the statutory authority of the New South Wales Dental Board will be undermined.

Those changes will split regulation of dentistry between the Dental Board and the Attorney General's Department. Previously, dentists were responsible to the Dental Board. There will also be serious implications in relation to professional indemnity insurance and corporate ownership of dental practices by limited liability companies, which will have the potential to abdicate their responsibilities to patients. The proposed amendments will have implications for standards of care. A dental practitioner who is less qualified than his or her employees could potentially hold ownership of the practice. The proposed amendments will increase the cost of statutory compliance. Duplication of administration of the various Acts will impact on the costs and productivity of the private sector and may contribute to a shift of eligible patients back to an already overloaded and underfunded public dental system.

The proposed amendments will reduce the availability of public sector dental services. I would have thought that would be one reason why the Government would not support the NCP reforms. Previous experience of corporate dentistry in this State—that is, larger-scale dentistry business—has shown that often it is disinclined to participate in government-funded dentistry. I mention as examples the Oral Health Fee for Service Scheme, the Dentures for Necessitous Persons Scheme and the Department of Veterans Affairs Scheme. The proposed amendments will result in higher dental costs and limitation of patient treatment choice. There will be issues associated with advertising and there will be prohibition against directing or inciting misconduct.

New section 137A (5) provides for exemptions to public health organisations, private hospital or day procedure centres and nursing homes. There is a real risk that such health facilities may be unable to meet the high standards required to operate a dental practice, but by exempting them from the legislative requirements they are left free to set up services to meet their patients' needs. However, those services may be of a reduced

standard, thereby compromising community health care. The conclusion that must be reached is that the bill does not serve the interests of the public. It might have the opposite outcome to that which is intended by increasing costs, reducing access to and availability of services, and potentially compromising the quality of available care. The proposed amendments do not appear to best meet the needs of our community. They will lead to diminishing standards of care. The executive director of the Optometrists Association wrote:

As you would be well aware the financial penalties to which the Bill refers do not come into effect until 30 June 2004, leaving quite a few months for negotiations between the state and federal governments on this issue. Why it is necessary to introduce the Bill at this point in time is very unclear.

Barry Patel, a local pharmacist in the Hornsby electorate sent me an extensive letter listing all the reasons why the bill is detrimental. He referred, first, to the standard of service and stated:

In Short—Service and supervision of sales of potent medicines will disappear altogether. This is clearly shown by the budget drawn up by the [some] supermarkets for a possible Supermarket Pharmacy.

He also referred to the moral and quasi-legal responsibility that the average professional pharmacist assumes and stated:

The sales of abused medicines will go unsupervised and increase considerably. Here I would also like to add that unsupervised corner-shop sales of Paracetamol continues to be the leading cause of suicides in some Western countries.

He referred to the open ownership that is desired by supermarkets and stated:

The unnecessary profit driven sales of medicines will increase considerably, to the detriment of consumers. These sales will go without any advice leading to an increase in consumer misadventures.

He then said that we will all be losers in the end. In its newsletter, the *Guild Bulletin*, the Pharmacy Guild stated:

To those bureaucrats who are the advocates of rigorous competition policy one might ask why they believe that a corporate model of Pharmacy would improve outcomes and show efficiencies that would relieve the stress levels on the pharmacists at the coal face.

Obviously that will not happen. I refer to two fantastic initiatives in the pharmacy area. The first is the home medicines review, a wonderful project and a collaborative approach that is patient-oriented and promotes standards of accreditation in pharmacy. It also leads to improved patient care and management of medications at home. This is something that will not happen if there were deregulation of this industry. Pharmacists are able to go into patients' homes and conduct medication surveys. The other initiative is the Medicines Information to Consumers Program. Pharmacies are required to provide medicine information to consumers in accordance with the professional standards and guidelines of the Pharmaceutical Society of Australia. The Medicines Information to Consumers Program has to be conducted by a pharmacist. If corporatisation of the industry occurs I have grave fears for the continuation of those services. I refer again to the *Guild Bulletin*, which stated:

The annual ranking of professions survey conducted during November 2003 saw Pharmacists once again come second only to nurses and before medical doctors. The survey conducted saw Pharmacists judged with a score of 87% in regard to standards which rated as high or very high in relation to honesty and ethics.

I call into question legislation that would enable those standards to be lowered. I refer next to the corporatisation of health care, a serious issue and a terrible threat to those bodies that are currently looking after our health care. In the past two decades there have been massive changes to the health care system in this country. That has been brought about by two separate but related factors. First, all Commonwealth and State governments have implemented policies such as privatisation and contracting out of the provision of health services. Second, large investors have identified the health care sector as an area for growth and expansion. That has resulted in a transition from a cottage industry of owner-occupied facilities into a vertically and horizontally integrated medical industrial complex.

The removal of ownership of pharmacies by pharmacists will be a serious invasion into the quality of care and information provided to people going into pharmacies, and for pharmacists going into patients' homes. That will disappear. The Coalition, in its policies, promoted effective control over third party pecuniary interests. It also promoted pharmacist ownership of pharmacies. It agreed that a pharmacist should be limited to owning three pharmacies. I refer to a letter written by the Hon. Craig Knowles, the former Minister for Health, to the president of the New South Wales branch of the Pharmacy Guild of Australia. In the letter he said that the Government agreed on 7 February 2003 that pharmacist ownership of pharmacies would be maintained, as recommended in the national review, the Wilkinson report. [*Time expired*].

Ms MARIE ANDREWS (Peats) [8.56 p.m.]: In his second reading speech the Premier said that he commended the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill with reluctance. Government members realise that, had the Federal Coalition Government not penalised the State Government by the outrageous amount of \$51.44 million in 2003, the introduction of this bill would have been unnecessary. That amount of \$51.44 million would allow the construction or upgrading of a number of facilities in the Peats electorate or in other areas of New South Wales. The Federal Coalition Government's grab for more cash from this State is an utter disgrace. What makes it even more distasteful is the fact that New South Wales is being penalised for not deregulating the liquor industry and a number of other industries. Let us look at some of the industries that the Carr Government was attempting to protect, and with good reason. I start with the liquor industry. Who in their right mind wants to have alcohol sold in our supermarkets or service stations? I can assure the House that not too many people would.

Mr Geoff Corrigan: No-one, except John Howard.

Ms MARIE ANDREWS: That is right. The Government is so concerned about the negative effects that excessive alcohol consumption has on our communities that last year it organised an excellent four-day Alcohol Summit. In the lead-up to the Summit I attended a forum held at the Police Community Youth Club at Umina Beach. At that forum representatives of various organisations and State government agencies who had a genuine interest in young people voiced their concern about under-age drinking. That widespread problem will certainly become an even greater headache for governments and authorities at all levels if the liquor industry is deregulated.

Under the current system at least there is some measure of control over the sale of alcohol. The opinion expressed at the Umina Beach forum was that the main cause of under-age drinking seems to be secondary supply. I met with a number of Central Coast bottle shop operators. In the main those businesses are conducted by families that are immersed in their local communities. They take their responsibilities seriously and they ensure that all those who work in their shops have been well trained in the responsible service of alcohol, or RSA, provisions that were introduced by the Carr Government. That high standard is likely to be eroded if the liquor industry is deregulated.

Sadly, domestic violence is another major problem that is facing the Central Coast region. While a number of programs have been put in place in an attempt to combat the problem, the deregulation of the liquor industry will only exacerbate that sad situation. Honourable members would be aware that the citizens of this State want the best health services available. That is certainly what they deserve. The penalties that have been imposed by the Federal Government come on top of the \$60 million a year it stripped from New South Wales hospitals with its inadequate Australian health care agreement offer, and the latest drama, a huge reduction of \$376 million a year in the allocation of grants to New South Wales.

In spite of that the Carr Government is doing well to continue its massive agenda to rebuild or upgrade hospitals throughout the entire State. I remind the House that Gosford Hospital, which is in the Peats electorate, is currently undergoing a major upgrade costing more than \$100 million. These capital works, combined with those being carried out at Wyong Hospital, represent one of the largest capital works programs ever undertaken in this State. The \$51.44 million penalty imposed upon the State Government by the Howard Government could be used to fund, in the all-important area of health alone, 250 fully staffed acute-care mental health beds per year, or two regional multipurpose health centres, or 850 nurses, or 20 linear accelerators, or 85 fully staffed intensive care hospital beds or 500 new ambulances.

It is sometimes hard to fathom how the Howard Government thinks. It takes the high moral ground on some issues, yet it appears to have adopted a very liberal attitude to curtailing the number of liquor outlets in our community. The Federal Government is actually endorsing the National Competition Council's recommendation that New South Wales be penalised \$12.86 million for incomplete—honourable members should note that this penalty is not for non-compliance—review and reform activities in the liquor licensing area. How hypocritical is that? One would expect a conservative government to do everything it possibly could to curtail the proliferation of retail liquor outlets.

The bill endeavours to retain some degree of sanity in the liquor outlet debate. Labor members do not wish to have an open-slatheer approach to the availability of alcohol. Honourable members might be interested to learn that since deregulation of the liquor industry in Victoria in 1999 the number of liquor licences in that State has increased by a massive 38 per cent. There is now one liquor outlet for every 320 people in Victoria. In New South Wales there is currently one outlet for every 500 people. This bill is an honest attempt to meet the

requirements of the Federal Government's National Competition Council while simultaneously endeavouring to prevent a proliferation of liquor outlets in our State. The provision in the bill for a social impact assessment process to be undertaken before the granting of a hotelier's licence or an off-licence to sell liquor by retail should go a long way towards minimising the effect of the Commonwealth's demands to get rid of the needs test.

I turn to the chicken meat industry, and hasten to add that many chicken growers reside in the Peats electorate. In fact, the poultry meat industry is an important component of the Central Coast economy. Chicken growers in the Central Coast region have endured a number of crises in the past few years. The Newcastle disease outbreak in 1999 was absolutely devastating.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! Members on both sides of the House will come to order.

Ms MARIE ANDREWS: Then there was the threat to deregulate the industry. Thank goodness the then Minister for Agriculture, the Hon. Richard Amery, was very much aware that if deregulation occurred chicken growers would go to the wall.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! My earlier warning includes the honourable member for Lismore.

Ms MARIE ANDREWS: The Minister's opinion was shared by his colleagues. Hence the Premier, in response to a question from me, announced in November 2001 that the Government would not deregulate the chicken industry. In correspondence to the Prime Minister on 10 September 2003 the Premier outlined his disappointment with the National Competition Council's recommendation that competition payment penalties of \$51.44 million be imposed on New South Wales in 2003-04. The Premier spelt out some of the policy shifts that would be required by the State Government in order to comply with the Commonwealth's requirements. In the chicken meat industry that would mean rolling back the provisions that the Carr Labor Government had put in place to redress the imbalance in bargaining power between chicken processors and chicken farmers. This would potentially expose the many small chicken farmers to exploitation by the few large chicken processors.

When introducing the bill in the House on 17 February this year the Premier said that the poultry meat industry was an industry in which the processors rather than the growers had the bulk of market power. The Premier acknowledged the hard work and investment on the part of the State's 330 chicken growers and said that it was only fair that they be given a reasonable degree of protection in a tough marketplace. That is why an industry committee sets base prices and approves agreements between poultry growers and processors for the supply of poultry. The State Government had reluctantly agreed to abolish the Poultry Meat Industry Committee's existing power to set standard rates for poultry supplied by growers to processors in order to comply with the doctrinaire attitude of the National Competition Council.

Since the Federal Treasurer accepted the National Competition Council's recommendation to penalise New South Wales for its poultry legislation, growers have been labouring under a cloud of uncertainty. But following a sustained campaign on this issue led by the Premier of New South Wales, the Treasurer and the current Minister for Agriculture and Fisheries a breakthrough was achieved. A new negotiated position was reached after an emergency meeting between the Minister for Agriculture and Fisheries, the Hon. Ian Macdonald; the NSW Farmers Association President, Mr Mal Peters; and the National Competition Council President, Dr Wendy Craik. Honourable members might be interested to learn that the National Competition Council has now written to the Minister stating that it will recommend that competition payments for the Poultry Meat Industry Act be placed in the suspension pool for 2004-05 rather than be subject to another permanent deduction. I am pleased to say that as a result the Carr Government will withdraw all amendments in this bill associated with the Poultry Meat Industry Act.

The Minister for Agriculture and Fisheries will commission an independent review of the appropriateness or otherwise of the existing legislation. That review will be conducted by an independent consultant and the terms of reference have been agreed in consultation with the National Competition Council. The review will be finalised by the end of this financial year. This is a significant development as it will give our poultry growers, many of whom have not had their contracts renewed, sufficient time to evaluate their options in the future. It will give them more hope of building a future in the poultry meat industry and will encourage growers and processors to work together to build a strong sustainable industry for all. This is good news for the many chicken growers and their families who reside in the Peats electorate. That outcome would

not have been achieved had the bill not been introduced. Pharmacists are also covered by the bill. If the legislation is passed not-for-profit mutual friendly societies will be able to operate pharmacies freely in New South Wales, as occurs in Victoria.

Mr Geoff Corrigan: A good move.

Ms MARIE ANDREWS: It is a good move. However, the legislation does not permit supermarkets or other corporate interests to own or operate pharmacies. I believe honourable members on both sides of the House would support that stand. That policy is supported by the Australian Friendly Societies Pharmacies Association. The Carr Government has taken seriously its responsibilities under the national competition policy. New South Wales has completed 69 per cent of its priority legislation while the Commonwealth has completed only 33 per cent of its priority legislation. Some 79 per cent of the State Government's non-priority legislation has been completed. By comparison, the Commonwealth has completed only 66 per cent of its non-priority legislation. Yet the Federal Government has the hide to penalise New South Wales \$51.44 million.

Mr Thomas George: Who wrote this?

Ms MARIE ANDREWS: It is in my writing. How hypocritical can a government be? It is unfortunate that the Federal Government has taken such an inflexible attitude to the National Competition Council's policy, thus necessitating this bill, which I commend to the House.

Ms GLADYS BEREJKLIAN (Willoughby) [9.08 p.m.]: I oppose the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill. I do so, however, as an advocate and supporter of competition policy. A critical factor to point out at the outset is that competition policy in this country was formulated with the inclusion of a public interest test as a core component. There is no doubt that substantial benefit has resulted from the introduction and application of competition policy and laws. Productivity, economic and employment growth, and consumer choice have all been achieved by reforms that facilitated competition but, as stated by Alan Fels, former chairman of the Australian Competition and Consumer Commission [ACCC], in a paper entitled "Competition Policy: Governance Issues—What are the alternative structures? Australia's Experience":

A competition regime needs to operate in conjunction with other government policies. Inevitably, conflict between policies will arise and it will therefore be necessary to determine priorities based on an assessment of national interests.

In the same paper he discussed the two obvious categories of exemptions from competition law being legislative exemptions and administrative exemptions. In relation to legislative exemptions he stated:

Such exemptions will only be permitted where it can be demonstrated that the benefits of the restriction to the community as a whole outweigh the costs; and the objectives of the legislation can only be achieved by restricting competition.

Moreover, it should be pointed out that the issue of the public interest in relation to competition policy forms part of the Competition Principles Agreement, agreed between the Commonwealth, State and Territory governments of Australia on 25 February 1994, a key agreement which until today steers Australia's competition policy directions. On 11 November 2002, in a speech entitled "Competition law and the public interest: A perspective of the Australian Competition and Consumer Commission" to the Monash University Corporate Governance Forum, Professor Fels stated:

In this country, competition law is underpinned by the coherent notion that competition serves as a powerful means to achieve a desirable public end.

I raise these issues at the outset to demonstrate the inextricable link between competition policy and the public interest, and to highlight the obvious point that from a public policy perspective, competition policy and the public interest are mutually inclusive, in fact intertwined, concepts. Therefore, no State Government can hide behind the excuse of being coerced to relax so-called anti-competitive legislation if it feels it has a strong case in the public interest. This State Government had the opportunity, but failed to even attempt to put its case to the Federal Government in relation to the sectors and categories of activities outlined in this legislation.

The only logical conclusion that we can draw from this failure is that its heart was not in it or that it was so incompetent and complacent as to renege on its responsibility. I suspect it is a combination of all of the above. As noted in point 7 of the background to this bill in the Legislation Review Digest, the bill has been introduced because the National Competition Council has "expressed dissatisfaction in relation to the degree of

reform undertaken in the regulation of poultry supply, liquor, farm debt mediation, and the dentistry, optometry and pharmacy professions". The point that needs to be stressed is that this Government and this Premier have had ample opportunity to present a strong case as to why the sectors mentioned above should be exempt from the existing Federal/State arrangements in relation to competition policy.

Tonight I express my utter regret that this bill has had to see the light of day and to comment briefly on both the direct consequences and the unintended consequences that the provisions will have in particular to the proliferation of alcohol outlets. The argument that Government members are trying to promulgate that they have had no choice but to introduce this legislation is both offensive and incorrect. The people of New South Wales have every right to ask why their Government has failed them. As honourable members are aware, national competition policy began in April 1995 when the current Premier of New South Wales and the Premiers of all the other States that were part of the Council of Australian Governments agreed on a set of principles which have more recently become known as national competition policy.

Under that agreement the National Competition Council [NCC] was established to supervise the implementation of national competition policy, the NCC being an independent body. The NCC was to assess progress in relation to competition reform and to make certain recommendations as to payment of a dividend. The dividend arose from the concept that national competition policy would yield to Australia more profitable businesses in an environment of greater competition, and therefore would enable higher receipts of income tax by the Federal Government. As a result of those expected higher taxation receipts, national competition dividends would be paid to the participating States and Territories—a concept to which Premier Carr was more than happy to put his signature. So in April 1995 there were nine signatories to the competition principle.

In its 2003 assessment of the progress of reform, as mentioned earlier, the NCC reported that in some areas New South Wales had not complied with its obligations—let me repeat, had not complied with its obligations—and accordingly was not entitled to additional revenue. One of these areas in particular was liquor licensing. The competition agreement does not—and I repeat does not—require liquor licensing restrictions to be abolished. It requires assessment of the restrictions and retention of those that are in the public interest. New South Wales therefore had seven years to put a public interest case to the National Competition Council. It had seven years to say why its existing liquor legislation, which contains a needs test for assessing liquor licensing applications, should be retained. But this State Government has not done that; it did not do it; it failed to do it. And now, as a result, New South Wales will be subjected to the relaxation of liquor licensing provisions, the consequences of which have not been adequately considered by the Government.

If the Government were in any way concerned about the impact that a relaxation of liquor licensing laws would have on our communities, surely it would have taken the trouble some time during the past seven years to put together a case in the public interest to maintain current competition provisions. It is therefore an insult to every man, woman and child in this State that members of the Government should parade in one by one and claim to be victims of circumstance. In fact, as articulated by the shadow Minister for Gaming and Racing, the honourable member for Upper Hunter, leading up to the 2003 State election the Coalition stated that it would remain opposed to the de-regulation of liquor stores and, in particular, the abolition of the needs test in respect of an application for new liquor stores.

The State Government matched that Opposition promise and gave a firm commitment at the 2003 general election that it too was opposed to the abolition of the needs test and therefore the de-regulation of liquor stores in New South Wales. The bill highlights again a massive broken promise. This State administration has certainly not shown any evidence whatsoever that it made any effort to justify the continued existence of the needs test. No-one on the Government benches has any right to complain about the impact of legislation which the Government not only introduced but also could have prevented the need for altogether. As a consequence of this bill, the Liquor Act is amended to remove the needs test and replace it with a social impact assessment process. We have evidence, and it is on the record, that this Government argued with the NCC a commercial case but not a public interest case.

The Government failed the people of New South Wales by putting up a social impact test as opposed to a public interest test. Moreover, the thrust of this bill is concerning in that it seems to solely focus on the reinstatement of dividends, as opposed to focussing on the socially detrimental impact of, say, liberalisation of liquor licensing laws. I do not believe that the liberalisation of liquor licensing laws is in the public interest. This Parliament held an Alcohol Summit last year and members on all sides spoke about their concerns in relation to the consumption of alcohol and binge drinking, especially amongst our youth. The difference now is that the Government is not matching its rhetoric with action.

During the 2003 Alcohol Summit, and in several forums since, I have expressed concern that the Northern Sydney Area Health Service reports the highest rate of alcohol abuse in all of New South Wales. I will reiterate some of the concerns that my community has in relation to the proliferation of alcohol outlets in the Willoughby electorate. I was disappointed to learn recently that Willoughby council had granted approval to the development of a large liquor outlet in close proximity to a public school and also Willoughby Girls High School. Many members of the high school parents and citizens association expressed concern to me that they were not consulted adequately about the liquor outlet's proximity to the high school, especially as many students walk to school through the arcade in which the outlet is located.

Alcohol and its impact on our youth are at the forefront of the minds of many parents and citizens in the Willoughby electorate. I was disappointed to learn that adequate consultation did not occur before the development was approved in Penshurst Street, Willoughby, which has raised major community concerns about young people and alcohol. The advent of that approval will only increase with the relaxation of liquor licensing laws. It is hypocritical therefore for the Australian Labor Party to express concern about the proliferation of alcohol, as many honourable members did during the Alcohol Summit last year, but not to do the right thing by the people of this State in putting forward an application for a justifiable public interest case for the exemption of liquor licensing laws from competition policy.

Given the extent to which the State Government has been on the back foot in relation to the implementation of competition policy and the NCC's findings in relation to the State Government not having met its obligations, I have grave concerns that the Government has not adequately considered the unintended consequences of the amendments in this bill referring to certain professions. For instance, the Dentists Act 1989 and the Dental Practice Act 2001 will be amended to remove restrictions on the persons or bodies who may employ dentists or in association with whom dentists may practise.

Similarly, this bill will remove restrictions on the persons or bodies who may carry on the business of optometry. Further, restrictions will be removed on the number of pharmacy businesses that pharmacists may carry on or in which they may have a pecuniary interest and on the ability of friendly societies to carry on pharmacy businesses. Competition Policy Resistance—an alliance of reputable professional organisations—has been formed to fight against the implementation of national competition policy in relation to certain professions, but I have seen insufficient evidence that this State Government has given adequate consideration to their concerns.

The State Government's obvious apathy and mismanagement aside, this bill highlights the extent to which the New South Wales Labor Party has totally lost its way in what it stands for. At the outset I outlined my position in relation to being a strong supporter of competition policy and the importance of the public interest test as a core component of National Competition Policy, a view articulated by many of my colleagues on this side of the House. But in the parade of speakers I have listened to from the Government benches, not one has articulated how they can justify supporting this bill in the context of Labor ideology—because they cannot. All we have heard from them is the need to ensure that Carr and Egan get their hands on the competition dividend.

Government members, in seeking to justify the apathy and tardiness of their leadership by lining up one by one and trying to outline how the State Government has had no choice but to introduce this legislation, presented a flawed case that does nothing to stem this Labor Government's continued decline in the community. This bill is an example of the broader issue that the New South Wales Australian Labor Party is not driven by principle but by political point-scoring and myopic outcomes. I repeat, this State Government had the opportunity to maintain current competition laws in relation to the sectors outlined in the bill, as well as to continue to receive the maximum competition payment entitlement from the Federal Government. But it failed to put its case to the Federal Government, and in so doing it has failed the people of this State. I reiterate my opposition to the bill.

Mr MILTON ORKOPOULOS (Swansea) [9.22 p.m.]: I had intended to be charitable and say that at the beginning of her speech the honourable member for Willoughby put a very reasonable argument for National Competition Policy, but her speech degenerated into very poor arguments that I could not support. I support the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill, and I implore the honourable member for Willoughby to remain in the Chamber and listen to my speech.

The main purpose of the bill is to amend the Liquor Act 1982, the Farm Debt Mediation Act 1994, the Poultry Meat Industry Act 1986, the Optometrists Act 2002, the Dental Practice Act 2001, the Dentists Act 1989 and the Pharmacy Act No. 48 of 1964 to enable compliance with National Competition Council requirements

and therefore ensure that New South Wales does not incur financial penalties for deemed breaches of the Competition Principles Agreement. Under the Competition Principles Agreement all governments were obliged to review and reform potentially anti-competitive legislation if required. The National Competition Council, formed out of the agreement between the Commonwealth and the States, with the subsequent sectoral assessments required by the council, provides the primary mechanism by which the competitive principles are enforced. The agreement includes economic sanctions for those jurisdictions considered by the council to be noncompliant.

There is not one corner of economic activity in this country that has not been touched by the influence of and sanctions imposed by the National Competition Council. The bill before the House is the New South Wales Government's response to an assessment by the National Competition Council that New South Wales is noncompliant in a range of sectors. New South Wales is therefore potentially liable to be subject to a permanent reduction in funding from the Federal Government of up to \$50.9 million per annum. Of course, the doctors' unions, the medical colleges—with all the restrictive practices that would make a Maritime Union of Australia official blush—are yet to come under the purview of the National Competition Council. I await any move to address important restrictive anticompetitive practices in that sector. As the future Prime Minister, Mark Latham, said in a speech to the Australian Labor Party National Conference in February this year:

Competition and productivity are Labor words. They don't belong to the Tories. They belong to us. Not as goals in their own right, but as the best way of producing jobs and investment for the Australian people.

To which I would add: if competition is good for blue-collar workers, then it is good for white-collar workers too. It was Federal Labor which, when last in power, put together the National Competition Principles and the National Competition Council. Since 1995, some 1,765 pieces of legislation have been reviewed nationally, with almost 70 per cent of those being reformed. New South Wales has reviewed and reformed 73 per cent of the 216 pieces of legislation slated for reform. If there is one criticism I have about this process, it is that the theory of competition and the national competition principles do not always take into account the significant social and dislocational costs associated with reforming whole industries and sectors. While I understand that the agreement with the States allows for a social case to be made, the sheer pace of change in the Australian economy since 1995 has been breathtaking, and, unless accompanied by complementary economic and employment policies and adjustment packages, it will have a detrimental impact on displaced workers.

As I stated earlier, this bill is the New South Wales Government's response to adverse findings by the National Competition Council that certain legislation required reform. The Opposition has played an excruciatingly blatant political game in opposing this bill, because Opposition members argue that through this bill the New South Wales Government is deregulating the liquor industry. They then proceed to read extracts from the Alcohol Summit and give anecdotal evidence from their electorates about the evils of alcohol, and so on. Nothing can be further from the truth. What a cynical exercise by a desperate Opposition, which does not have an original thought or policy to argue; it just opposes, and hopes that the crossbenchers in the upper House oppose the bill and thereby forfeit to the Howard Government \$53 million, precious dollars, on top of the \$376 million from the Grants Commission, and the \$110 million already cut from the Commonwealth's allocation to New South Wales for health each year.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! Opposition members will come to order.

Mr MILTON ORKOPOULOS: What gross irresponsibility to the people of this State and to the communities Opposition members serve. All the Government is doing in this bill is replacing the existing test for a liquor licence with a stronger, more comprehensive test. This will not bring the adverse outcomes, the gloom and doom predicted by this cynical Opposition. If there is one sector more deserving of competition it is clearly the retail pharmacy sector. Schedule 6 to the bill will amend sections 26 and 27 of the Pharmacy Act No. 48 of 1964 to remove the obscene restrictions in the primary Act that prevent competition in the retail pharmacy sector, and to provide exemptions for friendly societies so that they can compete in that sector.

It has never been made clear to me or to any other honourable member or the general public why competition in the retail pharmacy sector has been restricted until this bill. It has never been explained to me why New South Wales has continued to impose ownership limits and restrictions on friendly societies and yet allowed foreign-owned multinational pharmacy outlets to have sole access to the market. I am aware that friendly societies have had a long and illustrious relationship with the labour movement, of which I am proud. Indeed, friendly societies have been delivering community-based pharmacy services in New South Wales since 1847. Australia-wide, friendly societies operate 127 pharmacies, and in New South Wales there are only 8 friendly society pharmacies out of a total of 1,700 pharmacies currently operating in this State.

The existing Pharmacy Act restricts the ability of friendly societies to operate in New South Wales. It provides that while a friendly society can operate an unlimited number of pharmacies in this State, it is subject to the following two uncompetitive restrictions. First, it cannot operate a new pharmacy unless it receives ministerial approval. What other small business in this country needs ministerial approval to operate? It is unconscionable that for so long we have restricted friendly societies in this State. Since 1945 only one friendly society has received ministerial permission to open a pharmacy. I repeat, since 1945 only one friendly society has been given ministerial permission to open a pharmacy. Where is the competition there?

The bill provides for competition in the retail pharmacy sector, which I support. There are many aspects of the national competition policy principles that I support. I believe that since 1995 a great deal of reasonable work has been done by the National Competition Council [NCC] under the national competition principles. But the time for the NCC has come. We have provided adequately for competition in the Australian economy. Not one other sector, apart from the medical unions and the medical colleges, needs competition.

Mr WAYNE MERTON (Baulkham Hills) [9.30 p.m.]: I join with my colleagues in opposing the legislation. One important critical factor must be taken into account. We would not have to debate this bill tonight except for the one thing that our opponents on the Government benches seem to conveniently overlook: the very simple and absolutely certain fact that in April 1995 Premier Bob Carr, together with the then Prime Minister, Paul Keating, signed the National Competition Council [NCC] agreement. The Council of Australian Governments [COAG] agreed on a program of competition principles, and provided for the Commonwealth to pay annual competition dividends to the States out of increased Federal taxation that would accrue from increased competition. The Government comes into this place crying foul and saying that the Federal Government has forced all these dastardly penalties upon the State Government. But it would not have happened had those opposite not signed and become party to an agreement that binds the whole of Australia.

Honourable members may well think that was a history lesson. Strangely, the current situation is not much different. The Federal Government has only one vote, as it did in 1995, and the States, strangely and tragically for Australia controlled by Labor, have the remaining votes. The whole agenda of the NCC is controlled by COAG, which is controlled by the Labor States. I know that honourable members opposite do not like this and that it will hurt them, but they must be forced to listen to it again. It is very much like the Premier saying that we have been cheated out of GST money, but who signed the GST agreement? Who was the first person to get up and say, "Please, sir, can I sign now? Can I be first to sign?" It was Premier Bob Carr. Those opposite talk about being duded by the Federal Government. But let me remind them that the person who duded them was not John Howard but Peter Beattie from Queensland and Labor leaders from other States.

The legislation purports to amend legislation dealing with pharmacies, poultry farmers and the liquor industry. It proposes to amend the Liquor Act to abolish the needs test and substitute it with a social impact assessment process for liquor store applications. The bill also amends the existing prohibition on convenience stores to allow general stores to apply, while completely prohibiting service stations except in cases when in the neighbourhood of the application no other take-away liquor is available. In the latter aspect it is implied that these circumstances can apply to only small, remote, rural cases. The bill will allow general stores in certain circumstances to apply for a liquor licence. Honourable members might think that sounds fair enough, but as I understand that the Police Association of New South Wales is far from impressed. I refer to a press release issued by the Police Association referring to the Government in somewhat unusual and difficult terms:

In a submission to the NSW Government, the Police Association argued greater availability of alcohol will:

- increase crime and the road toll and reduce safety on our streets
- result in more public order riots such as the Redfern riots last week
- make policing an even more dangerous jobs than it is today.

Any deregulation that would make alcohol more available will have enormous social costs.

Mr Gerard Martin: We had no choice.

Mr WAYNE MERTON: It is untrue to say that the Government had no choice—it had seven years to meet these standards but it did very little. In 1995, as one of his first acts as Premier and flushed with the Labor Party's most unexpected victory when it scored 48.5 per cent of the vote in New South Wales, the Premier signed the competition policy agreement. The Premier knows how it works. He has had years of warning that these penalties were on their way and why they were on their way. On 17 February the President of the National Competition Council, Wendy Craik, issued a press release saying it was a pity that New South Wales moved to meet its obligations only after the NCC was forced to recommend financial penalties.

Ms Linda Burney: Wendy Craik, what a personality!

Mr WAYNE MERTON: It is the fact, regardless of whether those opposite like it.

Ms Linda Burney: Wendy has no personality.

Mr WAYNE MERTON: That is certainly something the honourable member for Canterbury has, and I appreciate that. On 16 October the Premier spoke in this House of the NCC recommendations, saying:

I have written to the Prime Minister and the Federal Treasurer defending these vulnerable industries from unnecessary and illogical reform.

But why did he not write to the NCC? The Premier would know that the Treasurer is unable to overwrite NCC recommendations. Again, who controls the NCC? The Labor States, those opposite. They are complaining about the acts of their colleagues. They are complaining about a document they signed voluntarily, yet they have the gall to come into this place, deregulate the liquor industry and try to make fundamental changes to the pharmaceutical industry because of its own acts, without taking the necessary steps to avoid this happening. It is interesting to note that, according to the national competition policy regulations, the New South Wales Government is invited to offer the council proof of public interest for exemptions on penalties.

As I understand it, there is no evidence that was ever done. Everyone is concerned about the fate of the pharmaceutical industry. There is no doubt that currently the local pharmacist plays a fundamental role in the health industry of New South Wales. The local pharmacist runs a business that is a stopgap between medical practitioners and the public. There are many instances when parents are looking for treatment for a sick child at around nine o'clock on a Sunday night because the child is running a temperature and they fear the child might be seriously ill.

Mr Steven Pringle: Because they cannot get into a local hospital. There are no emergency facilities.

Mr WAYNE MERTON: At that stage of the week, no medical practices are open and, as the honourable member for Hawkesbury rightly points out, if they go to a local hospital, they will probably have to wait for six hours. What are those parents to do? They turn to the local pharmacist, who, as a true health professional, makes an assessment of the child's condition and is competent to give the parents advice. I am concerned that, as a result of this legislation, the local pharmacist will be placed under threat and that the service that has been rendered by them for many years as health professionals will be undermined.

By virtue of this legislation, products sold by pharmacists will be available in supermarkets and it will no longer be viable for a small business person operating one or two chemist shops to continue. This is a matter of grave concern to me. As I look across the Chamber at Government members, I appreciate that they are all well meaning and genuine people, but how they can allow an essential part of our health system to be undermined is beyond me. I know they stuffed up the hospital system, but I exhort them not to do the same to other parts of the health system, namely pharmacists, and to demonstrate some hope by giving the public a fair go.

Mr Neville Newell: Hallelujah!

Mr WAYNE MERTON: There is nothing evangelical or glorious about this. The reality is that when big companies take control and move pharmacies and pharmaceutical products into supermarkets, the friendly chemist in the white coat, who is almost a family friend, will disappear. Instead, people will have to line up behind a trolley in a chain store to select their medicines. After a while, the range of medicines offered may well not be as broad as the range of medicines that is available currently. What will happen to people who work in the pharmaceutical industry when the demand for medicines is suddenly reduced because chemists have gone out of business? They will no longer be needed because supermarkets controlled by large companies will order medicines in enormous quantities and indirectly decide the fate of many manufacturers of individual pharmaceutical products.

Mr Steven Pringle: And there will be no personalised service.

Mr WAYNE MERTON: As the honourable member for Hawkesbury correctly observes, the local pharmacist who is the stopgap between the medical profession and the public will become an anachronism and disappear. Pharmacists will go the same way as the local greengrocer, the local butcher and the local baker—

they will disappear or be swallowed up by impersonal supermarket anonymity. Both professional advice and choice will also disappear because it is most unlikely that supermarkets will stock the 15,000 items that an average pharmacy currently stocks. That is a matter of concern to me, as is the prospect of the family chemist disappearing and been replaced by large impersonal supermarkets.

The reality will be that each time one needs to buy pharmaceutical products at a supermarket pharmacy, it will more than likely be the case that the person who served last time will not be there next time, and does not know the customer or the customer's children or the family's background. That should not happen, but this legislation will have that effect. Government members will blame the Commonwealth Government, but the reality is that if the New South Wales Government had put forward appropriate submissions or proposals, this legislation would not be necessary.

I am confident that the Government would have received enthusiastic co-operation from the Pharmacy Guild of Australia because the guild's members are concerned about protecting their businesses. As I understand it, the submissions forwarded by this Government were completely inadequate. This legislation is very important because it affects the poultry industry, dentists, optometrists, and the liquor industry. The bill also amends the Farm Debt Mediation Act. Businesses are under threat, but not because of the actions taken by the National Competition Council [NCC]. Although I give credit to the Government for agreeing to national competition policy, everybody knows that competition is essential.

The Government was given an opportunity to put forward submissions that could have protected and preserved very important aspects of Australian life and Australian business, but did not do its job and has been found wanting. At the end of the day, the very people that the Australian Labor Party purports to represent will suffer when monopolies control the corner shop, when the proliferation of liquor stores places children and families at risk, and when small poultry farming enterprises go out of business. When monopolies take control, prices go up. Although everybody supports the principle of competition, I point out to the Government that it is the author of its own harm and that the great tragedy of its neglect and incompetence is that every person in New South Wales will be affected adversely.

Mr NEVILLE NEWELL (Tweed—Parliamentary Secretary) [9.45 p.m.]: It gives me great pleasure on behalf of the Government to contribute to debate on the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill. Honourable members may be aware that the maximum competition payment to which New South Wales is entitled in 2003-04 is approximately \$254.4 million. As a result of agreements between the Commonwealth Government and the States, New South Wales has been forced to introduce legislation to minimise penalties that apply under competition policy.

The penalties have been elucidated by other speakers who preceded me in this debate. Some \$51 million is likely to be withdrawn from New South Wales competition payments essentially because of non-fulfilment of obligations under national competition policy and the need for legislation to be passed to ensure that competition policy is implemented to its full extent. It must be pointed out that New South Wales has led other States in the implementation of Federal Government policy as it applies to big businesses in areas such as sports, rail freight and electricity. In December last year New South Wales undertook one of the biggest rail freight reforms in Australian history, resulting in a boost to national competitiveness.

The New South Wales Government has also delivered reforms in line with requirements stipulated by the National Competition Council [NCC] which have resulted in consumers of services provided by big business paying less for an improved product. Later I will turn my attention to implementation of Federal economic policy as a result of pressure being applied by the Federal Government that has not necessarily benefited consumers. The National Competition Council now has reached the end of the Federal Government's reform agenda, and the Federal Government should realise that implementation no longer affects big businesses but now applies to vulnerable family-owned businesses. Members of the New South Wales Opposition and the Federal Government ignore the fact that what might be good for corporations is not good for small community-based businesses. Much has been said about the various ramifications of this bill and I will deal with those in more detail later as they affect industries in my electorate and surrounding areas on the North Coast.

A major implication of this bill that has evoked a good deal of emotion from members on each side of the Chamber is the reform of the Liquor Act and deregulation of the liquor industry that is being pushed by the Federal Government. The needs test currently applying under the Liquor Act will be replaced by a social impact assessment process to minimise the impact of the loss of \$51 million in competition payments to New South Wales and to guard against the proliferation of liquor outlets in convenience stores and other organisations.

At the Alcohol Summit medical professionals said that, rather than having more outlets there should be fewer outlets, in an attempt to guard against the harmful effects of alcohol abuse. The economic rationalist approach is that competition is great, and I remember hearing members on the other side of the House wax lyrical about the fantastic benefits to the community from competition. However, we must also recognise that in many situations we need regulations to protect society from the abuses of competition, the abuses of a free market. Therefore there is no doubt that the alcohol industry should be regulated. I am pleased that the Government is prepared to do its best to make sure that the social impact assessment process is put in place to replace the needs test and to prevent the proliferation of alcohol outlets throughout the State. One need only read some of the comments in the report entitled "NSW Alcohol Abuse Summit 2003" to understand that need.

In my patch, the Tweed electorate and the neighbouring Gold Coast, there is a large tourism industry based on hotels, entertainment, and nightclubs. Recently the Gold Coast City Council introduced regulations to reduce the hours of operation of nightclubs from 5.00 a.m. to 3.00 a.m. because of crime and public disturbance, all due to the proliferation and availability of alcohol. If New South Wales goes down the track of allowing the number of liquor outlets to increase at the whim of anyone with a few bob and the ability to put together an outlet of some sort, we will be in the same position and we will have to restrict hours of operation. If that is not a restriction on competition, what is?

Perhaps members opposite and the Federal Government believe that we need to increase hours because restrictions and regulations on hours impact on competition in the industry. The Carr Labor Government has told the Federal Government that we need to assess the recommendations from the Alcohol Summit and to consult with the industry and the community before any changes are considered. Instead, Peter Costello has imposed a fine of \$12 million a year on this State, because we intend to retain the existing regulations in some form until new legislation is in place and until we have conducted a social impact assessment. I thank the members of my community who have taken the trouble to sign petitions, to write to me, or to contact me about the proposed legislation promulgated by the Federal Treasurer. They do not want a proliferation of liquor outlets; they are more than happy with the role taken by the State Government in attempting to maintain restrictions and the regulation of liquor outlets. I concur with them.

The bill covers many areas. I refer to the impact in rural areas of the Farm Debt Mediation Act, which is to be amended. While the State is recovering from the worst drought in decades the Federal Government wants the State Government to remove compulsory mediation between farmers and banks before banks can recover funds. That change would give banks an open invitation to evict farmers without any formal negotiation whatsoever. The Carr Labor Government believes that forcing lenders to wait 12 months to help farmers find a way out of their trouble is essential to protecting vulnerable rural communities. That means that lenders must act in good faith rather than rush in to sue farmers and take away the family farm. Banks have much more bargaining power than farmers when it comes to farm debts, and mediation is an important protection in stopping banks from using their substantial power. A review of the legislation found that there were clear benefits to the community in maintaining compulsory mediation.

But, again, the Federal Treasurer, Peter Costello, has suspended payments to New South Wales of up to \$12 million a year, which would be the maximum penalty, for not reforming that policy. The bill will amend the Farm Debt Mediation Act to remove the provision that prohibits action under the Act being taken within 12 months following the refusal by the Rural Assistance Authority of an application for a certificate declaring that the Act does not apply to a particular farm mortgage and removes the provision that makes certain decisions of the authority reviewable by the Administrative Decisions Tribunal. We have to look after farmers, particularly now as they are recovering from a drought. They are not as forceful as they may otherwise be, they are not cashed up, and they are in all sorts of financial trouble. It would be a retrograde step if the Federal Government were to insist on those changes.

Country Labor has always been most concerned about the rice industry and the single desk selling arrangement. Deregulation of the rice industry would fail to give consumers lower prices, undermine a \$500 million a year export industry, and harm some 8,000 workers in 63 communities that are dependent on rice for their livelihood. Again, Treasurer Costello has been hypocritical in not having in place a single desk arrangement for wheat, and it will not face any financial penalties for failing to deregulate the wheat industry. The Federal Government is pushing New South Wales towards that and is attempting to penalise us for the work we have done on the rice industry.

The honourable member for Peats spoke about the poultry industry, which is most beneficial and extensive in her area. Deregulation of the poultry industry has affected the Northern Rivers and North Coast

areas. The Poultry Meat Industry Act is to be amended to replace the existing requirement for batch poultry supply agreements between poultry growers and poultry processors to be approved by the Poultry Meat Industry Committee, and to abolish the existing powers of the Poultry Meat Industry Committee to set base rates for batch poultry supplied by poultry growers. I am pleased that the honourable member for Peats, the honourable member for Camden, other Country Labor members and I have had a win there. We have spoken extensively in the past month with the Minister for Agriculture and Fisheries, Ian Macdonald, who announced last week that the State Government has agreed to undertake an independent review of the Poultry Meat Industry Act.

That means that the National Competition Council [NCC] will ensure that New South Wales is not penalised for not proceeding with that area of deregulation. Unfortunately, New South Wales has already lost \$12 million, but the State Government has continued to negotiate with the NCC. Currently, the independent review will give poultry growers and processors some breathing space. Poultry growers on the North Coast have written to a number of members of Parliament asking for that breathing space, because many are not looking forward to lower returns if the industry is deregulated in the manner requested by the NCC. If we were to proceed down that track many growers, including many in the Lismore electorate, would simply find it very hard to stay in business. In fact, many would go out of business. If that were to occur, a lot of jobs would be lost in the North Coast area.

Mr Thomas George: You get a lot of support over there.

Mr NEVILLE NEWELL: I remind the honourable member for Lismore that the Carr Labor Government and the Minister for Agriculture and Fisheries are doing their best to resist pressure from the Federal Government to deregulate the industry in a manner that would result in many of our growers going out of business.

Mr Thomas George: Read in *Hansard* what was said.

Mr NEVILLE NEWELL: The honourable member for Lismore read that letter into *Hansard* but I do not have time to do that, because I have more important things to say. That organisation wrote to the honourable member and to me, but he does not seem to understand that the Minister for Agriculture and Fisheries acted and put something in place to retain these regulations in the industry. It means that the poultry growers will not be wiped at out as a result of pressure from the Federal Government.

What did deregulation of the dairy industry do in the electorate of the honourable member for Lismore? Prior to deregulation farmers were getting 45¢ to 50¢ a litre for their milk. Because of pressure from the Federal Government they are now receiving, after deregulation, 30¢ or so a litre. The retail price of milk then was \$1 or \$1.10 a litre. It is now \$2 a litre and farmers are getting only 20¢ to 25¢. There is no benefit at all from that sort of deregulation.

Mr STEVEN PRINGLE (Hawkesbury) [10.00 p.m.]: I join my Opposition colleagues in clearly identifying the callous indifference that Government members have for primary health care and, in particular, pharmacies. Pharmacies, one of the last great community-based local businesses, are indispensable to the health and welfare of our local communities. They are particularly important in the Hawkesbury electorate, which is characterised by a large number of small and medium-size towns and villages where public transport is poor, or often non-existent, where people often do not have access to cars, and where local businesses are important.

People walk to many of our local pharmacies, which are owner-operated. The owner normally lives in the immediate or adjacent area. Pharmacists are members of the local chamber of commerce and they are involved in Rotary, Lions, and the local parents and citizens organisations, and they strongly support community groups. Pharmacists in New South Wales are currently providing an excellent community-based and professional service. Why on earth would Government members be trying to change that? This legislation puts the level of personalised service at risk—personalised service provided by pharmacists such as Frank Swaverly at north Richmond, Kakada Tham at Galston, or Edgar Small at Windsor.

Edgar Small has been the local pharmacist at Windsor for 28 years. The original pharmacy was established in 1894. Over a century in that pharmacy there have been only five owners. Mr Small, like most other pharmacists, is a people person. He likes and enjoys talking to people. He knows his customers and he develops a rapport with them. Locals know where to go in order to get good service. He provides a lot of free services, including home medication reviews, as ordered by a doctor—a great Federal initiative. In Mr Small's local pharmacy and in all other pharmacies it is easy to see the pharmacist. The health outcomes of locals are monitored in a caring manner.

Mr Small has a private counselling area, which is particularly important in the twenty-first century, when the scourge of the century—mental health—is such a major issue. Mr Small advises the chronically ill and older people how to administer medications. He has a long-term staff member who has been in the business for over 50 years and is involved in falls management. He is becoming a quality accredited person and is involved in new professional health services. Mr Small and all other pharmacists in the area promote health and they are involved in health prevention campaigns, which are vital to the community.

They provide advice on the location and availability of hospital services, and about the location and opening hours of general practitioners, medical centres, and health support agencies. They strongly support other community-based services such as infant home visits, youth health centres and screening services. They are involved in assisting community-based mental health teams to manage patient compliance with medication, which is important for the mental health of our community. Medication mismanagement is one of the major reasons for patients being readmitted to hospitals that are already overstretched by this Government, which is managing them poorly and inefficiently.

We need local pharmacies that are in touch with their communities, are owner-operated, care for their community, and have an incentive because the owner benefits from the business and it is in his best interests to ensure that his community is well serviced. A case has been made out for the Government to wear these small penalties in order to preserve an essential part of this State's infrastructure. The Government has wrecked infrastructure elsewhere in this State, for example, hospitals, transport, and police. Let us not wreck this great community infrastructure, our pharmacies. Let us maintain their current high standards. I urge Government members to protect our local pharmacies to ensure that community-based quality health services are maintained.

Debate adjourned on motion by Ms Linda Burney.

SNOWY MOUNTAINS CLOUD SEEDING TRIAL BILL

Bill received and read a first time.

Second reading ordered to stand as an order of the day.

SPECIAL ADJOURNMENT

Motion by Mr Grant McBride agreed to:

That the House at its rising this day do adjourn until Wednesday 31 March 2004 at 10.00 a.m.

The House adjourned at 10.06 p.m. until Wednesday 31 March 2004 at 10.00 a.m.
