LEGISLATIVE ASSEMBLY

Wednesday 31 March 2004

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Mr Speaker (The Hon. John Joseph Aquilina) took the chair at 10.00 a.m.

Mr Speaker offered the Prayer.

CIVIL LIABILITY AMENDMENT (OFFENDER DAMAGES) BILL

Second Reading

Debate resumed from 18 March.

Mr ANDREW HUMPHERSON (Davidson) [10.00 a.m.]: The Opposition will not oppose the Civil Liability Amendment (Offender Damages) Bill but will move amendments in both Houses to close what appears to be a very large loophole. The purpose of the legislation, which is supported by most honourable members on this side of the House, is to ensure that damages that are awarded to offenders whilst in custody, or whilst performing community service work, are not greater than damages available to workers who suffer the same injuries. The officers and staff of the Department of Corrective Services have a duty of care within the State's prison system to look after inmates; however, the plethora of claims for compensation by inmates has been progressively increasing in recent years to the point where something has to change.

The size of compensation payments to a number of inmates for somewhat superficial incidents has been immoral and has far exceeded the compensation paid to people injured in the workplace or victims who have received a victims compensation payment. In some instances, victims received only 10 or 15 per cent of what the person responsible for the crime received. This legislation is a somewhat belated attempt to address the litigious culture that has been allowed to develop over a number of years and has not been stemmed. Convicted criminals have been allowed to get more compensation and have had greater compensation rights than their victims.

As an illustration, in the financial year 2002-03 inmates received $1.73 million and in the preceding financial year received $1.34 million—it is on the increase. I ask the Minister to advise what compensation has been paid out to date in this financial year because based on the current trend it will presumably exceed $2 million and that is an enormous travesty of justice. Taxpayers foot the compensation bill to offenders who, after being subjected to the justice system, are in prison because they have not respected the laws or rights of their fellow citizens. Massive compensation payouts are clearly out of step with community expectations. Violent offenders have received payments in excess of $100,000. For example, in one case an inmate fell out of a prison bed and in another a killer was awarded $300,000 for being inadvertently released from a hospital.

For some years, victims of crime have had their compensation capped at $50,000. Any prisoner who receives compensation payments should not get a red cent until all debts owed to the State or victims are fully paid. Fortunately, this legislation will prospectively address that issue. Payments that are due to the Victims Compensation Fund for restitution will have to be removed from the compensation bill before the offender can receive any payment. That is as it should be but unfortunately this legislation leaves an enormous loophole for scores, if not hundreds, of claims that are currently within the system.

The example of prisoner Craig Ballard was drawn to public attention in about September last year when he was awarded $100,000 for injuring himself on a fall from his bunk bed in his cell at Grafton Correctional Centre. Ballard was gaoled for a vicious assault on a woman. He sued the Department of Corrective Services claiming the bed was not bolted down correctly. The case was settled out of court. The Minister gave the excuse that the offender could well have received four times that amount. The effect of the out-of-court settlement was that the offender received more than twice the amount than his victim, and it was not challenged. The Government could have introduced this legislation to close down that substantial loophole that was publicly highlighted at the time. However, negotiations were made with the offender and the compensation was paid. Ballard also repeatedly bashed a man in a prolonged attack, and was ordered to pay $1,000 compensation to his victim but at the time of his windfall, and as far as we know now, not one cent has been paid to that victim. In fact, this legislation will not force that payment to the Victims Compensation Fund.

In 2002, the Victims Compensation Tribunal recovered just $3.5 million of nearly $50 million it sought from offenders who were ordered to make restitution. The fact that $50 million is owed by offenders to the Victims Compensation Fund, and just 7 per cent is being collected, is farcical and a travesty of justice. For Craig Ballard to receive $100,000 when the woman he bashed received only a fraction of that amount highlights the need for the change that this legislation will address, as the Government asserts, but only for future claims.

The case of Kevin Presland is worth noting. He stabbed his brother's fiancée to death and was awarded $300,000 in compensation last year after suing the Department of Health for failing to diagnose his mental illness and for releasing him from hospital prior to the killing. No greater travesty could there be when someone who is responsible for killing an innocent citizen then sues and gets from this Government $300,000 in compensation, whereas any relative of a victim or victim in this State can receive no more than $50,000. That is not justice but that is the sort of system that this Government has oversighted and could have addressed with legislation at the time and which would have had Opposition support. But the Government failed to do so and it paid the compensation and Kevin Presland walked away with $300,000.

Convicted drug importer Bruce "Snapper" Cornwell, who should never be entitled to receive compensation, was awarded $27,000 after being bashed at Long Bay Remand Centre. Inmates have been claiming and receiving obscene amounts, yet when police officers go about their duties to protect and look after the interests of innocent members of the public in this State they receive much less. For example, Constable Jason Semple was stabbed twice, and Constable Forsyth was fatally wounded, when trying to arrest a drug dealer. Yet this Government offered to Constable Semple a paltry payment of only $9,000. Contrast that to Kevin Presland, a killer, who claimed and was paid $300,000. What is justice? One does not get justice in this State.

I find it a little ironic and concerning that going back to September when these two major payouts of $300,000 and $100,000 were publicised, the Premier and Minister both said clearly that this was a remnant from the old system and that the Civil Liability Act had been changed to restrict these sorts of payments being made. What is the truth? If that were true, there would be no need for this legislation to close the loophole. Were we lied to then? That seems to be the only expression to use because we do not seem to have been told the truth then or now. If this legislation is necessary, we were lied to then. If it is not necessary, we are being lied to now. I invite the Minister, or the person representing the Minister, to respond in debate. Let us have some answers to these questions, because they are legitimate questions to which we seek answers. Perhaps the honourable member for Bathurst, who consistently makes inane comments across the Chamber, could illuminate some of this too. On 2 September 2003 the *Sydney Morning Herald* reported the Premier as saying:

> … we fixed it. If you've assaulted or murdered a law-abiding citizen I think you forgo the right to invoke public liability to get a big cash payout, and that's the law that we've now got in place.

No-one would disagree with those sentiments, but the Premier said the law was in place. If the law was in place in September 2003, what is the need for this legislation? Was it a case of more spin and rhetoric from the Premier, more lies from the Carr Government, and this is a case of cleaning up after the event? I put it to members of this House that that is exactly the case. This legislation is necessary because what the Premier claimed back in September was an outright lie. The government was pinged on some ridiculous and obscene payments to offenders—up to $300,000 to a killer—and it claimed that it was a remnant from a previous system and that the law had been changed. That was a lie. Clearly the law had not been changed, otherwise we would not need this legislation today.

The Opposition intends to ask those questions in this House and in the other House. I am advised there might have been some oversight in the legislation and we are preparing an amendment. I will give notice and explain our amendment shortly. Offenders who have lodged their claims for compensation prior to 15 January this year, when the Minister publicly announced the changes, will have those claims determined under the old system. Juvenile detainees who lodged their claims before 15 January and up until 18 March, two weeks ago, will be dealt with under the old system. So, juvenile detainees will be allowed to receive compensation if they have lodged their claims in that two-month period from mid-January to mid-March. Yet, adult detainees who lodged their claims in that two-month period will be dealt with under the new legislation. I would like an explanation for that disparity. Was it an oversight or deliberate intent? If so, will the Government please explain?

Notwithstanding that, we assert that it is obscene. There are dozens, scores, possibly hundreds of claims in the system. It is worth noting that it may take 9, 10 or 11 years to determine claims or to finalise claims. For example, claims made last year and which will be determined under the old laws will still be determined up to

about 2012 or 2014, and potentially those people will receive these $300,000 payments. The loophole has not been closed for every offender who submitted a claim before 15 January this year. If this legislation is to introduce some justice and equity, and some fairness from the victim's perspective, the loophole should have been closed. We intend to close it. We will move amendments to ensure that any claims made and not determined as at 15 January will be determined under the new laws. There will not be these obscene payments. If they are currently in the system, no obscene payments will be made to any offenders regardless of their crimes. They will be dealt with under the new law and on the same basis as anyone injured in the workplace and with the same genuine regard to the victims compensation fund. Victims who are entitled should receive compensation from that fund.

We will move those amendments in Committee. I presume at the end of the second reading debate we will deal with the amendments and continue through to finality this morning. We will close that loophole. The Government has not matched its rhetoric with action. It lied last September when it said the loopholes had been closed, when clearly they had not been closed; otherwise there would be no need for this legislation. The Liberal-National Coalition in New South Wales agrees absolutely with closing down loopholes that may enable obscene payments for compensation to be received by inmates, amounts that may exceed $2 million in this financial year. They should be reduced to parity with those people who receive compensation for workplace injuries and, most importantly, victims of crime should be given due regard and they should have access to payments through the compensation fund. Offenders should be obliged and forced to make payments to that fund as part of restitution for their crimes.

Mrs BARBARA PERRY (Auburn) [10.15 a.m.]: The Civil Liability Amendment (Offender Damages) Bill builds on the Carr Government's reform of civil liability in general, and offenders' rights to compensation in particular. This legislation ensures that the damages that can be awarded to offenders injured in custody or while performing community service work are not greater than those available to a worker suffering the same injury in the course of employment. The new scheme will limit the amount of damages for economic loss and non-economic loss that a court can award—which will be limited to amounts that can be awarded to an injured worker under the Workplace Injury Management and Workers Compensation Act 1998. The new scheme also sets a threshold, in that an injury must result in 15 per cent permanent impairment before damages are payable. This threshold will remove many lesser injuries—and any spurious claims—from compensation due to negligence. However if an inmate suffers a genuine serious injury due to the negligence of a government department or authority or person exercising official functions, then he or she will receive fair compensation.

As the member for Auburn, I have Australia's largest prison complex—the Silverwater Correctional Complex—in my electorate. The complex consists of Mulawa Correctional Centre, which is a medium security institution for females; the Metropolitan Remand and Reception Centre, which is a maximum security institution for males; Silverwater Correctional Centre, which is a minimum security institution for males and includes a work release centre; and Silverwater Periodic Detention Centre. The Silverwater Correctional Complex in its entirety holds over 1,500 full-time offenders, plus up to 300 periodic detainees weekly—150 at weekends and 150 mid-week. It forms an extremely important part of the criminal justice system in New South Wales. The complex holds a variety of inmates, such as remand and sentenced inmates, periodic detainees and inmates on work release. Sentenced inmates can gain employment in a range of industries within the complex and participate in a number of educational courses.

Inmates approaching the end of their sentence can work in the community under the work release program or can perform community service work. For example, periodic detainees at Silverwater Periodic Detention Centre have made an enormous contribution to the creation and maintenance of the Kokoda Track Memorial Walkway at Concord. Their works have included the removal and reconstruction of two waterfalls and a catchment stream after a major water leak undermined the marble memorial; maintenance of the recycled water system; sanding, cleaning and painting of all seating along the track; recementing paved pathways; and weed clearing and rubbish removal. Continuing maintenance provided by the Silverwater Periodic Detention Centre reduces the financial burden of caring for the memorial and ensures that the area is well presented for its many visitors.

Thousands of visitors and schoolchildren attend the memorial each year, and the ground's barbecue area is used for business and social functions. In 2003 more than 7,000 people visited the memorial, including more than 1,300 school students. I understand that the detainees are appreciative of the opportunity to work at the site; they are pleased to have the opportunity to repay society in the way provided to them by the detention centre. This initiative, and many others like it, operates throughout the State. In fact, offenders sentenced to periodic detention in New South Wales are performing more than $3 million worth of community work in local

communities around the State each year. Inmates who perform community service work are able to make a positive contribution to the community, and this assists in their rehabilitation and reintegration back into the community.

This legislation will ensure that there will be no unfairness between compensation available to different groups of offenders—such as periodic detainees, inmates in full-time detention or home detainees—and no offender will receive compensation that is unavailable to a law-abiding worker suffering the same injury. The Civil Liability Amendment (Offender Damages) Bill will remove the capacity for spurious or opportunistic compensation claims to be made. I congratulate the Carr Government on the introduction of this legislation, which will bring inmates compensation into line with community expectations.

Ms KRISTINA KENEALLY (Heffron) [10.22 a.m.]: The Civil Liability Amendment (Offender Damages) Bill establishes one fault-based negligence scheme for offenders injured while in custody or while performing community service. The scheme combines liability, assessment of injury and payment of damages. The legislation removes the current multiplicity of schemes that provide different awards of damages to inmates. Instead, this legislation ensures that inmates and other offenders will only receive compensation for substantial injuries arising from defined negligence, at a rate no greater than a law-abiding citizen would receive for the same injury. There are plenty of examples from the operation of the workers compensation legislation to show which injuries reach the threshold and which injuries do not. If an inmate suffers a serious injury in a correctional setting, the compensation he or she would be entitled to will be no greater than that available to a worker performing similar work outside a correctional setting.

This legislation builds on the Carr Labor Government's strong record of reforming civil liability in general and limiting an offender's capacity to claim compensation in particular. Under the Carr Government, the Civil Liability Act 2002 has had a significant effect on reducing litigation against the Department of Corrective Services. The Civil Liability Act 2002 also removed the right of criminals to make public liability claims when their injury arises in the course of committing a crime. That legislation removed the right of convicted inmates to claim a victims compensation payment for injuries sustained while in custody, except for exceptional circumstances. The legislation also clarified that inmates were not entitled to seek statutory benefits under workers compensation and compensation under privacy legislation.

It is important to remember that the Government legislated to provide that our civil liability reforms would be retrospective to the date of the announcement, and that the Opposition opposed that retrospectivity at the time. The Government expects that as a result of the reforms we are debating today fewer claims will be lodged, as claims for minor injuries will not reach the 15 per cent permanent impairment threshold. Whilst payment of minor claims may not necessarily involve a great amount of money, the resources needed to investigate and, where necessary, to defend such claims are substantial. The exclusion of minor claims will therefore provide significant savings of both time and money to the Government and therefore to the community. In balancing the public interest with the amount of compensation that offenders can claim from the State, the public interest should prevail.

The changes also require offenders who receive compensation from the department to pay any amounts of victims compensation owed by them to the Victims Compensation Fund, before receiving any payment. These reforms will mean that one system applies equally to all inmates who sue the State in negligence, whether the inmates be working, studying, playing sport, performing community service work, or offenders subject to periodic detention orders, home detention orders or performing work under a community service order—that is, wherever they are in a correctional service environment. I am pleased to support this very important legislation, which will provide significant benefit to the community by bringing the damages an offender in custody is entitled to into line with the damages a citizen working in the community can receive. The reforms are fair and reasonable: they address community concerns, and at the same time they ensure that inmates will not be unjustly enriched by their time in custody.

Mr GERARD MARTIN (Bathurst) [10.26 a.m.]: I am pleased to speak in support of the Civil Liability Amendment (Offender Damages) Bill. The legislation overhauls rules relating to the payment of compensation to inmates and other offenders who try to claim compensation from the Department of Corrective Services, the Department of Juvenile Justice and the Corrections Health Service. There are several negligence scenarios in which an inmate may sue the State: accidental workplace injury, accidental non-workplace injury, injury suffered in an assault by another inmate due to the State's negligence, and injury arising through negligent medical treatment whilst in custody.

It is internationally accepted, including by the High Court, that custodial authorities owe a duty to a person they detain to take reasonable care to protect that person from injury caused by third parties and from

injury caused by self, whether by accident or deliberately. Section 8.1 of the Department of Corrective Services Operations Procedures Manual sets out for staff the department's duty of care towards inmates. The department's code of conduct and case management handbooks also provide general guidelines to assist staff to comply with their duty of care. The Operations Procedures Manual notes that staff have an obligation to comply with all relevant legislative, industrial or administrative requirements; accurately notate inmates records; be familiar with all relevant material relating to inmates, with particular reference to their disabilities and inclinations to self-harm; document and maintain records affecting important decisions made in relation to inmates; and, above all, use commonsense and act according to the facts and circumstances of each case.

Section 42 of the Civil Liability Act 2002 sets out principles that apply in determining whether a public authority has a duty of care or has breached a duty of care. In essence, the principles require consideration of the functions required to be exercised by the authority, the financial and other resources reasonably available to an authority to exercise its functions, the broad range of an authority's activities—not merely the matter to which particular proceedings relate—and evidence of an authority's compliance with general procedures and applicable standards for the exercise of its functions. Under these principles, the Department of Corrective Services or the Department of Juvenile Justice will be liable in negligence only where its procedures, in the exercise of the broad range of its functions, are not reasonable.

The Department of Corrective Services takes its duty of care towards inmates very seriously, as it should. Indeed, even though correctional officers are not personally liable for any negligent act or omission on their part if the act or omission was done in good faith in the execution of their duties, disciplinary action may be taken against officers of the department who are in breach of their duty of care towards inmates, and such disciplinary action can include dismissal. The amendments to be introduced by this bill do not reduce the department's duty of care. They do not reduce the amount of care that must be taken by correctional officers and other departmental employees. A correctional officer will still be subject to disciplinary action if an inmate suffers a minor injury—or, indeed, a risk of injury—due to the officer's negligence.

This bill, firstly, will ensure that only the more serious injuries suffered by offenders will enable offenders to claim compensation from the State, and, secondly, will apply reasonable limits to the amount of damages that are payable. In my electorate there are four correctional centres—Lithgow, Bathurst, Kirkconnell and Shooters Hill—which range from maximum security facilities to minimum security afforestation camps. I want to comment on the Emu Plains Correctional Centre, which is a minimum security centre for females. One of the many successes in the Government's approach to reducing reoffending can be seen at this centre. For example, when the centre was opened on 2 March this year Her Excellency Governor Marie Bashir, accompanied by the Minister for Justice, met with both inmates and staff and presented representatives of Nepean Hospital with 12 small quilts made by inmates at Emu Plains.

The Emu Plains Correctional Centre was a prison farm for male offenders for 80 years until it was converted in 1994 into an institution to prepare female inmates for release from prison. The prison-made quilts are donated to women who have experienced the death of an infant child through Sudden Infant Death Syndrome [SIDS], miscarriage or other causes. Through its programs the Emu Plains Correctional Centre encourages inmates to acquire the skills and attitudes that will help them lead law-abiding lives after their release. The centre has a wide range of education and life skills courses. The education programs at the centre include literacy and numeracy, computer studies, office traineeships and a variety of correspondence courses and basic skills, which are necessary to help the inmates find work after release. It is well known that the better prepared people are on release to make themselves employable the better chance they have of not reoffending and returning to the gaol system.

The inmates and staff at Emu Plains are also making a positive and practical contribution to the local area through a number of community projects carried out by the centre's mobile outreach program. The Emu Plains complex includes Bolwara House, a 16-bed transitional centre for female inmates in the latter stages of their sentence, which was opened in April 2002. The Bolwara House program targets women with a history of substance abuse and recidivism and provides programs and services appropriate to Aboriginal women. The program aims to prepare women for their reintegration into the community by developing their social living, employability and parenting skills and, importantly, addressing issues of substance use, which is the root cause of most of these ladies finding themselves incarcerated.

Many of the inmates at Emu Plains Correctional Centre are thus able to make a positive contribution to the community. This undoubtedly has a positive impact on an inmate's ability to rehabilitate and reintegrate back into society. As I said at the outset, I am pleased to support the Civil Liability Amendment (Offender

Damages) Bill 2004 because it will further strengthen community confidence in the Government's civil liability reforms by removing the ability for spurious or opportunistic compensation claims to be lodged. I commend the bill to the House.

Ms TANYA GADIEL (Parramatta) [10.34 a.m.]: I support the Civil Liability Amendment (Offender Damages) Bill, which is the latest initiative in the Carr Labor Government's reforms to civil liability. The legislation provides for responsible, fair and equitable reforms to inmate compensation by providing that no inmate will receive more compensation than a law-abiding citizen would receive for the same injury suffered in the course of their employment. Most people do not realise the amount of community service work that is performed by offenders subject to community service orders or periodic detainees.

A group of offenders performing community service work looks like any other anonymous group of outdoor workers clearing rubbish or weeds or removing graffiti. In a number of suburbs, towns and regions across New South Wales prison inmates perform community service work. For example, the people of Berrima have long been used to seeing inmates working on lawns and gardens in the town. When Berrima Correctional Centre changed from being a male prison to a female prison some people in Berrima wondered whether the standard of community service work would suffer with the change of inmates. They need not have worried; in fact, local reaction is that the female community service workers are, if anything, more efficient than their male predecessors.

Just a few examples of community service work performed by offenders are: a regular clean-up of needles and drug paraphernalia in the streets and parks of Cabramatta; bitou bush removal and construction of access steps to the beach at Toowoon Bay by community service offenders under the supervision of Wyong Shire Council; assistance for Riding for the Disabled at Box Hill in many areas of its operations by offenders supervised by the Parramatta Probation and Parole Service; garden maintenance, cleaning and general handiwork at the Rose Seidler House at Wahroonga, which is administered by the Historic Houses Trust of New South Wales; landscaping and establishment of a community nursery at the Bidwill Youth Refuge; graffiti removal through the Mount Druitt Local Shops Amenity and Safety Improvements Program; remediation work along the banks of the Parramatta River and Toongabbie Creek; and regular participation in Clean Up Australia Day. Often, community service work has a collateral benefit: offenders learn skills that will be useful to them in obtaining and keeping employment.

Mr Andrew Humpherson: Point of order: This is not the first contribution from a Government member that has not had any direct relevance to the bill before the House. I appreciate that members are allowed some latitude in a second reading debate, but apart from a cursory mention in the first sentence the honourable member for Parramatta has made no reference to the bill, which relates to offender damages. Community service work and other contributions made by offenders under various schemes are not pertinent to the bill.

Mr SPEAKER: Order! I have not heard sufficient of the presentation by the honourable member for Parramatta to be able to rule on the point of order. I will hear more from the honourable member and then make a decision.

Ms TANYA GADIEL: Many offenders who work on small construction or concreting jobs as part of their community service work later obtain work in the construction industry based on the experience they gain performing community service work. The Department of Corrective Services and the Department of Juvenile Justice ensure that the community service workers they supervise adhere to occupational health and safety principles. For example, offenders mowing lawns must wear suitable footwear.

Mr SPEAKER: Order! Having listened further to the honourable member's presentation I rule that it is clear that she is within the leave of the bill. The object of the bill states:

> The object of this bill is to amend the Civil Liability Act 2002 to impose special restrictions on the damages that can be recovered by a person for personal injury resulting from the negligence of a ***protected defendant*** suffered while the person was an ***offender in custody***.

The honourable member's speech clearly pertains to that overview of the bill.

Ms TANYA GADIEL: However, the physical nature of some community service work means that occasionally a worker suffers an injury and the Government may be held liable in negligence for that injury. This bill will limit the claims that an offender may bring by imposing an injury threshold of 15 per cent permanent impairment. Offenders will no longer be able to claim damages for cuts, scratches and bruises they

suffer doing physical work. I support the Civil Liability Amendment (Offender Damages) Bill and congratulate the Carr Labor Government on its fair and commonsense approach to civil liability reform.

Mr GRAHAM WEST (Campbelltown—Parliamentary Secretary) [10.40 a.m.], in reply: I thank all honourable members who contributed to the debate. The bill represents the latest stage in the Government's reform of tort law in New South Wales—some of the most significant reform in recent legislative history. The bill continues the Government's reform of offenders' rights to compensation. The Civil Liability Act 2002 removed the right of criminals to make public liability claims when their injury arose in the course of committing a crime. Amendments to the legislation clarify that inmates are not entitled to statutory benefits under workers compensation and compensation under privacy legislation. The Victims Support and Rehabilitation Act 1996 removed the right of convicted inmates to claim victim's compensation for injuries while in custody, except in exceptional circumstances.

The bill removes anomalies in the way that damages are assessed when inmates sue the State for negligence, and introduces one fault-based negligence scheme combining liability, assessment of injury and payment of damages. When the Civil Liability Act 2002 was introduced—including a retrospectivity clause—the Opposition opposed retrospectivity, arguing that it was unfair. All the examples given by the honourable member for Davidson would have been eliminated if the Opposition had supported the original proposition. But now it wants to go to the other extreme and apply retrospectivity to claims that have been on foot, in some cases, for years. The hypocrisy of such a backflip is breathtaking. These amendments are ill-conceived, illogical and contradictory, and they demonstrate the Opposition's ignorance. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 4 agreed to.

Mr ANDREW HUMPHERSON (Davidson) [10.42 a.m.], by leave: I move Coalition amendments Nos 1 and 2 in globo:

No. 1 Page 9, schedule 1 [5], line 11. Insert "(including an award of damages in proceedings commenced in a court before the date of assent to the *Civil Liability Amendment (Offender Damages) Act 2004)*" after "that Part".

No. 2 Page 9, schedule 1 [5], lines 12-31. Omit all words on those lines. Insert instead:

(2) However, Part 2A of this Act does not apply to or in respect of an award of damages, or a settlement or consent order in respect of damages, made before the date of assent to the *Civil Liability Amendment (Offenders Damages) Act 2004I.*

The Opposition wishes to ensure that the loophole in the legislation that allows claims lodged prior to 15 January to be dealt with under the old legislation is closed and that they be dealt with under the new legislation. If the loophole is not closed, substantial claims will be paid out for the next 10 years or so. It is clear from the obscene payments made in the latter part of last year that there is no justice in compensation payments from a victim's perspective or an ordinary worker's perspective. Yet in the second reading debate the Government seemed to flag that it will oppose closing the loophole. Why should inmates or offenders be treated differently from this point? We believe they should be treated no better than those who are injured in the workplace. Regard should be given to compensation available to victims.

Yet scores or even hundreds of claims lodged before 15 January that should be dealt with under the new legislation will result in substantial six-figure payouts if the Government gets its way and deals with them under the old legislation. Payments were made last year dating back to 1993 and the tail on the claims will continue for another 10 years. Payments of $100,000 and $300,000 will continue if the Government opposes the amendments. We should close the loophole and ensure that all claims lodged before 15 January are dealt with under the new legislation. A victim's perspective should determine justice. It is important that inmates injured in gaol are treated the same as people injured in the workplace. A couple of substantial payments made in September last year demonstrate the enormous inequity in the civil liability system in this State. This loophole must be closed.

Mr CHRIS HARTCHER (Gosford) [10.45 a.m.]: These amendments are important and significant because they illustrate the main purpose of the Act, which is to prevent offenders in custody from taking advantage of the Government's failure to close this loophole in civil liability when it amended the general law on civil liability. The Government has been caught flatfooted. The amendments illustrate yet again the Government's incompetence. The Government introduced the legislation to close this loophole only when it was exposed in the pages of the *Daily Telegraph*. The Government was caught out for its incompetence and maladministration, and the way it rushed through the civil liability process when persons in custody were rewarded enormous judgments for falling out of bed and for being found not guilty on the grounds of mental illness then released from hospital.

The Government intends to allow these awards to continue by inserting in the legislation a closing date of 15 January 2004. We reject that, and therefore we have moved the amendment that new part 2A does not apply to or in respect of an award for damages commenced in a court before 15 January 2004. We know that hundreds of claims are pending before the courts, which could take up to four years to resolve, and therefore we will not know the impact until possibly 2008. But more significantly, the second amendment states that new part 2A does not apply to an award of damages, or a settlement or consent order in respect of damages, made before the date of assent to the Civil Liability Amendment (Offenders Damages) Bill. The Government, in a very clever sleight of hand, is deliberately giving itself the power to go through all the pending claims and make consent orders. It can resolve them bureaucratically by consent orders and they will not be caught by its legislation. This is window-dressing, Bob Carr style, in 2004.

Government members make the great pretence of resolving the problem. They come into this House. They throw the bill on the table. The Parliamentary Secretary is given the unenviable job of shepherding it through. He is given speech notes prepared by the advisers. He does what he is told to do, and a couple of other speakers are given carefully prepared speeches. The speech by the honourable member for Drummoyne was an absolute doozey. It was probably the worst possible performance by someone who is given a printed speech and told to read it out. She stumbled over every pronunciation. I heard the honourable member say "Twon Bay". Yes, it is in my electorate, but it is known as Toowoon Bay. I also heard "Woronga", instead of Wahroonga. The honourable member for Drummoyne had not even read the printed speech she was given. That is the only attention she will get in this place if she becomes the ultimate party hack who stands up—

Ms Virginia Judge: Point of Order: I draw the Chair's attention to the standing orders. The honourable member would be wise to comment on the bill rather than make personal comments about honourable members on this side of the House.

The CHAIRMAN (Mr John Price): Order! I am sure the honourable member for Gosford will temper his comments accordingly.

Mr CHRIS HARTCHER: I welcome the point made by the honourable member for Strathfield. Clearly she is getting the numbers against the honourable member for Heffron as the 2007 challenge emerges. The honourable member for Strathfield and the honourable member for Heffron are going head to head. We are watching. The honourable member for Drummoyne is taking a back seat in this challenge. I will give her some advice: next time she is given a prepared speech she should read it first and pronounce the place names correctly. She should not give herself away. We are talking about Bob Carr, this sleight-of-hand legislation, the amendments, and the fact that the Government is claiming that it is closing a loophole when in reality it is deliberately providing itself with an escape hatch. The legislation does not apply to an award of damages or settlement or consent order in respect of damages made before the date of assent to the Civil Liability Amendment (Offenders Damages) Act 2004. What will be the date of assent? We do not now. However, we do know that it will be delayed. The bill will not be sent to the Governor to sign until the Government is ready.

[*Interruption*]

The standing orders provide that a member's vote may be disallowed by way of substantive motion moved without notice—

The CHAIRMAN (Mr John Price): Order! This has nothing to do with the amendments. The honourable member for Gosford will return to the subject matter of the amendments.

Mr CHRIS HARTCHER: It was raised by the honourable member for Strathfield.

The CHAIRMAN (Mr John Price): Order! The honourable member for Gosford has the call. He should confine his remarks to the amendments.

Mr CHRIS HARTCHER: I am doing so, unlike the honourable member for Drummoyne, who did not refer to the legislation.

Ms Angela D'Amore: I must get under your skin.

Mr CHRIS HARTCHER: No, I simply like to watch the honourable member. She was parachuted into Drummoyne.

Ms Virginia Judge: Point of order: I draw the honourable member's attention to Standing Order 85. The honourable member has been in this House long enough to know the standing orders well. Obviously he has learnt nothing in all the years he has been sitting in this place. Standing Order 85 provides:

> A Member speaking shall be relevant to the subject matter of the debate.

The honourable member for Drummoyne's preselection has nothing to do with this bill. If the honourable member for Gosford were genuinely concerned about the community he would restrict himself to proper, orderly debate.

The CHAIRMAN (Mr John Price): Order! I am sure the honourable member for Gosford will restrain himself.

Mr CHRIS HARTCHER: He has been supporting the honourable member for Strathfield. She does not see where her support is coming from—it is coming from all over the Parliament. I digress. The Government has been caught out being insincere about this legislation. The bill is designed to assuage the community's wrath about these huge claims, which will continue for at least four years because of the backlog in the District Court. More significantly, the Government has provided itself with the escape hatch of going through all the claims and resolving them by consent orders or settlement arrangements. That is an unusual procedure. The honourable member for Davidson has exposed this as a public relations exercise. The Premier has been aided and abetted by his supine backbench members, who simply read out what is given to them and do not look at anything relating to good government. They do not know what is happening in this State except what is given to them by minders, the Premier and his staff.

This legislation is scarcely worth the paper it is printed on. As I said, it is a sleight-of-hand trick used by a Government desperate for public relations spin. Members opposite simply want to stand up and say piously, hand on heart, that they have changed the legislation and that criminals will no longer be able to get huge payouts. The only way the legislation will do that is if the Committee supports the amendments moved by the honourable member for Davidson.

Mr GRAHAM WEST (Campbelltown—Parliamentary Secretary) [10.56 a.m.]: Let us be clear about this: There is no loophole. The loopholes referred to by members opposite were closed by the Civil Liability Act 2002. The Coalition is only about two years out of date, which is a bit of an improvement. The Government has been considering reforms to compensation that may be awarded to inmates for some time—much earlier than the recent well-publicised case—as part of its overall tort law reform. These amendments represent the latest stage in the Government's reform of tort law. They would have been implemented regardless of any matters attracting notoriety in the media.

The Civil Liability Act stemmed the tide of speculative public liability litigation and the disproportionate amount of time taken up by long cases that should never have been brought by reforming the law of negligence and introducing thresholds to preclude trivial claims and capping legal costs to encourage settlements. The Civil Liability (Personal Responsibility) Act introduced a commonsense application of principles of negligence by requiring plaintiffs to take reasonable responsibility for their own actions, in the same way that the Government expects inmates to take reasonable responsibility for themselves in a correctional environment. It is astounding that while in recent days we have heard how the Commonwealth Grants Commission and the Federal Treasurer are ripping money off New South Wales residents—

Mr Chris Hartcher: Point of order: My point is relevance. The honourable member for Strathfield superbly quoted Standing Order 85. This debate does not relate to the Commonwealth Grants Commission. This is not a second reading debate. We are debating an amendment relating to the date of commencement of the legislation. The Parliamentary Secretary should stop reading from his notes and address the amendment.

The CHAIRMAN (Mr John Price): Order! I am sure the Parliamentary Secretary was making only passing reference to the Commonwealth Grants Commission.

Mr GRAHAM WEST: This will of course deny the people of New South Wales access to the increased services that that money would have delivered. The Coalition is trying to waste the money by giving it to criminals. The effect of the Coalition amendments is a get-out-of-court-free card for any offender. If these amendments were passed, any current court proceedings would need to be reprepared and relitigated from scratch for liability, assessment of injuries and damages. That would create havoc with cases that in some instances were commenced years ago. It would apply to cases which have been finalised and which are awaiting judgment, and to cases on appeal. Cases that have been argued and negotiations that have been undertaken on the basis of existing criteria would all need to be re-argued and renegotiated.

Who would have to pay the legal fees to run such cases when proceedings have been rendered useless by these ill-conceived amendments? Of course, the New South Wales taxpayers would have to pay. What is even more alarming is that if a case were going poorly for an offender, these amendments would allow the offender to withdraw from the case and have all costs paid by the taxpayers. If an offender received a disappointing judgment, he or she would be able to appeal and the taxpayers would pay all the costs—the offender would pay nothing. This proposal will result in advantage to the losing offender and disadvantage to the taxpayer. The costs to the taxpayer in re-litigating cases and paying costs in such cases will far exceed the savings that are anticipated from the scheme over several years.

When the Minister for Justice announced the legislation on 15 January 2004 he made it clear that the proposed legislation would operate from that date to prevent a surge of claims being lodged under the existing regime. When he announced that he did not mention juveniles, and it would be unfair to apply the January commencement date to juveniles. Different commencement dates apply the principles of equity and fairness that are inherent in any retrospectivity clause. The amendment moved by the Opposition will be extremely unfair to people who have lodged claims in good faith under existing laws. Many of those claims would be excluded under the new scheme, and all their work would be wasted. The intention of the legislation is to remove minor claims and limit other claims in the future, not to disadvantage people who have brought claims on the basis of the existing law. The Government will oppose the amendment.

Mr ANDREW HUMPHERSON (Davidson) [11.00 a.m.]: What a load of arrant nonsense! The Parliamentary Secretary who represents the Minister for Justice has just made a speech which should have been part of the Minister's reply to the second reading debate. His speech was broad ranging, but at least he acknowledged the mistake of not including juveniles in the announcement about the legislation. Juveniles should have been included in this legislation with an operating debate from January, not mid-March. Two issues arise from the Parliamentary Secretary's speech. One is the nonsensical claim that the Government is sensitive about wasting costs. It is farcical for the Government to make that assertion when the scheme is costing $2 million a year now and will cost $2 million a year for the next 10 years by leaving tail costs in the system. The only way to save taxpayers money is for the Opposition's amendment to be agreed to. That is the only way that savings will be made.

Ms Tanya Gadiel: And if you do not go overseas any more.

Ms Angela D'Amore: That is right. Stay in your electorate and do your work.

Mr ANDREW HUMPHERSON: The female clones of the Australian Labor Party [ALP] can make their contributions later in much the same way as they did in the second reading debate—with cloned speeches. The argument in defence of retrospectivity by the Parliamentary Secretary is also untenable. It is obscene, given the magnitude of payments that have been made, for those sorts of payments to be allowed to continue. The only way to close that undoubted loophole is to support the amendment. None of the cases were closed in 2002, contrary to the assertion made by the Parliamentary Secretary. He claims that the amendments to the Civil Liability Act that were passed in 2002 closed any loopholes, but they did not, because the $100,000 and $300,000 payments referred to earlier were made in 2003—after the so-called loophole was closed. No loophole was closed by the amending legislation because payments were made after that date and payments will continue to be made.

This legislation will mean that ongoing payments that were settled before mid-January this year will be determined under the old laws, not the new laws. As highlighted by the honourable member for Gosford, the Government will now leave itself even more wide open to making large payments. The principle of retrospectivity does not apply to this legislation. This legislation does not relate to conscious events or conscious decisions made by people to be injured. It presumably applies to inadvertent accidental occurrences for which compensation payments should be capped or curtailed under the very same legislative restrictions that apply to any other claimant.

From the victim's perspective this legislation will reflect its obscene character every time a $300,000 payment is made to an offender while victims of crime and the relatives of victims of crime are eligible to receive no more than $50,000. Restitution that should be channelled into the victims compensation fund will be stopped. It is extraordinary that the honourable member for Campbelltown spoke in defence of voting against this amendment. That just shows how out of touch he is.

Mr CHRIS HARTCHER (Gosford) [11.03 a.m.]: Parliamentary Secretary West raised certain points which should be rebutted. The first point is that the principle sought to be achieved by the amendment is wrong because it will take away rights that people had when they filed a statement of claim. The Parliamentary Secretary represents the New South Wales Government, which had no such concerns in November last year, approximately four months ago, when the workers compensation scheme was amended. Honourable members will recall that when people were injured while driving trucks in coalmines, their claims under the Motor Accidents Act were rejected and they were told they should claim under the Workers Compensation Act, which provides reduced compensation rights. In other words, the Australian Labor Party introduced amending legislation that knocked off everybody's claim, whether it had been filed or not. Now Government members say that the principle embedded in the Opposition's amendment is wrong, despite having established the very same principle approximately four months ago.

Members of the New South Wales Labor Government think that the people of New South Wales have poor memories, but that is not the case. The people of New South Wales will remember that the Carr Labor Government was prepared to take away compensation rights from coalminers in this State—people who are represented by a union that is affiliated with the Australian Labor Party, and people whom the Labor Party claims to represent. Approximately four months ago this Government was prepared to take away the rights of victims who claimed under the Motor Accidents Act and force them into a reduced awards system under the Workers Compensation Act, but now the Parliamentary Secretary is saying that the Opposition's amendment, which is based on the very same principle, is wrong. The Parliamentary Secretary is asking people to forget that four months ago the Government put forward the exact same proposal.

The Parliamentary Secretary suggests that the honourable member for Davidson is acting in error. The honourable member for Davidson is maintaining consistency by protecting the revenue and good people of this State from claims made by criminals who, after all, are serving sentences of imprisonment, who are guilty of antisocial conduct, and who seek to compound their antisocial conduct by making larger claims for compensation than they would be entitled to make if they were victims of crimes. The offender who fell out of bed received more in compensation than the victim against whom he committed the crime; that is the definition of justice under the Labor Party in 2004. It is total hypocrisy for the Parliamentary Secretary to complain that the Opposition should not be moving this amendment because it seeks to take away existing rights of people to lodge claims when the Government amended legislation to achieve the very same objective.

This issue probably will not capture public attention because there are currently so many issues running against the Government. The Government is like a sinking ship—hole after hole is appearing, and this legislation will be another. The Government pretends to introduce legislation to achieve an objective, knowing full well that it will not. The Government's ploy has been exposed by the honourable member for Davidson, other members of the Coalition in this House, and me. I hope that all right-thinking members of the Legislative Council will support the Opposition's amendments when the bill is considered by that House.

The Opposition is serious about adhering to the philosophical belief which underpins this amendment. Criminals should not be treated better than victims. The only political party in Australia that believes that criminals have more rights than victims is the New South Wales branch of the Australian Labor Party. No-one wonders why: the ALP is the political party that wants criminals to vote because most criminals vote Labor. That is the party that has more criminals, but I will not go into that now.

Ms Angela D'Amore: We have a humane approach to people.

Mr CHRIS HARTCHER: The honourable member for Drummoyne interjects, but she is skating on very thin ice when she interjects on comments being made about criminals in the ALP. Of all people who might interject when statements are being made about criminals in the ALP, the honourable member for Drummoyne should not. I will leave that for discussion at a later stage.

Ms Angela D'Amore: What are you suggesting on the record?

Mr CHRIS HARTCHER: I am suggesting that the honourable member for Drummoyne should not be interjecting, which is, after all, what the standing orders provide.

The CHAIRMAN (Mr John Price): Order! I suggest that the honourable member for Gosford not respond to interjections and continue with his contribution.

Mr CHRIS HARTCHER: Certainly. I think that is perfectly fair. I note that the Chairman has called the honourable member for Drummoyne to order several times for her interjections.

Mr Daryl Maguire: I didn't hear that.

Mr CHRIS HARTCHER: The honourable member for Wagga Wagga did not hear that, but I am sure that it was said, even if sotto voce. The Opposition will maintain the rights of victims. We state that criminals do not have more rights than victims. The Opposition will press the amendments and expose the sleight of hand of the New South Wales branch of the Australian Labor Party.

Question—That the amendments be agreed to—put.

The Committee divided.

Ayes, 34

Mr Aplin	Mrs Hopwood	Mrs Skinner
Mr Armstrong	Mr Humpherson	Mr Slack-Smith
Ms Berejiklian	Mr Kerr	Mr Souris
Mr Cansdell	Mr Merton	Mr Stoner
Mr Constance	Mr Oakeshott	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	
Mr Hartcher	Mr Richardson	*Tellers,*
Mr Hazzard	Mr Roberts	Mr George
Ms Hodgkinson	Ms Seaton	Mr Maguire

Noes, 47

Ms Allan	Mr Gibson	Mr Newell
Mr Amery	Mr Greene	Ms Nori
Ms Andrews	Ms Hay	Mr Orkopoulos
Mr Barr	Mr Hickey	Mr Pearce
Mr Bartlett	Mr Hunter	Mrs Perry
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
Ms D'Amore	Ms Megarrity	Mr Yeadon
Mr Debus	Mr Mills	*Tellers,*
Ms Gadiel	Ms Moore	Mr Ashton
Mr Gaudry	Mr Morris	Mr Martin

Pair

Mr Brogden	Ms Saliba

Question resolved in the negative.

Amendments negatived.

Schedule 1 agreed to.

Schedule 2 agreed to.

Bill reported from Committee without amendment and passed through remaining stages.

CHILDREN (DETENTION CENTRES) AMENDMENT BILL

Second Reading

Debate resumed from 12 March.

Mrs JILLIAN SKINNER (North Shore) [11.17 a.m.]: This bill clarifies an ambiguity in the Act and is not opposed by the Opposition. The Opposition agrees with the underlying principle of the amending bill: that it is undesirable for children in custody to be held with adult offenders. We want police and juvenile justice officers to have the power to do their jobs. In Sydney there is a large 24-hour metropolitan remand centre for children, at Cobham. There is no occasion when children arrested in Sydney should be held for extended periods in police cells. The centre adjoins Cobham Children's Court, which means that breach of bail matters can be processed simply. The bill, and indeed the entire Children (Detention Centres) Act, operates smoothly in that regard. However, there is a highly contentious issue in relation to what happens outside Sydney.

In country New South Wales, including the Hunter Valley, an unacceptably high level of police resources are being consumed in ferrying young people who have been arrested or convicted, or who have had their bail refused by the courts. For example, a child arrested for a breach of bail near Armidale on a Friday evening would presumably be held overnight at Armidale police cells and would then be transported by police to Acmena Detention Centre in Grafton. Acmena, the only detention centre north of Kariong, services a vast geographic area of this State. Theoretically, the bill puts the onus on Armidale police who will have to transport that young person to Grafton—a return trip of 400 kilometres.

By the time the paperwork is completed and appropriate breaks are taken, that trip would take the full shift of two police officers. So an entire patrol could potentially be pushed into overtime. Is that how we want our police to spend their time? This issue arose when we were reviewing the provision of mental health services, their impost on police and their impact on police resources, and the loss to the local community of police time when officers are taken off their normal beats and patrol areas to transport people with a mental illness. The same problem arises in the hypothetical example I have been citing. The young person would have to be returned to Armidale on Monday to appear before a magistrate to hear the breach of bail.

If that young person were refused bail he or she would have to be escorted back to Grafton. The Opposition acknowledges that a trial is being conducted in the New England region. The Government has recognised the need to reconstitute the juvenile justice transport service. However, we understand that the Department of Juvenile Justice now has responsibility for transporting young persons from court back to Grafton. I ask the Minister, when she replies to the debate, to spell out who has responsibility for transporting juveniles who are arrested for breach of bail. Assuming that police are responsible for the first trip to the detention centre, are they, in this case in New England, also responsible for the trip back to Armidale for the court appearance? Does juvenile justice transport take over only after a court decision has been made to place the young person in custody? What changes, if any, are envisaged to that policy?

A further issue relating to the transport of juveniles concerns the use of video conferencing to reduce the cost of paperwork and the ferrying of young people around the State for short appearances in court. For example, Acmena Detention Centre is equipped with video equipment for court appearances, and the legal framework is in place for brief appearances to be managed in that way. However, despite having the potential of saving hundreds of thousands of taxpayers' dollars, that service is not working because most courthouses in country towns do not have the appropriate technology. One would think that Acmena Detention Centre, which services an area of tens of thousands of square kilometres, would be the centre that would make the greatest use of this state-of-art technology. The Opposition understands that it has been used on one or possibly two occasions.

A further controversy highlighted by the legislation relates to the lack of a juvenile detention centre in the Hunter Valley—an issue about which I am sure the Minister is aware. Newcastle is the centre of a region that has a population of around 400,000. Since the Carr Government closed Worrimi Detention Centre, young offenders need to be transported to Baxter centre on the Central Coast. It might be said that the Central Coast is fairly close to the Hunter Valley, but honourable members should bear in mind that police in Newcastle and its surrounds suffer the same problems as everyone else.

Two police officers, a whole patrol plus a patrol vehicle, will be required to transport a child an additional 100 kilometres to Kariong. There is then the 100-kilometre return trip. The estimated additional travel

time is 3½ hours, or half a shift. The closure of Worrimi means that every time a juvenile is arrested in the Hunter Valley, police lose two officers for half a shift. That is in addition to the time it would have taken to get the child to Worrimi. For the Maitland area that means that the arrest and processing time, plus transport, would probably involve two police for an entire shift.

What a way for two highly trained police officers to spend their day! Police have never been funded to be taxi drivers. The loss in resources to the Hunter Valley would be totally unacceptable to those communities. The Coalition does not oppose this bill. Given the imperfections and constraints of the current system of transporting juveniles, there is little alternative other than to legislate in this way. We must ensure that police and juvenile justice officers have the power they need to do their jobs. At the same time we acknowledge the frustration of police and the enormous waste of a valuable crime-fighting resource spent taxiing children in country areas backwards and forwards to court appearances.

I am sure every honourable member acknowledges that that is a real problem. The amendments in the bill will keep pressure on police not to arrest. If they do arrest, local area commands will be punished as they will lose vast amounts of police time, and that is a major problem. It might be an unintended consequence but it is a consequence that is likely to occur because of the impact of resourcing on country towns, in particular, as police are taken out of their normal patrol areas. The Government must address that problem with something more meaningful than legislation and one transport pilot project. I ask the Minister to respond to these issues when she replies to this debate.

Ms ANGELA D'AMORE (Drummoyne) [11.26 a.m.]: I support the amendments to the Children (Detention Centres) Amendment Bill. These amendments are certainly required when we consider some of the background that led us to this position. Juveniles arrested for an alleged breach of a bail condition can lawfully be held in police custody under section 50 of the Bail Act 1978 pending their appearance in court. If juveniles are arrested during the night or at weekends they are sometimes detained overnight or over the weekend in a police cell pending a court appearance to reconsider their bail agreement. The amendments in this bill will enable juveniles arrested under section 50 of the Bail Act to be held in juvenile detention, as far as practicable.

There are nine juvenile centres around the State, three of which are located in metropolitan Sydney. Yasmar is located in the State seat of Drummoyne, which I represent. There are two juvenile centres on the Central Coast, one at Wollongong, one at Grafton, one at Dubbo and one at Wagga Wagga. I visited Kariong, one of two juvenile centres on the Central Coast, in a previous role with the New South Wales Nurses Association. A short-term emergency accommodation unit at Broken Hill operates as required to ensure that young people arrested in the Far West of New South Wales are not detained in police cells. This bill concerns juveniles arrested under section 50 (1) of the Bail Act. Magistrates are the adjudicating authority to determine whether a young person's bail conditions need to be changed.

The Department of Juvenile Justice is mandated only to intervene and supervise young offenders at the direction of the courts or, through the administration of police and court referrals, to a youth justice conference. There are 35 generalist juvenile justice community officers across the State. Young people who experience problems in seeking bail can obtain help from those officers. Typically, young people who come to the attention of police have complex needs. Many young people appearing before the courts have difficulty in accessing safe and secure accommodation. In recognition of that, the department refers clients to community agencies that can help to provide accommodation services to young people who may be remanded in custody due to lack of appropriate accommodation.

In addition, the department also funds two bail accommodation services specifically to take young people on remand—young people who have no alternative accommodation options. The goal of the services is to ensure that homelessness, lack of adequate accommodation, or lack of family ties do not prevent a young person from being granted bail when bail would otherwise be granted. One such service operates in western Sydney—the Ja-Biah Bail Support Accommodation Program. The service aims to provide culturally appropriately accommodation and an alternative to custody for young Aboriginal or Torres Strait Islander men who have accommodation needs. The other service, which operates in Tingha, aims to cater for young people remanded in the New England area. I commend the bill to the House.

Mrs JUDITH HOPWOOD (Hornsby) [11.29 a.m.]: The Children (Detention Centres) Amendment Bill will amend the Children (Detention Centres) Act 1987 with respect to the detention of children who fail to comply with bail requirements. Under section 50 (1) of the Bail Act 1978 a person who has been released on bail may be arrested and taken before a court if a police officer believes that person has failed, or is about to fail,

to comply with requirements of the person's bail. The object of this bill is to provide that, when a child is so arrested and detained before being taken before a court, the child is to be detained in a detention centre under the Children (Detention Centres) Act 1987 or, if that is impracticable, in a police station. The bill amends the Act by inserting new section 42A, "Admission to detention centre following arrest or apprehension for breach of bail undertaking or conditions." The new section provides:

> (1) A child who is arrested or apprehended under section 50 (1) of the *Bail Act 1978*, and who is to be detained before being taken before a court, must be detained in a detention centre rather than being detained in a police station.
>
> (2) Despite subsection (1), the child may be detained in a police station before being taken before a court if it is impracticable for the child to be detained in a detention centre before being taken before the court.
>
> (3) A child who is detained in a police station under subsection (2) must, so far as is reasonably practicable, be detained separately from any adults detained there.
>
> (4) While a child is detained in a detention centre under this section, the child is taken to be a person on remand for the purposes of this Act.

This amendment also covers orders that may be made to direct a manager of a detention centre to take a young offender to court or another place and to provide for the return of that young person. The purpose the bill is to require children who have been arrested for breach of bail conditions to be placed ideally in a detention centre. The current Act authorises the detention of two categories of young persons: children who are subject to control orders and children who are on remand. There is currently no clear power to hold children arrested for breach of bail conditions and the bill seeks to correct that ambiguity.

Although Opposition members do not oppose the bill we wish to make certain points in relation to it. The honourable member for North Shore expressed concern about the situation in country New South Wales and about using police to transport children in remote and rural areas. There are only four detention centres in country New South Wales. These are at Grafton, Dubbo, Wagga Wagga and Unanderra near Dapto. Police should not be used as taxi drivers, and the Government must consider this important point. In Sydney police can take children to the Cobham detention centre, which is a specialist 24-hour remand centre with an adjacent Children's Court. The arguments in support of the bill are that it enables police and juvenile justice officers to do their jobs and reduces the opportunity for juvenile offenders to come into contact with adult offenders. However, the bill also reduces the discretion of local police officers to hold juveniles overnight in police cells, depending on existing local practices.

Turning to some general points about juvenile justice, it is said that today's juvenile delinquent is tomorrow's criminal. I think there is a great deal of truth in the statement, "Open a school and close a gaol." It is difficult to make social policy in this area because of information restrictions. However, Adam Graycar, Director of the Australian Institute of Criminology, states:

> The 1990s have seen changes in sentencing laws for young offenders in a number of jurisdictions. "Three strikes" legislation and mandatory sentencing laws are being used increasingly in a number of States.

He continues:

> Criminality is influenced by many factors—youth is one such factor. Consequently, the level of criminality may well increase when the proportion of youth in the total population increases.

However, the number of young people in the population is currently decreasing. Mr Graycar goes on to state:

> Unemployment and dropping out of education could also affect the level of crime.

A juvenile is defined differently around Australia. In New South Wales juveniles are aged from 10 to 18 years of age. In Victoria juveniles are aged from 10 to 17 years. In Queensland they are aged from 10 to 17 years. In South Australia and Western Australia juveniles are aged from 10 to 18 years. In Tasmania they are aged from 7 to 17 years. In the Northern Territory juveniles are aged from 10 to 17 years and in the Australian Capital Territory they are aged from 8 to 18 years. The differing definition of "juvenile" in New South Wales produces different statistics in comparison with the other States. It is important to bear that in mind when examining the statistics. In 2001 approximately 14 per cent of the total population, or 2.8 million young people, were aged between 10 and 19 years.

In the 20 years between 1981 and 2001 there was a general decline in the number of young people aged 10 to 17 years in juvenile detention centres throughout Australia. The number decreased from 1,352 in 1981 to

759 in 1989 and then increased slightly in the following years. Since 1996, however, there has been another consistent decline resulting in a total of only 604 juvenile detainees on 30 June 2001. The Australian Institute of Criminology states that, not surprisingly, rates of juvenile detention have experienced a similar but slightly more accentuated trend. Rates decreased from 64.9 people aged 10 to 17 years in juvenile detention in 1981 per 100,000 in the general population aged 10 to 17 years, to 28.6 per 100,000 people in 1992. Rates increased slightly until 1995 before stabilising and then declining again in subsequent years. The statistics for the period from 30 June 1981 to 30 June 2001 reveal that in New South Wales in 2001, 57.8 males aged 10 to 17 years were in juvenile detention.

Turning to indigenous overrepresentation in detention centres, the population ratio method refers to the proportion of indigenous juveniles in juvenile detention centres compared with their proportion in the general population. The Australian Institute of Criminology states that there are twice as many indigenous juveniles detained than we might expect from their representation in the general community. Indigenous juveniles were 17.4 times more likely than non-indigenous juveniles to be detained in a juvenile justice centre. So it is important to change the law to ensure that juveniles are not detained in police cells. At a conference in 2003 Natalie Taylor from the Australian Institute of Criminology stated:

> Juvenile crime and juvenile justice are topical issues, both for policymakers and the community more broadly. Although the argument continues to exist as to whether punishment or a more rehabilitative approach to juvenile crime is appropriate, recent years have seen a shift in thinking by policymakers toward responses to juvenile crime which divert young people away from the formal criminal justice system. Such thinking reflects the belief that minimising the degree to which young people become involved in the formal criminal justice system … is likely to produce better outcomes for young people and a greater likelihood of rehabilitation than continuing more deeply into the system.

This legislative amendment is in keeping with the thinking that it is better to place young people in detention centres when possible and appropriate. However, I point out that there may be problems achieving this aim in country areas.

Ms VIRGINIA JUDGE (Strathfield) [11.40 a.m.]: I support the Children (Detention Centres) Amendment Bill, which will ensure that young people arrested for alleged breaches of bail conditions will be held in juvenile detention, as far as practicable, rather than in a police lockup. Article 37 (c) of the United Nations Convention on the Rights of the Child states:

> Every child deprived of liberty shall be treated with humanity and respect for the inherent dignity of the human person, and in a manner which takes into account the needs of persons of his or her age.

To put that into context, data drawn from the New South Wales reoffending database indicates that between 1997 and 2001 a significant fraction of the New South Wales population at or over the age of criminal responsibility—that is, 6.5 per cent, or about 1 in every 15 people over the age of 10—appeared in court charged with a criminal offence. The most common categories of offence for which they were brought to court were theft, violence and serious road traffic or driving offences. Sadly, overall, males appear in court charged with criminal offences about 4.5 times more frequently than females.

Contact with the court system is far more common amongst younger age groups, male or female, than among older age groups. More than 8 per cent of men in New South Wales aged between 20 and 24—that is, 1 in every 12 males in this age group—appeared in court charged with criminal offences in 2001, compared with 0.8 per cent of males aged 50 years and over. Similarly, whereas 1.7 per cent of New South Wales females aged 20-24 appeared as defendants in New South Wales court proceedings in 2001, the corresponding percentage for females aged 50 years and over was only 0.1 per cent.

The honourable member for Hornsby spoke about the level of indigenous contact with the court system, which is 4.4 times more than the population as a whole, with more than a quarter of the New South Wales indigenous population having appeared in court between 1997 and 2001. The figures for young indigenous people are even more disturbing. In 2001 more than 40 per cent of indigenous males and about 14 per cent of indigenous women aged 20 to 24 appeared in New South Wales courts charged with criminal offences. To diminish those figures, the Labor Government is putting in place policies to address their underlying causes, which often include long-term unemployment and dysfunctional families.

Currently, when juveniles are arrested during the night or on weekends they are sometimes detained overnight or over the weekend in police cells pending their appearance in court to have their bail agreements reconsidered. Although this action is inevitable and, indeed, appropriate in some instances, it is generally preferable for juveniles to be held in juvenile detention centres, which are specifically designed to cater for their

needs. There are nine juvenile justice centres across the State. Cobham, Yasmar and Reiby are in metropolitan Sydney, Frank Baxter and Kariong are on the Central Coast and Keelong is in Wollongong. The honourable member for Wollongong, who is in the Chamber, has a great interest in this matter and supports any measures that will assist in the humane treatment of youth. As a mother she has experience in, and is committed to, youth issues—although I am sure her wonderful children are law-abiding citizens. The remaining three centres are Acmena at Grafton, Orana at Dubbo and Riverina at Wagga Wagga.

Detaining juveniles with others of their own age is preferable for many reasons. Importantly, it reduces the contact between young offenders and adult offenders, who may have a negative influence on them and might be involved in more sophisticated criminal circles. This legislation is of importance to young Aboriginal offenders, particularly in light of the disproportionate representation of our indigenous youth in our juvenile justice system. Acmena at Grafton, Orana at Dubbo and Riverina at Wagga Wagga. Recommendation 242 of the Royal Commission into Aboriginal Deaths in Custody stated that juveniles should not be held in police lockups. The placement of young people in juvenile detention centres while they await trial ensures that the specific needs of young offenders can be most appropriately met. It also decreases the risk of self-harm. The Minister and the department recognise that young Aboriginal offenders often have complex needs that require culturally sensitive, appropriate attention. It is well known that one reason for Aboriginal overrepresentation in the juvenile justice system is the reluctance of courts to grant bail to young Aboriginal people because there is no safe place to which they can return.

The department funds two bail accommodation services specifically to take those young people. One of those services is the Ja-Biah Bail Support Accommodation Program. The service provides culturally appropriate accommodation as an alternative to custody for young Aboriginal and Torres Straight Islander men. Ja-Biah has been praised widely for its achievements in helping turn young offenders away from a life of crime, which is what we all want. It not only provides accommodation, but engages young people who use its services with a range of programs and assists them to gain employment and get their lives back on track.

My staff spoke earlier to Victor Morgan, the Chief Executive Officer of Ja-Biah, about the impact that being held in a police lockup has on young indigenous men and women. He said it was definitely preferable to detain young people where staff are specially trained and used to dealing with them, and that being placed in a cold lockup with older people might be distressing for them. I am pleased to support this commonsense legislation. I commend the Minister for Juvenile Justice and her staff for the bill, which will assist in the rehabilitation of some of our young offenders. It is a proactive measure. I commend the bill to the House.

Ms LINDA BURNEY (Canterbury) [11.47 a.m.]: I support the Children (Detention Centres) Amendment Bill, which, from the perspective of some people, will be described as containing a minor change. However, it is a major and important change to the present law. I will briefly outline my interest and background in juvenile justice issues to show that my views are well informed. For two years in the late 1990s I was Chairperson of the New South Wales Juvenile Justice Advisory Council, which provided direct advice to the then Minister on all issues to do with juvenile justice. I have also visited many of the centres in New South Wales that house juveniles, particularly Cobham, Yasmar, Kariong and the other facilities at Gosford. I have also spent a fair bit of time talking with some of the young people who are detainees in those centres.

Having talked to some of those young people, I cannot imagine what it would be like to break a bail agreement on Friday and, therefore, have little option, in some places, but to face detention in adult facilities. The honourable member for Strathfield spoke about the large number of indigenous young people in juvenile justice centres. I am particularly interested in that. It is also fair to say that the Canterbury electorate has a large Pacific Islander and Arabic population, and young people from those backgrounds are also, unfortunately, overrepresented in the juvenile justice system.

It is in that context that I will speak briefly to a number of points, most of which have been covered extensively and, therefore, do not require me to use all the time available to me. At the moment, the Bail Act provides that young people can be detained in adult facilities if there is no other option. However, juveniles arrested for an alleged breach of a bail condition can lawfully be held in police custody under section 50 of the Bail Act 1978 pending their appearance in court. Juveniles arrested during the night or on weekends are sometimes detained overnight or over the weekend in a police cell pending a court appearance to reconsider their bail agreement. While in some instances that action is inevitable, and perhaps at times appropriate, as a general rule and wherever practicable it is preferable for juveniles to be held in juvenile detention centres that are specifically designed to cater for their needs. Detention in police cells is less than ideal, and the Government has steered away from that option.

This amendment will allow juveniles arrested under section 50 of the Bail Act to be held in juvenile detention as far as practicable. Of course, in some circumstances that will not be possible because of the proximity of some communities to a juvenile justice facility. But, whichever legislative jurisdiction a young person is in, it is important to bear in mind that article 37 (c) of the United Nations Convention on the Rights of the Child states:

> Every child deprived of liberty shall be treated with humanity and respect for the inherent dignity of the human person, and in a manner which takes into account the needs of persons of his or her age.

That has an important ring to my ears because of my past involvement with the operation of United Nations procedures and the development of United Nations articles regarding indigenous peoples. The United Nations Convention on the Rights of the Child has been influential on and informative for the development of United Nations conventions on the rights of indigenous peoples, with which I have had a fair bit of involvement in past years. Other honourable members have outlined the reasons why it is preferable for juveniles to be detained in juvenile justice centres. I will not go into the detail of those reasons, except to say that detention of young persons in juvenile justice centres reduces the risk of their contact with adult offenders in police cells. I make that comment because a young person of 13, 14 or 15 years of age would be uncomfortable, uneasy and find it difficult to communicate when placed in cells alongside adults who may be hardened criminals.

The holding of detainees in juvenile justice centres also decreases the risk of self-harm and allows their needs to be specifically catered for. The honourable member for Strathfield and the honourable member for Drummoyne outlined that point fairly well. We all know that, unfortunately, many young people who are detained have a history of self-harm. Often, these young people are struggling to deal with many other issues besides legal matters, are distressed and can be drug-affected. Combine those aspects, and one can well understand how thoughts about self-harm can be a natural human reaction. Detention of young persons in juvenile justice centres can minimise or remove this horrific risk, because the staff in those centres are trained in looking after young people and have experience in and understanding of their requirements. From where I stand in this debate that is probably the most salient point.

Detention of young persons in juvenile justice centres is also consistent with the recommendations of the Royal Commission into Aboriginal Deaths in Custody. I will not dwell on that matter because it has already been covered in this debate, except to argue that that royal commission, which was conducted in 1988 and 1999, produced a document that is seminal to the life of this nation. It is seminal in the sense that it dealt with an issue that no-one would feel comfortable with. Further, its recommendations, which I had the role of monitoring when I was Director-General of the Department of Aboriginal Affairs, have been implemented for more than a decade. It is important to make sure that what we are doing in our detention and correctional centres is in line with the recommendations of the Royal Commission into Aboriginal Deaths in Custody.

I conclude by stating that there is no legislative provision covering the time a young person can be held in police custody. This provision is contained in a protocol developed between the department and the police in 1997. The Department of Juvenile Justice is in the best position to provide an environment receptive to the complex needs of young people. The aims of the bill demonstrate good commonsense. I congratulate the Minister on the bill, which I commend to the House.

Ms DIANE BEAMER (Mulgoa—Minister for Juvenile Justice, Minister for Western Sydney, and Minister Assisting the Minister for Infrastructure and Planning (Planning Administration)) [10.55 a.m.], in reply: I thank all honourable members who contributed to this debate. In particular I commend the honourable member for Drummoyne, the honourable member for Strathfield and the honourable member for Canterbury for their thoughtful comments on issues that they regard as important. I also thank the honourable member for North Shore and the honourable member for Hornsby for their contributions.

A number of general issues were canvassed in the debate. Generally, the comments acknowledged the changes that have occurred in juvenile justice, particularly over the past nine years. There has been a drop of about 35 per cent in the number of young people being held in detention. That is quite an accomplishment, and it has been achieved under the Young Offenders Act, which was introduced in 1996. The Act implemented a number of initiatives that have led to the decline in the number of young persons being held in detention. Those initiatives included a system of warnings and cautions, as well as the use of youth justice conferencing. Conferencing is a particularly good way of dealing with young offenders who have admitted guilt. They are confronted by their victims, who have the opportunity to tell the offenders about the impact their crimes have had on not only the victims but their families.

Important aspects of youth justice conferencing include not only that the victims feel better as a result of that process but that the offender shows more responsibility and the community benefits from a decreased rate of recidivism. So the conferencing process has benefits for the whole of the community as well as the victims. This is one of a number of important steps forward. Of course, supported bail accommodation is another. Ja-Biah has been operating for some time, and Tingha was recently opened. Both centres of supported accommodation are a good alternative for young people who otherwise would be placed in remand centres or detention centres. A magistrate who feels that a young offender's home life is problematic can order that the young person be detained not in a detention centre but in a supported accommodation facility that allows that young person to do other things within a community, whether it be support after psychiatric evaluation, drug and alcohol referrals or education processes.

Of course, we want to ensure that we can meet the needs of young people whose only problem in being granted bail is accommodation. The recent opening of Tingha, whilst it had its difficulties for the local community, has proved to be a real success. I visited that facility recently. Young people accommodated there are able to receive the best possible accommodation whilst at the same time having their rehabilitation interests addressed. The bill primarily is concerned with young people who otherwise would have no recourse but to go to a detention centre if held for breaches of bail conditions.

The bill corrects a small anomaly: while being held on bail, young persons cannot be transported in the metropolitan area to Cobham, Reiby or Yasmar, but are held in a lockup because of bail breaches. In some areas it will not be practicable to move young persons from the place they were arrested to other detention centres because holding them overnight to go before a magistrate in the morning is the most practical way we can accommodate those young people. The bill makes it clear that a young person must not be held with adults, and that where practicable the best way to deal with a young person who has been charged with breaching bail is to transfer the young person to a detention centre, if we can. This minor amendment is about the philosophy of holding young people within a detention centre where their needs are best met by the most qualified people.

Juvenile Justice is taking over transportation across the State. The roll-out is well under way in the Hunter and in metropolitan Sydney. I can understand the importance of police transporting two Juvenile Justice officers, and that is under way throughout the State. The expenditure of police time is a problem to NSW Police, but as we roll out responsibility for the transportation of young offenders we will take over that responsibility. However, police will be responsible for transporting juveniles to juvenile detention centres where the new transport system is not yet in place. I thank those members who have contributed to the debate. This minor amendment reflects the philosophical bent towards rehabilitation of young people within our system rather than holding them for some time within a police lockup once they have been found in breach of their bail conditions. I understand that all honourable members support the legislation, and I commend it to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

BOTANY BAY NATIONAL PARK (HELICOPTER BASE RELOCATION) BILL

Second Reading

Debate resumed from 17 March.

Mr MICHAEL RICHARDSON (The Hills) [12.02 p.m.]: The Opposition will not oppose the legislation. Opposition members, like all other members of this House, strongly support the lifesaver rescue helicopter service, which does an outstanding job. That service, which does not draw on the public purse but is funded entirely from corporate donations and sponsorship, has saved literally hundreds of lives over the years. The current location for the Southern Region SLSA Helicopter Rescue Service, the Prince Henry Hospital site that was utilised from 1988 until recently, is no longer tenable. The Government has closed Prince Henry Hospital and given it over to housing. I do not want to dwell on the problems created by the closure of about 4,700 hospital beds. Suffice to say that this is yet another problem that has been created for the people of Sydney by the Government's mismanagement of the hospital system

The Southern Region SLSA Helicopter Rescue Service, which was established in 1973, operated from Bankstown Airport for two years, then from Mascot for another two years, before going to the Royal North Shore Hospital in 1997. That site proved to be unsuitable because of changes to the Civil Aviation Authority

regulations. It was capable of accommodating only one twin-engine helicopter. The service was then moved to the Prince Henry Hospital site, which was ideal for a service of this type. Much of their rescue work is associated with beaches and cliff rescues. I am sure everyone has seen graphic television images of people being winched up the cliffs and lives being saved. I take my hat off to the skill and courage of those involved with the service.

Rapid response is extremely important for such a service. The service has been relocated temporarily to Mascot airport, but that has created significant problems because helicopters must have air traffic clearance before take-off. Even the minutes taken to obtain air traffic control clearance can be crucial in an attempt to rescue someone who is in danger of drowning. The Government employed a consultant, Gary Shiels, to undertake an extensive evaluation process of other sites. He considered 50 sites around Sydney and shortlisted 12—Mona Vale Hospital, Terrey Hills, Long Reef helipad, North Head, Middle Head, Sydney Olympic Park, Granville heliport, Bankstown Airport, Sydney airport, Malabar headland, Potter Point and Port Botany.

It is not just a matter of saying, "We need a site for a helicopter." An extensive range of other issues that were identified by the lifesaver helicopter rescue service in 2000 had to be taken into account. The site had to be on the coast in the eastern corridor of Sydney, and located out of controlled airspace. Helicopters had to be able to clear the helibase on a flight path removed from residential areas. The site had to be approximately one kilometre from the closest built-up residential area; readily accessible to road ambulances; suitable for the conduct and operation of a seven-day, 24-hour aeromedical and helicopter rescue service; suitable for the operation and maintenance of an aviation engineering facility; have adequate services available, including power, water, sewerage and communications; suitable to enable the development to be approved by the relevant authority; suitable to receive Environment Protection Authority approval; and be a regularly shaped and flat land area of a minimum size of 4,000 square metres.

The criteria were expanded in August 2002. The site needed to be located away from noise-sensitive areas; have the ability to operate in all climatic conditions; have immediate clearance available for MED 1 flights, which is nearly all departures; surrounding topography could not interfere with normal operations and would not create an undue risk in an emergency; suitable for running landings and departures; a minimum of two hectares in size—a significant increase; and have no obstacles or natural obstructions, such as mobile telephone towers, power poles, street lighting, traffic lights; and have an ability to expand. Those criteria significantly limited the range of possibilities. It is instructive to go through Gary Shiels' report and consider some of the sites identified. For example, the report on the Mona Vale Hospital site says in summary that based on its draft zoning northern location, insufficient space, proximity of flight paths to noise sensitive areas, lack of accessibility and travel distance to Sydney airport, the site was considered not suitable.

The Terrey Hills site was simply not an acceptable site. The Long Reef site was found, based on its zoning, to have locality restrictions, an inland location and insufficient space, proximity of flight paths to noise sensitive areas, and a lack of accessibility, and to be some travel distance from Sydney Airport, which made it unsuitable. Similarly, the North Head site was found unsuitable, based on planning controls, because of its northern location, insufficient space, flight path proximity to noise sensitive areas, lack of accessibility, and travel distance from Sydney airport. One of the most suitable sites was Port Botany. The report states that although it proved to be the most promising of all the sites that were reviewed, there were problems relating to aviation restrictions by air traffic control, and that was the major reason why that site was not recommended. There has been a significant diminution of options over a long period. I understand the service was becoming desperate. Based on conversations I have had with the chief executive officer of the service, Peter Mangles, I suspect that really has been the case.

I suppose it could be said that the selected site is not absolutely 100 per cent ideal, but probably there is no such thing as a site that is 100 per cent ideal. My staff inspected the site. I gather that it used to be a rubbish dump but is now a grassed area. It is part of the Botany Bay National Park, but I think I am correct in saying that the area does not have high conservation value. Objections based on conservation have been blown out of the water, and it is interesting to note that the National Parks Association of New South Wales has raised no objections to the proposal. The site is next to a pistol club and is also adjacent to the New South Wales Golf Club, which has raised most of the objections to the Government's proposal. In October last year, Mr Warwick Richardson, who is the President of the New South Wales Golf Club but no relation of mine, wrote to the Minister for the Environment and expressed the club's concerns.

In summary, the club's concerns include safety because the flight path, hangar and parking space are all within 10 to 50 metres of the golf course's fifth hole. The club has stated that that poses a serious concern

regarding evident golf course and flight landing issues, and the public's use of the area as a walkway to Cape Banks. The Club was also concerned about noise because the site is within 150 metres of the club's fourth green, fifth tee, seventh green, eighth tee and thirteenth tee, and because of the site's visual impact. As I stated earlier, I doubt that it is possible to find a site that is absolutely 100 per cent ideal for the operation of a helicopter rescue service. However, I know that the Government has been corresponding with the golf club and has not been able to resolve all of the club's concerns. When the public good is weighed against the club's major concern—the visual impact of hangars being permanently located next to the fifth tee—it is hard to make a case in favour of aesthetic considerations.

If the Government had not closed the Prince Henry Hospital, relocation of the site would not have been necessary. However, the Coalition appreciates the importance of this rescue service to the people of Sydney. As I stated earlier, the temporary site for the service is certainly not ideal and the service will not be able to operate from Mascot airport forever. The legislation before the House is very straightforward. It identifies the area that will be revoked from the Botany Bay National Park. Clause 7 (2) provides for the taking off, landing and movement of helicopters used for emergency evacuation, retrieval or rescue, helicopter facilities for those helicopters, and accommodation for the crew of those helicopters, including pilots, medical practitioners, nurses and paramedical workers. The legislation specifically states the use to which the land may be put. The Opposition has no problem with that. As I stated earlier, the Opposition very strongly supports the work of the Southern Region SLSA Helicopter Rescue Service. The Opposition wishes the service all the very best in its relocation to the Cape Banks site and for its future in providing a service to the people of New South Wales.

Ms KRISTINA KENEALLY (Heffron) [12.14 p.m.]: The Botany Bay National Park (Helicopter Base Relocation) Bill has been introduced to excise 1.38 hectares of land at Cape Banks from Botany Bay National Park for the specific purpose of relocating the Southern Region Surf Life Saving Association [SLSA] Rescue Helicopter Service. The rescue helicopter service is an essential element in the statewide aeromedical ambulance and rescue network of NSW Health. The service provides a number of important rescue and emergency services to the people of New South Wales including a 24-hour, 7 days per week airborne response to calls for emergency rescue and medical assistance, a search and rescue service on land and at sea through the use of emergency distress beacons, and search, recovery and rescue services during accidents and natural disasters. The rescue helicopter service flies on average two rescue missions per day.

Relocation of the service to the Cape Banks site will provide many benefits for the service, including the opportunity for a new, purpose-built base that will allow the service to operate from a modern facility that is specifically designed to meet current guidelines and a prompt response to waterborne rescues along the eastern coastline of Sydney. Moreover, the site is on the periphery of Sydney's airspace control zone and the rescue helicopter service will be able to quickly access class G, that is, unregulated airspace, on a flight path removed from residential areas. Ambulance and medical staff at Cape Banks will be able to provide backup to their medical counterparts working with air ambulances at Mascot airport. The Cape Banks site is a suitable distance from established residential areas at Little Bay, which will greatly reduce its noise impact on any surrounding residences.

The rescue helicopter service previously operated from the former Prince Henry Hospital site when the spinal and rehabilitation care facility was located at that hospital. The decision to close the hospital and locate spinal and rehabilitation care in a new facility at Prince of Wales Hospital was based on professional medical advice that patient care would otherwise suffer. Landcom purchased the former hospital site from NSW Health and is in the process of redeveloping the site for a range of residential, commercial and community uses. This, combined with the location of existing housing close to the Prince Henry Hospital site, resulted in the need for the relocation of the rescue helicopter service's base.

As an interim measure Landcom has leased a hangar at Mascot airport and office space at St Peters until October 2006. Mascot airport and St Peters are both part of the Heffron electorate. My electorate is pleased to have been able to provide an interim basis for the rescue helicopter service. The interim site has provided the service with a temporary operational and administrative base and has allowed Landcom to proceed with the redevelopment of the former hospital site. However, in the long term the Mascot airport base will not be suitable for the rescue helicopter service as the site is located in controlled airspace. At Mascot airport there is high potential for the rescue helicopter service to experience delays in obtaining air traffic clearances for emergency and rescue aircraft missions, and there may be an adverse effect on the operations of Mascot airport, particularly during peak periods.

In consultation with the rescue helicopter service, Landcom investigated some 50 sites for the relocation of the rescue helicopter service's base. These included sites at Port Botany, Terrey Hills and Cape

Banks, which is located on the northern shores of Botany Bay in Botany Bay National Park. Apart from Cape Banks, all other sites investigated were found to be unsuitable for a variety of operational and environmental reasons. The Cape Banks site ultimately was determined to be the most suitable site for the relocation of the rescue helicopter service. It should be noted that this bill will permit the Cape Banks site to be used only for helicopter emergency and rescue services that are undertaken by the rescue helicopter service, and for no other purpose. The excision of 1.38 hectares of land from Botany Bay National Park at Cape Banks which will be facilitated by the introduction of this bill will provide the best possible opportunity to safely relocate this essential and valuable facility of the rescue helicopter service. I commend the bill to the House.

Mr THOMAS GEORGE (Lismore) [12.20 p.m.]: The Botany Bay National Park (Helicopter Base Relocation) Bill enables the relocation of the Southern Region Surf Life Saving Association Rescue Helicopter Service from the former Prince Henry Hospital site to an area within Botany Bay National Park by revoking the reservation under the National Parks and Wildlife Act 1974 of certain land as part of Botany Bay National Park, vesting the land as Crown land within the meaning of the Crown Land Act 1989, and facilitating the use of that land for the purposes of a helicopter base for emergency aerial evacuation, retrieval and rescue. Clause 6 revokes the reservation under the National Parks and Wildlife Act of that land as part of Botany Bay National Park. Upon revocation the land becomes Crown land.

However, the bill excludes the operation of section 35 of the Crown Lands Act with respect to the lease of, or granting of a licence in respect of, land for the taking off, landing and movement of helicopters used for emergency evacuation, retrieval or rescue; helicopter facilities for those helicopters; and accommodation for the crew of those helicopters, including pilots, medical practitioners, nurses and paramedical workers. In addition, an environmental planning instrument cannot prohibit, require development consent for, or otherwise restrict, the development of land with respect to those functions I have mentioned. Honourable members may wonder why a member representing an electorate far from the Botany Bay facility would want to speak to this bill. I indicate at the outset that I am a past director of the Northern Region Westpac Life Saver Rescue Service. I am proud of that and proud to support the wonderful surf life saving rescue helicopter services throughout the State.

In my electorate of Lismore, we went through this same process and built a special complex to enable the housing of the rescue helicopter service. The Lismore electorate is very proud of the hangar and facilities that have been built. The rescue service needs to be housed in a facility that provides professional headquarters and suitable work environment. I have read a document that stated that Mascot is an acceptable location and that the facility should be provided in the Botany Bay area. As the Minister responsible for the National Parks and Wildlife Service is in the Chamber, I ask him to indicate that approval for the relocation will be granted far more quickly than approval for a Telecom phone tower in the national park at Yabbra; we are still awaiting that approval.

The facility will provide an essential professional helicopter rescue service. The community willingly supports that service financially. Although we all hope that we do not have to use the service, it is comforting to know that it is there. I am proud to recognise the work of the Westpac Rescue Helicopter Service throughout the State and compliment it on the work it does. I have much pleasure in supporting the bill.

Mr MALCOLM KERR (Cronulla) [12.25 p.m.]: I am pleased to support the bill.

Mr Tony Stewart: Don't mention the shire.

Mr MALCOLM KERR: I am advised to not mention the shire. I am surprised at that interjection, because the bill directly touches on the shire.

Mr Tony Stewart: Everything does.

Mr MALCOLM KERR: Yes, everything does, as honourable members often point out. Botany Bay bounds the shire to some extent. The honourable member for Strathfield would know that Councillor Kevin Schreiber, when mayor of Sutherland shire, worked with the Southern Sydney Regional Organisation of Councils to save Botany Bay from pollution. The provisions of the bill are quite important and I acknowledge the efforts that have made this bill possible. The Legislation Review Committee reported on the bill, and found that 30 alternative sites were reviewed, but all were deficient in some way. I have been informed that 50 sites were reviewed, and all were found deficient. Finally, a site was found within the Botany Bay National Park, which brought about a number of problems.

The Parliamentary Secretary noted a number of those problems in his second reading speech, such as vesting of native title, and said that the interests of other competing users of the park had to be addressed. The solution suggested by the Carr Government was a reduction of national parks. In fact, Cabinet approved the excision of land at Cape Banks from the Botany Bay National Park and provided that such excision is only for the purpose of providing the rescue helicopter service. That service should be a source of great pride to people in Sydney and across the State. I am informed that 20,000 missions have been flown by the service and, importantly, at no cost or obligation to any member of the public. That should endear the service to the Treasurer, because it has been funded by donations and corporate sponsorship as well as by contractual arrangements with the New South Wales Department of Health.

The honourable member for Heffron outlined the array of facilities and disciplines that have been required over the history of this service. The honourable member for Lismore said earlier that none of us would like to avail ourselves of this service. However, we all know that some of our fellow citizens have been and will be injured in the future and that they will require emergency services. For that reason honourable members should support the bill. A considerable amount of work has been done to address the problems that have arisen. The honourable member for Heffron outlined the problems that we would have encountered if this legislation were not amended.

For those reasons I fully support the bill, and I believe it should enjoy the support of all honourable members. I commend the work done by those people who reviewed the 51 available sites. That work was essential to ensure that the service was located on a site that met all its needs. However, problems might arise in the future. The Government must at least review this legislation at some time in the future to ensure that all the needs and requirements of the service are met. This legislation was examined by the Legislation Review Committee, which referred to a number of issues and, in deference to the work that is being done by that committee, I will refer to some of them. In its report the committee states:

> The proposed Act is to commence on a day or days to be appointed by proclamation.

For the benefit of those Government members who might not be aware, the committee draws attention to the fact that bills have to be proclaimed. The committee goes on to state:

> The Committee notes that providing for an Act to commence on proclamation delegates to the government the power to commence the Act on whatever day it chooses, or not to commence the Act at all.

Government members should also be aware of that provision. The committee also states:

> Whilst where there may be good reasons why such discretion is required, the Committee considers that, in some circumstances, it can give rise to an inappropriate delegation of legislative power.

That is another important matter. I appreciate that honourable members might like me to draw attention to a number of other issues.

Mr Tony Stewart: You mentioned the shire only 10 times.

Mr MALCOLM KERR: I could make a few more references to the shire, but I will conclude my contribution so the business of the House can proceed.

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [12.34 p.m.], in reply: I thank all honourable members for their contributions to debate on this important legislation. It is great to see co-operation on a common goal. The Opposition's support of this legislation is important. The honourable member for The Hills said he has read the bill and he has been involved in discussions elsewhere in relation to it. His perusal of the bill and his discussions all led to the same conclusion: this is the best option for the helicopter rescue service. I share his point of view. The honourable member for Cronulla, after mentioning the shire only 10 or 11 times, referred to the main issue in this debate: the overall importance of this service to our region, and the wonderful work that is being done by the helicopter rescue service.

The honourable member for Heffron also referred to those issues. She mentioned the work that was done to ensure that the bill was considered in a bipartisan way, after consultation with major stakeholders. Following discussions that were undertaken by Landcom, the Cape Banks site proved to be the most suitable site on which to relocate the helicopter rescue service base. That site has now been cleared. The site is slightly contentious in that it is part of a national park, and concern was expressed about that issue. The National Parks

and Wildlife Service, which has carefully examined all these issues, investigated the site and consulted with major stakeholders. It has come to the conclusion that this service would not denigrate or work against the amenities that are available in the national park.

Issues such as native title have also been addressed. Discussions have been held with the local Koori community, land title issues have been carefully examined, and full agreement was reached with all stakeholders. The interests of competing users in Botany Bay National Park have also been addressed, and various stakeholders have had input. The helicopter service base will not include the New South Wales pistol club, but the concerns of that club have been addressed. The options suggested by club officials were canvassed and the bill addresses all those issues. The car park, which is utilised by visitors to Botany Bay National Park, provides the only public access to this area.

The interests of anglers also had to be addressed. Whale watching is now a growing interest in that area—the best coastal strip in Australia. This is one of the cleanest harbours in the world, which is why whales are returning to it and we are able to see them. My children will be able to visit this national park every year and witness the great whale migration. When I grew up I did not have that opportunity as the harbour was not as clean and the environment was not as sound. I thank the Carr Labor Government for cleaning up our harbours. A successful barometer of that is the return of the marine life that once frequented this area. Whale watchers and bushwalkers will not be handicapped by the implementation of this service. Honourable members would be aware that I made a decision to walk across the Himalayas.

[*Interruption*]

Opposition members would know that the bush exists up to about 4,000 metres. I started bushwalking in the Botany Bay National Park and that gave me the inspiration to tackle other areas. The bill will not affect the rights, access, and needs of bushwalkers. The car parking area in the national park will not be affected. All the people in that area were consulted before implementation of the service. Accordingly, it is not proposed to excise this section of the park, which remains within Botany Bay National Park. Importantly, the bill does not excise the access road that runs adjacent to the proposed helicopter rescue service base. This road is the main route used by officers of the Department of Environment and Conservation and emergency services to access the coastal section of Botany Bay National Park. It is also the main, although not the only, pedestrian access to the coast. It is an important pedestrian thoroughfare and we do not want it to be affected by the establishment of the helicopter rescue service. The service road will remain in use in response to public need, and it will be retained within Botany Bay National Park.

The New South Wales Golf Club also benefits from the excision, which enables the accommodation of an existing minor encroachment near the fifth tee. In fact, this development will assist golfers, a number of whom had complained about the encroachment that allows access to drainage works and so on. The excision will assist the average golfer at the New South Wales Golf Club. Although some concern was expressed about the dimension of the development and how it might affect existing amenities and the way in which the golf club operates, agreement was reached on those issues following consultation.

All those concerns have been fully addressed. Landcom has invited the golf club to participate with it and the helicopter rescue service in a project control group. That is an important move, and it is part of this Government's consultative approach to all issues. This group will be responsible for the preliminary planning and design of the proposed base and will determine the best location for the hangar and landing pad on the site, taking into account noise and risk hazard considerations. A joint relationship management plan is also proposed to cover the day-to-day operations of the base and the golf course. Six houses located west of the proposed base are understood to have some World War II heritage significance and are under the control of the Department of Environment and Conservation.

[*Interruption*]

The honourable member for Lismore, as an old-timer, should be interested in this. These houses are not in the proposed flight paths and will not be affected. The Cape Banks site has been occupied and used by Scouts Australia. I commend that great organisation, particularly its New South Wales branch, for its hard work. The scouts have advised the helicopter rescue service that they are happy to work in partnership regarding the use of the site. I congratulate them on taking that approach. The National Parks and Wildlife Act 1974 does not permit Botany Bay National Park to be used for the purpose of a helicopter rescue facility so it was determined that the simplest and most effective method of facilitating the relocation of this helicopter rescue service base to Cape

Banks was by introducing the Botany Bay National Park (Helicopter Base Relocation) Bill, and I commend it to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Mr CARL SCULLY (Smithfield—Minister for Roads, and Minister for Housing) [12.43 p.m.]: I move:

> That standing and sessional orders be suspended to allow the introduction forthwith without notice of the Health Care Complaints Amendment (Special Commission of Inquiry) Bill, and its passage through all stages at this sitting.

The Government is moving this suspension of standing and sessional orders to allow the Health Care Complaints Amendment (Special Commission of Inquiry) Bill to be passed through all stages today. I am advised that the Opposition has been given access to the bill and has received a briefing from Bret Walker, SC. I am also advised that, following the second reading speech of the Minister for Health, debate on the bill will be adjourned to allow a contribution from the Deputy Leader of the Opposition this evening. This bill is urgent because the interim report, as produced by Bret Walker, SC, requested its introduction as a matter of urgency. At Mr Walker's request, the Government has moved to suspend standing and sessional orders to enable the Minister to introduce the bill forthwith.

Mr JOHN BROGDEN (Pittwater—Leader of the Opposition) [12.44 p.m.]: Today is a sad day for New South Wales. The report by Bret Walker, SC, reflects on the most serious failure of government in many years. The report highlights very clearly what happens when a government decides to play politics with the health system and to play politics with people's lives. People died unnecessarily because the New South Wales health system failed. People are dead because the Government and its watchdog turned their backs on families and patients. People are dead because government at every level failed in its most significant responsibility: to defend the vulnerable, the sick, the young, and the elderly.

The health care complaints system under the Carr Government was corrupt to the core. The total abdication by the Health Care Complaints Commission [HCCC] of its legislative duty and the complicity of local area health services and the Minister for Health will be remembered as the New South Wales Government's greatest disgrace. The time has come for this Government to accept that a most serious breach of trust has occurred and to agree to hold a royal commission into the health system in New South Wales. The report has proven that the Health Care Complaints Commission has failed possibly hundreds, if not thousands, of patients and their families in New South Wales. The failure of the HCCC calls into question what has been and is happening in public hospitals throughout the State. There must be a royal commission into the health service in New South Wales.

In his report Bret Walker identifies 70 cases, and in all but one of those cases he indicates that the Health Care Complaints Commission failed four investigative criteria: it failed to notify health practitioners, it failed to provide correct assessment under the Health Care Complaints Commission Act, it failed to complete investigation of individual health practitioners, and it failed statutory compliance. In the briefing given to me and the Deputy Leader of the Opposition, who is the shadow Minister for Health, Bret Walker indicated that in the one case in which the HCCC complied it did so by accident—by lucky coincidence. If the Health Care Complaints Commission failed in 70 out of 70 cases, we can bet that it failed in all the cases that it investigated during the tenure of the previous commissioner.

During that tenure, 8,714 complaints were lodged and registered with the Health Care Complaints Commission, of which some 1,034 were investigated. How many thousands of families in New South Wales were told by the Health Care Complaints Commission that their matter was investigated properly and that they need not worry? Yet Bret Walker indicates that 100 per cent of the matters that he examined were not investigated properly. How many families thought their grief, pain and suffering had ended but have only now discovered that during the tenure of the previous Minister for Health and the former Health Care Complaints Commissioner the commission on every occasion failed every test in properly investigating health care complaints in New South Wales? The Carr Government's watchdog has lied to literally thousands of families. That is why there must be a royal commission.

The Government does not escape blame. The Premier and the previous Minister for Health, Craig Knowles, appointed the former commissioner to do a job. She failed to do that job and they failed to keep her to that task. How is it possible that Health Minister Craig Knowles sat at his desk happily sending complaints to the Health Care Complaints Commission without suspecting that it was not operating properly? There is more to this than meets the eye. The Government will say that a royal commission is not necessary, but almost 10 years ago, on 11 May 1994, the Premier, when he was Leader of the Opposition, spoke about another royal commission, and said:

> Do not let it be on our consciences that we walked out of this Parliament tonight not having provided for the fullest investigation of the matters that have been placed before this Parliament.

A royal commission provides a focus, some guarantee to the community that these matters will be exhaustively explored. There must be a royal commission. The Premier can no longer hide from the truth.

Motion agreed to.

HEALTH CARE COMPLAINTS AMENDMENT (SPECIAL COMMISSION OF INQUIRY) BILL

Bill introduced and read a first time.

Second Reading

Mr MORRIS IEMMA (Lakemba—Minister for Health) [12.50 p.m.]: I move:

> That this bill be now read a second time.

The Government established the Special Commission of Inquiry into Campbelltown and Camden Hospitals headed by Mr Bret Walker, SC, after the report of the Health Care Complaints Commission [HCCC] was presented in December 2003. The HCCC report and investigations undertaken by the HCCC had numerous shortcomings. The interim report of the special commission, released today, has highlighted just how flawed the previous HCCC investigative process has been. Mr Walker's interim report highlights "what appears to be a serious avoidance by the HCCC of its mandatory statutory function when it received complaints concerning the conduct of medical practitioners".

Mr Walker is particularly critical that the HCCC "substantiates" complaints about individual patient care, without regarding those allegations as complaints against particular doctors. He describes this as "offensive to a sense of fairness". The failure of the HCCC to address issues of individual accountability was one of the crucial reasons why the Government established the special commission of inquiry. One of the key tasks of the special commission has been to review the clinical incidents, the subject of the complaints, and identify the most serious clinical incidents requiring further investigation. Mr Walker has now completed part of that task and has recommended that a number of matters be investigated by the HCCC with a view to instituting disciplinary action. He has also recommended that some matters be referred to the Medical Board for performance assessment.

Some people might ask why we are sending these matters back to the HCCC for investigation when the HCCC failed so completely to deal with the complaints the first time round. As is noted in the special commission's interim report, Parliament has given the HCCC the responsibility and power to carry out these investigations. The Medical Tribunal and the Nurses Tribunal are the bodies responsible for determining whether sanctions should be imposed on practitioners. Mr Walker does not have the power to conduct disciplinary proceedings against practitioners. Indeed, Mr Walker expressed the strong view at recent public hearings that it would not be appropriate for him to seek to carry out such a role.

The special commission's resources are best used to identify the most serious clinical incidents requiring further investigation. It is therefore appropriate that these matters be referred to the HCCC. The Government is confident that the HCCC will be able to carry out this task competently and quickly. The Government has recently taken steps to improve the operation of the HCCC. They include the appointment of a new acting commissioner, His Honour Judge Taylor. The Government has also provided additional funding to establish a specialist Macarthur team to carry out these investigations. The Macarthur team is headed by counsel from the private bar. Multidisciplinary teams will pursue these matters to completion. I am advised that none of the staff involved in the initial HCCC investigation's are members of this team.

Mr Walker has recommended that the Government introduce special remedial legislation to facilitate the implementation of the further actions recommended in his interim report. This need has arisen because the existing complaints legislation does not contemplate or permit intervention such as the special commission. Mr Walker has expressed the view that a subsequent prosecution may be subject to an argument that it is unlawful because of this "interference" in the decision-making process. Mr Walker has said that this is by no means an argument that may be safely ignored. The bill is necessary to prevent legal challenges on this and other technical grounds by health practitioners who will be subject to further investigation. Practitioners should not be able to avoid disciplinary sanctions on the basis of a technicality.

This legislation will ensure that the merits of the case against them can be argued before the relevant tribunal or professional standards committee, if such proceedings are instituted. The need for this legislation also arises because of the necessity to prevent further delays in this already lengthy process. The Government wants to ensure that the families and patients affected by the incidents at Campbelltown and Camden hospitals will be confident that these matters have been properly examined, as quickly as possible. This bill will ensure that that happens.

I turn now to the provisions of the bill. Clause 2 of new schedule 5 will require the HCCC to investigate matters that the special commission recommends be investigated. The clause streamlines the existing statutory process so that investigation can proceed without further delay. The procedural requirements in the Health Care Complaints Act to assess a matter prior to an investigation are deemed to have been complied with. There is no sound reason to delay the process further by requiring the HCCC to again assess complaints. Practitioners will have the opportunity during the further HCCC investigation to argue that the matter should not proceed to disciplinary action, and will ultimately be able to defend their actions before the tribunal should disciplinary action be instituted.

Clause 3 of the schedule requires the HCCC to refer matters to the relevant board where recommended by the special commission for possible performance or impairment assessment. Clause 4 allows the special commission to provide information that it has already gathered to relevant bodies. This will ensure that the material and information gathered to date by the special commission can be used by the HCCC and registration boards without the need to regather that information. Clause 5 will allow that information to be taken into account by the HCCC, registration authorities, impairment or professional assessment bodies, and disciplinary bodies. This provision will put beyond doubt that the special commission's material can be considered without the risk of legal challenge. It will remain, however, the responsibility of each relevant body to form its own view on the material it considers.

Clause 6 will prevent legal challenges to the further HCCC investigations, disciplinary proceedings, or other actions that are recommended by the special commission. The clause will prevent legal challenges on the basis of technical grounds which may be raised by health practitioners. For example, it will prevent challenges on the basis that either the special commission or the HCCC has already considered the matters. Similarly, the fact that the special commission has made recommendations in relation to these matters will not be a reason to challenge the decisions of the HCCC or the tribunal.

The provision will also operate to ensure that the flawed process undertaken by the HCCC during its previous investigation at the hospitals does not prevent the complaints being pursued. It is intended to cover the broad range of challenges that might be made on technical grounds. The bill is intended to ensure that all matters will be properly tested on their merits in the tribunal or another relevant disciplinary body. No-one will be disadvantaged. Practitioners will have a full opportunity to argue the merits of their case before the relevant body. Staff, patients and families will be confident that these complaints have been fully tested, and pursued.

I advise the House that Mr Walker has reviewed a draft of this legislation and has indicated that he considers that the draft provided, which is virtually identical to this bill, is the kind of legislation which is urgently needed to permit these overdue investigations and prosecutions to be completed on their merits. In light of the urgent need for this legislation, as flagged by Mr Walker, the Government has indicated that it intends to pass the legislation through all stages this week. This is necessary because there is a risk that before Parliament resumes in May, some practitioners may be able to successfully challenge the further actions recommended by Mr Walker. I understand that Mr Walker has briefed the Opposition on this proposal, and explained the need for this legislation and the associated urgency. I commend the bill to the House

Debate adjourned on motion by Mr Barry O'Farrell.

[*Mr Speaker left the chair at 1.00 p.m. The House resumed at 2.15 p.m.*]

UNPROCLAIMED LEGISLATION

Mr SPEAKER: Pursuant to standing orders, I table a list detailing all legislation unproclaimed 90 calendar days after assent as at 31 March 2004.

PETITIONS

Milton-Ulladulla Public Schools

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

Nowra Public School Specialist Literacy Tuition

Petition requesting suitable accommodation for specialist literacy tuition at Nowra Public School, received from **Mrs Shelley Hancock**.

Autism Spectrum Disorder

Petition requesting additional support for children affected by Autism Spectrum Disorder in all educational settings in New South Wales government schools, received from **Mr Daryl Maguire**.

Frederickton Public School

Petition praying that priority be given to the construction of buildings at Frederickton Public School, received from **Mr Andrew Stoner**.

Stamp Duty Reduction Legislation

Petitions supporting the Duties Amendment (Stamp Duty Reduction) Bill 2003, received from **Mr Greg Aplin**, **Mrs Judy Hopwood**, **Mr Barry O'Farrell**, **Mr Steven Pringle** and **Mr Anthony Roberts**.

Gaming Machine Tax

Petitions opposing the decision to increase poker machine tax, received from **Mr Andrew Fraser**, **Mrs Shelley Hancock**, **Mr Malcolm Kerr**, **Mr Daryl Maguire**, **Mr Donald Page**, **Mr Steven Pringle**, **Mr Andrew Tink** and **Mr John Turner**.

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**.

Marriage

Petition opposing any legislative changes that would violate the basic principles of marriage, received from **Mr John Bartlett**.

Lake Woollumboola Recreational Use

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

Brothels Closure Legislation

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

Sandgate to Shortland Bypass

Petition requesting the construction of the Sandgate to Shortland bypass, received from **Mr John Bartlett**.

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 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**.

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**.

Mental Health Services

Petition requesting improvements to the mental health system, received from **Mr Adrian Piccoli**.

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**, **Ms Katrina Hodgkinson**, **Mr Daryl Maguire** and **Mr John Turner**.

Casino to Murwillumbah Branch Rail Line

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

State Forests

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

South Coast Rail Services

Petition opposing any reduction in rail services on the South Coast line, received from **Mrs Shelley Hancock**.

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 Thomas George** and **Mr Andrew Stoner**.

Dunoon Dam

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

Horticultural Industry Water Restrictions Assistance

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

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**.

Wagga Wagga Electorate Fruit Fly Control

Petition requesting funding for fruit fly control/eradication in Wagga Wagga, Lockhart, Holbrook and Tumbarumba, received from **Mr Daryl Maguire**.

DISTINGUISHED VISITORS

Mr SPEAKER: I welcome to the public gallery Imam Feisal Abdul Rauf, the Imam of Masjid al-Farah Mosque in New York City and President of the American Sufi Muslim Association, who is the special guest of the Premier. I also welcome to the public gallery Mr John S. Bennett, the co-founder of the Cordoba Initiative.

BUSINESS OF THE HOUSE

Reordering of General Business

Mr JOHN BROGDEN (Pittwater—Leader of the Opposition) [2.33 p.m.]: I move:

> That the General Business Notice of Motion (General Notice) [Royal Commission into Health Complaints] given by me this day have precedence on Thursday 1 April 2004.

It is urgent that this House debate the need for a royal commission into health complaints in New South Wales. Today Bret Walker, SC, delivered a damning indictment of the Government's management of health complaints in New South Wales. More than 8,000 complaints were received and more than 1,000 complaints were investigated during the administration of the previous Commissioner of the Health Care Complaints Commission in the term of the previous Minister for Health, Craig Knowles, who is a member of the Carr Government. Of the 70 cases examined by Bret Walker, SC, not one investigation was properly carried out. How many people in New South Wales assumed that the Health Care Complaints Commission properly investigated the complaints they made about the poor treatment they received or the unnecessary death of their loved one in a New South Wales hospital when, in fact, a proper investigation was not carried out?

The damning aspect of Bret Walker's interim report is that out of the 70 investigations he reviewed, there were 70 failures. Indeed, I may be a little unkind because in a private briefing given by Bret Walker to me and the Deputy Leader of the Opposition, the shadow Minister for Health, he indicated that one investigation was in part properly carried out—accidentally. The only way for people to obtain justice from the Health Care Complaints Commission has been when the commission accidentally got it right. The commission got it wrong on purpose in 70 out of the 70 investigations reviewed by Bret Walker. God help the families of New South Wales who have received no justice from the Government when it came to health care complaints! The report is damning, but what is of most concern beyond the absence of justice, which underpins the need for a royal commission, is what Amanda Adrian's riding instructions were from the Government.

What did the former Minister for Health, Craig Knowles, tell her to do? Did he tell her to go softly and quietly down the path of complaints procedure, sweep all matters under the carpet and cover up all the mismanagement and the deaths, and keep a lid on the mess? Complicit in that cover-up was the Premier, Bob Carr, because he and the entire previous Cabinet approved the appointment of an incompetent Health Care Complaints Commissioner. They all happily appointed her, fully knowing that she wanted a quiet life and that she would cover up the Government's mess. The only way to guarantee justice for the people of this State is to hold a royal commission into health complaints.

Mr CARL SCULLY (Smithfield—Minister for Roads, and Minister for Housing) [2.36 p.m.]: The Government agrees to the motion to reorder business.

Motion agreed to.

STANDING COMMITTEE ON PUBLIC WORKS

Report

Mr Kevin Greene, as Chairman, tabled report of 53/02 entitled "Inquiry into Energy Consumption in Residential Buildings", dated March 2004.

Ordered to be printed.

QUESTIONS WITHOUT NOTICE

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CAMDEN AND CAMPBELLTOWN HOSPITALS SPECIAL COMMISSION OF INQUIRY INTERIM REPORT

Mr JOHN BROGDEN: My question without notice is directed to the Premier. As Bret Walker's interim report found that not one of the 70 Health Care Complaints Commission investigations he reviewed were properly conducted, and that under the previous commissioner 8,714 complaints were received and 1,034 investigations were concluded, will the Premier now establish a royal commission into health complaints, or will it be on his conscience that he walked out of Parliament today not having provided for the fullest—

Mr Carl Scully: Point of order: Clearly that question is anticipating debate and is also a double-loaded question and beyond the standing orders. He should write his questions properly.

Mr JOHN BROGDEN: Mr Speaker—

Mr SPEAKER: Is the Leader of the Opposition responding to the point of order?

Mr JOHN BROGDEN: No, I want to finish my question.

Mr SPEAKER: Order! In relation to the wording of the question, the first part of it is totally in order. However, the part of the question that asks the Premier about matters being on his conscience is not—

Mr JOHN BROGDEN: Well, this ought to be on your conscience tonight.

Mr SPEAKER: Order! The Leader of the Opposition will continue with his question.

Mr JOHN BROGDEN: To the point of order: I am quoting his words from 10 years ago.

Mr Bob Carr: Learn how the Parliament works.

Mr JOHN BROGDEN: Your words, you hypocrite.

Mr BOB CARR: I have said repeatedly that establishing a one-off royal commission that absorbs $100 million of taxpayers' money in paying lawyers' fees is not the way to remedy a failed health care complaints system.

Mr John Brogden: Point of order: The Premier spoke about the words he has given in the past, yet 10 years ago, he said, "We walked out of this Parliament tonight not having provided for the fullest investigation of the matters that have been placed before this Parliament." He is a hypocrite.

Mr SPEAKER: Order! The conduct the Chamber has witnessed is clearly below the standards of behaviour expected in the House. Such behaviour, which is offensive to the Chamber and offends against the standing orders, will not be tolerated. I have not yet called any members to order, but when members are called

to order they will be deemed to be on three calls immediately. Question time will be conducted in a proper and appropriate way. I also warn members that I will not tolerate points of order being taken to deliberately break the flow of proceedings in the Chamber.

Mr BOB CARR: What is needed to rectify the problems demonstrated at Camden and Campbelltown is not a one-off royal commission that absorbs $100 million of taxpayers' money in paying lawyers' fees but a reformed and strengthened Health Care Complaints Commission, a standing body, a permanent body.

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

Mr John Brogden: An incompetent body!

Mr BOB CARR: A reformed Health Care Complaints Commission.

Mr SPEAKER: Order! I call the Leader of the Opposition to order. The Leader of the Opposition will resume his seat.

Mr BOB CARR: That is why the Government has given the Health Care Complaints Commission an extra $5.7 million over the next 15 months, that is why the Government has appointed a judge as acting commissioner for the next 12 months, that is why we have set up a separate Macarthur task force to look at matters arising from the special commission, and that is why we have recruited 15 additional staff to work as investigators through the backlog of 600 complaints. Not a one-off royal commission that would soak up $100 million of taxpayers' money but a reformed and strengthened Health Care Complaints Commission that exists and operates on a permanent basis.

Mr SPEAKER: Order! I have repeatedly requested the Leader of the Opposition to comply with the standing orders. I have called him to order. I now call him to order for the second time. The tolerance of the Chair in relation to the Leader of the Opposition will extend only so far. I again ask him to comply with the standing orders.

Mr John Brogden: Carl gave you instructions to say that.

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

GUN CRIME

Mr JOSEPH TRIPODI: My question without notice is directed to the Minister for Police. What is the latest information on Task Force Gain and related matters?

Mr JOHN WATKINS: The Government has acted to give NSW Police the powers and resources they need to fight the scourge of gun crime, which includes Task Force Gain and new, tough laws. Before I detail those matters I am sure that all members of this House would be aware that overnight a drive-by shooting occurred at Wetherill Park, in Sydney's south-west. I am advised that the Fairfield Local Area Command is handling investigations into that matter. That was an extremely dangerous criminal incident, in which someone could have been killed or badly injured. Fairfield police are looking for four men in an early model red Ford Laser and believe that at least two high-powered handguns were used. I am advised that detectives are already pursuing a number of lines of inquiry about that overnight shooting and ballistics and other forensic tests are being conducted. The criminals responsible should be aware that we have the tough laws and the tough police to put them away for a long time.

On 28 October 2003 the Premier announced the introduction of specific laws to target the incidence of dangerous drive-by shootings often used by criminals to intimidate their competitors. The Firearms and Crimes Legislation (Public Safety) Bill 2003 provides for gaol terms of up to 14 years. Police can use the laws without the need to prove that anyone was in direct danger from the drive-by shooting. Anyone who possesses or discharges a weapon in public deserves the strictest penalty. On that day the Premier said that police had asked for the new laws and that they would use them. Today I inform the House that since the laws took effect in mid-December, six people have been put before the courts on those new offences, including people who were arrested after shooting at cars and even a caravan.

Another major part of our assault on gun crime was the establishment in October last year of Task Force Gain, a unique mix of criminal investigators and uniformed police tasked to tackle violent crime in the

city's south-west. The task force has made a massive impact on crime in that part of Sydney. When I announced the formation of Task Force Gain I gave a commitment to a sustained high profile and powerful attack on violent crime. Since October last year there have been 387 arrests and almost 1,000 charges over the short but intense history of the task force, and every arrest means more intelligence is captured. Task Force Gain has laid 118 violence-related charges, 69 gun charges, 68 theft and fraud charges, and 76 drug-related charges. Task Force Gain has deployed over 2,649 police shifts, executed 62 search warrants, seized drugs at an estimated street value of $3.3 million, seized $166,200 in cash, seized 17 handguns, 20 knives and more than 2,400 rounds of ammunition, conducted 102 knife searches, stopped 6,800 vehicles, issued 99 vehicle defect notices, conducted 16 drug dog searches and raided 51 licensed premises.

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

Mr JOHN WATKINS: Officers in Task Force Gain successfully carried out that huge amount of work. In particular, I thank and congratulate Detective Chief Superintendent Bob Inkster and his team as they continue to target violent crime, extortion, intimidation, drug offences and car rebirthing in our city's south-west. We will run Task Force Gain with its 80 investigators, 40 uniformed officers, 20-strong target action group and 20 patrol officers as long as it is required. Operation Vikings, and the specialist Vikings mobile unit will provide high-visibility, high-impact policing in Sydney's south-west and in other parts of this State. The community can be reassured that both the police force and the Government will do whatever is required to run these criminal cowards into the ground. With full support from the public, our police will get the job done.

HEALTH CARE COMPLAINTS COMMISSION FORMER COMMISSIONER MS AMANDA ADRIAN

Mr ANDREW STONER: My question without notice is directed to the Minister for Infrastructure and Planning, and Minister for Natural Resources—the former Minister for Health. Why did he appoint Amanda Adrian to the Health Care Complaints Commission and keep her in the job for 3½ years when the chair of the Joint Committee on the Health Care Complaints Commission said in 2002 that there was a need for the commission to "dramatically lift performance" in its complaint resolution processes?

Mr CRAIG KNOWLES: I welcome this question because it enables me to put the facts on the record. I welcome the report of the Walker inquiry that was released today. About two pages into that report the Walker inquiry confirms what I have said I have done all along. Serious allegations that have been made to me have been taken seriously and an inquiry was immediately initiated. I refer now to the question of how the commissioner to the Health Care Complaints Commission is appointed. Based on the question that I was just asked one could be led to believe that I made that appointment. Simply put, that is wrong.

When Merrilyn Walton, the former Commissioner of the Health Care Complaints Commission, retired, a proper process was put in place. An interview panel was appointed, the position was advertised and the panel interviewed prospective appointees. Its recommendations were then sent to Cabinet. Where did the applications then go? The legislation requires the approval of the joint parliamentary committee. As history records, on 20 May 2000, the Joint Committee on the Health Care Complaints Commission advised that it had decided not to exercise the power of veto that was afforded to it and, under section 78 of the Health Care Complaints Act 1993, it approved the appointment of Amanda Adrian. That decision was unanimous.

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

Mr CRAIG KNOWLES: On 20 May 2000 a former member of the lower House, Peter Webb, and Dr Pezzutti, who presided over upper House members of that committee, unanimously agreed to appoint Amanda Adrian.

NATIVE VEGETATION CLEARING

Mr STEVE WHAN: My question without notice is directed to the Minister for Infrastructure and Planning, and Minister for Natural Resources. What is the latest information on native vegetation issues in New South Wales?

Mr CRAIG KNOWLES: Honourable members would be aware that native vegetation matters are of interest to members representing country New South Wales. I understand that some members of the NSW Farmers Association are present in the gallery today, so this will be good news for them. In 2003,

63,558 hectares of native vegetation was approved for clearing under the Native Vegetation Act. For most people that is just another set of numbers, but I believe it is a beautiful set of numbers. If we consider the trends in relation to native vegetation and some of the assertions made by members of the Greens about the opportunity for panic land clearing in the lead-up to native vegetation reforms last year, these figures clearly show that this is good news.

Let me give honourable members some idea of what has been happening in relation to native vegetation clearing over the past few years. The average monthly figure for land clearing in 2001 was about 11,000 hectares each month. In 2002, that figure dropped to 7,073 hectares a month. After the election, and based on the Wentworth group reforms, late last year this Government effected changes to the Native Vegetation Act. Honourable members would recall the assertions that were made by Ms Lee Rhiannon and members of the Greens in this Chamber and in the other place. They said that this would herald panic clearing by farmers and that all through 2003 they would be ripping, gouging and demolishing the bush on the basis that the tough new laws that were to be implemented at the end of 2003 would close them down for good.

Using simple mathematics, 12 into 63,558 gives us 5,296 hectares per month—the lowest recorded clearing rates since records have been kept. In three short years we have gone from 11,000 hectares a month to 5,300 hectares a month—not panic clearing but a definite reduction in clearing. Let us put to bed once and for all this nonsense about panic clearing or the irresponsibility of the great mass of farmers in New South Wales because of the introduction of native vegetation legislation. Equally, let us look at the figures. We have to look not only at the numeric reduction but also at what those numbers comprise.

In 2003, 30 per cent of those approvals, or about 18,500 hectares, involved the clearing of isolated paddock trees in the central west and far west of the State. If a farmer puts in an application to clear one tree in a 100-acre paddock, the 100 acres and not the one tree is recorded. So those numbers do not necessarily tell the whole story. Most of those approvals have demonstrated a clear benefit for the environment. Out in the Central West one of those approvals totalled 7,350 hectares of land in already cultivated country. Sporadic trees were removed so that the farmer could install the latest technology in conservation farming, which incorporated a more efficient use of irrigation water and better groundwater management, thereby reducing land degradation and the impact of dry land salinity.

Some people would see that clearing approval for 7,350 hectares as being environmental vandalism. However, it was done to enable the incorporation of the latest in technology, to do positive things to eliminate salinity and to better use precious water resources. Far from damaging the environment, it was a win for the environment. Equally, there were about 15,900 hectares, or 25 per cent of approvals, for selective logging and forestry. The standard practice of logging and forestry is one of the great job generators and industries in this State. A quarter of those land-clearing approvals were for selective logging and forestry.

In the overwhelming majority of those cases, unlike Tasmania where clear felling still reigns supreme, these practices left in place a lot of timber in the coups. In the context of contemporary harvesting methods, not all the vegetation is removed, so there is no clear felling. An area of 5,000 hectares was cleared as part of the southern mallee land-use agreements in southern New South Wales. For those who are interested in the bush this is an interesting agreement. Farmers in the gallery would understand this aspect. This is a smart and clever way for environmentalists, farmers, local government and state government to work together with indigenous communities to enable farmers to continue to expand their cropping activities whilst at the same time conserving existing vegetation.

The agreement states that every hectare of land cleared must be compensated by setting aside at least an equivalent area of vegetation as a private reserve. Some 5,500 hectares were cleared under that agreement so we would expect a baseline of 5,500 hectares of compensatory vegetation to be returned. Guess how much was returned? It was not 5,500 but 11,000 hectares—double the original figure. That is another good win for the environment. These are good, commonsense propositions; we can achieve a good result if we work together. Another 3,200 hectares were approved for clearing to control invasive shrubs and remove exotics species, such as willow trees near rivers and creeks. Most farmers would assert that the removal of willows and other scrub vegetation around rivers is another major win for the environment as it stops the rivers from clogging.

The new Native Vegetation Act, which gave rise to many claims of panic clearing in 2003, will end broadscale land clearing. I believe all groups involved recognise that the new Act is a vast improvement and will ensure that the new system is practical for farmers and is easily managed by catchment management authorities to deliver real environmental outcomes and underpin sustainable production. The principal tools for overseeing

native vegetation management will be property vegetation plans and statewide satellite mapping. Indeed, Satellite Spot 5 will revolutionise on-ground farm and catchment planning. Within the next 12 months we expect to be able to offer free of charge to every farmer in New South Wales digital satellite images or high-quality aerial photographs of their properties to help them plan their farm activities and conservation work. Satellite Spot 5 technology has already been used to measure drought severity and to map remote areas. It will allow the Government to provide better assistance and advice to farmers. Of course, it will obviously help to improve compliance with the legislation.

Every farmer will admit that a relatively few cowboys out there give the majority of farmers a pretty crook name. They rip and gouge the land and they must be caught and dealt with under the law. We send a clear message to those who clear land with no regard to the law, to their colleagues or to the efforts of agencies such as the New South Wales Farmers Association and other peak environment groups over the past 12 months to adopt a more commonsense approach to the management of native vegetation in this State: We will be able to define clearly non-compliance and breaches of the law.

At the farm gate level the property vegetation plan will be the centrepiece of our focus on protecting landscapes rather than adopting the rather futile approach of the past of trying to protect every tree and every species. That goal is simply not attainable. That is a substantial win for productive regional communities in this State. The environmental movement had made a major concession and decided that, rather than trying to protect every single tree and every last species, protecting the landscape affords a greater opportunity of achieving better outcomes in managing native vegetation landscapes. That is welcome news because it allows us to drive some commonsense into the native vegetation management system. In practical terms, this means that when the system is totally up and running the farmer and the officer from the catchment management authority—somebody not from the old Department of Land and Water Conservation or from the Department of Infrastructure, Planning and Natural Resources [DIPNR] but from the regions—will be able to approve the property vegetation plan together on site in the paddock. Catchment management authority officers will also be able to assist farmers as to their eligibility for native vegetation funding.

This is clearly good news for rural New South Wales. This approach is based on good policy, good technology and commonsense. In addition, we also need good science. Farm communities are often critical that the alleged science that underpins many government decisions is shonky and biased. We must of course seek the advice of the best of the best when trying to build a foundation of good science upon which to base good decisions. In that context I am in the process of establishing a science and information board to drive more reliable and world-class science into the Department of Infrastructure, Planning and Natural Resources. In that regard I am delighted to announce that Dr John Williams, the recently retired head of CSIRO Land and Water Australia, will chair the board. He has also agreed to act on a part-time basis as DIPNR's chief scientist.

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

Mr CRAIG KNOWLES: That is very good news for farm communities. The former boss of CSIRO Land and Water Australia, who is an imminent and world-renowned scientist, will be front and centre in ensuring that the science behind native vegetation management—indeed, all management of natural landscapes in this State—has good, solid foundations. The changes of the past 12 months have occurred through co-operation between all players. Despite some lunatic predictions of panic land clearing and other gainsaying, we have been able to demonstrate that we can achieve excellent results—as demonstrated by the latest land-clearing statistics, which are half their level of two years ago—and move forward to deliver a better land management regime in rural New South Wales.

CAMDEN AND CAMPBELLTOWN HOSPITALS SPECIAL COMMISSION OF INQUIRY INTERIM REPORT

Mr BARRY O'FARRELL: My question is directed to the Minister for Health. Given Bret Walker's scathing report into the handling of complaints about unnecessary deaths at Camden and Campbelltown hospitals, will the Minister now guarantee that all Health Care Complaints Commission staff involved in the bungled and failed investigations will be sacked?

Mr MORRIS IEMMA: Today Mr Walker delivered an interim report, he flagged a second interim report and we await the final report. The Government will welcome the second interim report, as it does today's report. I will await the second interim report and the final report as well as Mr Walker's recommendations for further action in relation to the Health Care Complaints Commission [HCCC]. In the interim this Government

has taken the strongest measures possible to reform and refocus the Health Care Complaints Commission under the leadership of Justice Taylor.

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

Mr MORRIS IEMMA: Additional resources, additional investigators and a stand-alone Macarthur task force are there to deal with the matters that Walker refers to the HCCC. They are some of the reforms that the Government has introduced to restore public confidence in the Health Care Complaints Commission. There are two more reports to come from Mr Walker.

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

Mr MORRIS IEMMA: My recommendation to the Opposition is to allow Mr Walker to continue the excellent work that he has already started.

REGISTER OF ENCUMBERED VEHICLES

Ms ANGELA D'AMORE: My question is addressed to the Minister for Fair Trading. What is the latest information on new technology to help consumers purchasing vehicles, and other consumer-related matters?

Ms REBA MEAGHER: As honourable members would be aware, the Office of Fair Trading operates the Register of Encumbered Vehicles, which is otherwise known as REVS. REVS can advise consumers on the financial history of a vehicle, for example, whether it has money owing on it or has been reported stolen. This can save a vulnerable consumer from having debt collectors remove the vehicle because the previous owner did not keep up with repayments.

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

Ms REBA MEAGHER: The role played by REVS in protecting consumers when purchasing vehicles cannot be underestimated. Research shows that one in five vehicles offered for private sale still has money owing on it, which could come back to haunt the new owner. A consumer can purchase a $10 REVS certificate that provides confirmation of clear title and offers legal protection against the vehicle being repossessed. REVS currently holds 2.9 million encumbrances on vehicles, worth more than $32 billion, and has provided more than one million certificates guaranteeing the clear debt histories of second-hand vehicles. In the past year alone REVS warnings helped potential car buyers in New South Wales avoid losses estimated at more than $16 million. REVS can currently be accessed via telephone—the service is available at limited times outside business hours—or the Internet.

But not everyone has access to the Internet, and many may still want to make a quick check before they commit to spending thousands of dollars on a new car. It makes sense, given that many people look to purchase a car on the weekend. I inform honourable members that a new speech recognition system is being developed which will allow consumers to ring the REVS service 24 hours a day, seven days a week. With the new system, consumers will be able to find out whether REVS has any information about a vehicle, such as a financial interest, or other information such as a stolen vehicle alert.

The program will alert consumers that there is an issue with the vehicle and will advise them to ring the call centre during business hours to obtain more details. The new alert system could make the difference between saving thousands of dollars or purchasing a car that may eventually be repossessed. The system is currently being trialled by motor dealers, and I am pleased to report that it has been very successful. It is being refined and improved with the aim of being fully operational shortly.

Mr SPEAKER: Order! The honourable member for Vaucluse will come to order.

Ms REBA MEAGHER: On another matter, I will briefly alert honourable members to a new chain letter circulating in Sydney, the Central Coast and the Hunter Valley. Most chain letters, although a nuisance, generally do no harm. But this particular chain letter asks consumers to widely distribute a letter soliciting money on the promise of making tens of thousands of dollars in less than 60 days—nearly the equivalent of a consultancy fee. This chain letter, under the name of David Rhodes, is nothing more than a current version of a well-known pyramid scheme. And like all pyramid schemes where no goods or services are being sold, for some people to make money, many more will need to lose money.

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

Ms REBA MEAGHER: This letter not only misleads consumers about the great windfall that awaits them if they participate but it also advises them that the scheme is a legitimate business opportunity and perfectly legal. This could not be further from the truth. Pyramid schemes are illegal in New South Wales, and those found to have organised a pyramid scheme face stiff fines of up to $22,000 for an individual and $110,000 for a corporation. I urge all consumers across New South Wales who may have received this letter to throw it in the bin.

HEALTH CARE COMPLAINTS COMMISSION FORMER COMMISSIONER MS AMANDA ADRIAN

Mr RUSSELL TURNER: My question is directed to the Minister for Infrastructure and Planning. Given the findings of the Walker interim report, when he was Minister for Health did the Minister have any concerns about the performance of Amanda Adrian as Health Care Complaints Commissioner?

Mr CRAIG KNOWLES: I have just answered that question. Those who want my answer should read page 2 of the report.

Mr Andrew Stoner: Point of order: My point of order is in relation to relevance. The Minister has indicated that he answered the question already, and that is not true.

Mr SPEAKER: Order! The Leader of The Nationals will resume his seat. I call him to order for his disgraceful behaviour. The Minister had completed his reply and there was nothing before the Chair at the time.

WEDGE-TAILED EAGLE PROTECTION

Ms ALISON MEGARRITY: My question is addressed to the Minister for the Environment. What is the latest information on efforts to protect the wedge-tailed eagle?

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

Mr BOB DEBUS: I thank the honourable member for Menai for her question, and for her continuing interest in questions of environment and conservation. Protection of Australia's largest bird of prey, the wedge-tailed eagle, will from now on be increased. I advise that from today the issuing of licences to cull these birds will be banned. I am advised that the majestic wedge-tailed eagle, a bird with a wing span of up to 2.5 metres, has been declining in numbers for some time. Indeed, the outlook for many birds of prey is not very promising at the moment.

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

Mr BOB DEBUS: During the past century, in Western Australia and Queensland more than 300,000 wedge-tailed eagles were poisoned or shot in response to offers of a bounty. Recently eagles have been declared endangered in Tasmania as a consequence of forest clearing that has impacted on their survival. Research by scientists of the National Parks and Wildlife Service also shows that numbers have dropped by more than 15 per cent, and in some local areas populations have been decimated by illegal hunting. We have to act now to ensure that a similar standing for this bird does not occur in New South Wales.

In response to the interjections of the honourable member for Lachlan, it is worth pointing out that the main source of food for wedge-tailed eagles is that eternal enemy of the farmer, the rabbit. In fact, research shows that up to 70 per cent, and in some cases 92 per cent, of their diet consists of rabbit. Research also shows that wedge-tailed eagles enjoy foxes, possums, wallabies and small kangaroos in their diet. They are also one of the few animals that prey on feral cats. Like many birds of prey, wedge-tailed eagles also scavenge on carrion, including road kill, dead cattle, sheep and goats.

Regrettably, some land-holders, when seeing an eagle perched on dead stock, will blame it incorrectly for the animal's death. In the past, the perception that eagles have destroyed stock has caused large numbers of eagles to be shot. However, research also shows that wedge-tailed eagles pose a negligible to non-existent threat to livestock. In rare cases, it is true, where lambs or goats contribute to their diet, they prey mostly on weak or dying animals. To date, land-holders who believe that they have encountered a problem with wedge-tailed

eagles have been able to apply to the National Park and Wildlife Service for a licence to kill them. But given this new research that shows that the impact of eagles on livestock is negligible, and that the number of eagles is falling, I have decided to stop further culling.

During the past 10 years the number of licences issued has been declining anyway, and that in turn gives weight to the conclusions drawn by the research. Nevertheless, I am mindful that there will possibly be an occasion when some particular form of management may be required. In the event of farmers believing they are experiencing a problem with an eagle, they will be able to approach the National Parks and Wildlife Service for on-site advice and for the monitoring of the impact of the bird. In other words, assistance will be provided with post-mortem advice on deceased stock, and farmers will be advised of feral animal management strategies that might be investigated.

Regrettably, there will always be people who take the law into their own hands. It is not easy to forget the dreadful images shown in the *Sunday Telegraph* late last year of wedge-tailed eagles cruelly trapped by a farmer in the Central West of the State. That man was fined for harming wildlife. Although, undoubtedly, it was an extreme case, I think it would be conceded by every member that that kind of action is to be utterly deplored. The responsibility of the Government is to set the highest possible standard for protecting these birds, which are such a powerful symbol of the New South Wales landscape. By doing so we are also sending a message to those who want to indiscriminately kill our largest bird of prey that the full weight of the law will be upon them. I advise the House that the penalty for harming a wedge-tailed eagle is up to $11,000 per bird.

HEALTH CARE COMPLAINTS COMMISSION FUNDING

Mrs JILLIAN SKINNER: My question without notice is directed to the Minister for Infrastructure and Planning. Does the Minister agree with Amanda Adrian that the Health Care Complaints Commission was refused adequate funds, despite repeated requests, which resulted in delays, failed investigations and cover-ups by the Government?

Mr CRAIG KNOWLES: It's just like old times, isn't it? I know time in Opposition dulls the memory, but I have a distinct recollection of the Minister for Health addressing the specific issues of resourcing, both present and historic, of the Health Care Complaints Commission about two weeks ago. I refer the honourable member to that answer.

Mrs JILLIAN SKINNER: I ask a supplementary question. In light of the Minister's answer, and given that he was the Minister for Health at the time, and given the former commissioner's evidence, does the Minister agree with Ms Adrian's evidence, given just last Friday, that she repeatedly asked for money and was treated as a minnow and plankton in the scheme of things when it came to requests for funding? Answer the question! You were the Minister.

Mr CRAIG KNOWLES: It is like old times! I do not think the Walker inquiry—from my very brief reading of the Walker inquiry report since it was released a couple of hours ago—actually supports that assertion. I do not think Walker says—

Mrs Jillian Skinner: Point of order: My question was in relation to Ms Adrian's—

Mr SPEAKER: Before the honourable member comes to her point of order, I should say that I have difficulty understanding the question.

Mrs Jillian Skinner: Because they are so noisy.

Mr SPEAKER: Order! The question continued at some length and contained a purported quote. Frankly, the time taken to ask the question was longer than the Minister was given before he was interrupted. I do not know how the honourable member for North Shore can ground a point of order at this stage. What is the point of order?

Mrs Jillian Skinner: Would you like me to repeat the supplementary question, Mr Speaker, since they are so noisy they cannot hear it?

Mr SPEAKER: I have serious reservations about whether the honourable member for North Shore would be able to repeat that long-winded question. What is the point of order?

Mrs Jillian Skinner: The quote was from the transcript of evidence given by Ms Adrian to a parliamentary committee last Friday, when she talked about being regarded as a minnow. Does the Minister agree?

Mr SPEAKER: Order! There is no point of order. This is question time, not second reading time.

Mr CRAIG KNOWLES: I note from some documentation that the Minister for Health has just handed me that in 2001-02 the commission received a pro-rata budget supplementation of $800,000, and in June 2002 the commission was further granted a recurrent increase in its annual budget of $1.4 million—so, a budget supplementation and a budget increase. But I think honourable members will find from a close reading that the Walker report does not refer to resource deficiencies; it refers to a failure to comply with the statutory responsibilities of the commission.

SCIENTIFIC AND MEDICAL RESEARCH FUNDING

Ms KRISTINA KENEALLY: My question without notice is directed to the Minister for Science and Medical Research. What is the Government's response to the latest information on scientific and medical research funding?

Mr FRANK SARTOR: I thank the honourable member for Heffron for her question and commend her avid interest in scientific and medical research. The New South Wales Government has made an unambiguous commitment to improving this State's performance in the field of science, biotechnology and medical research. The fruits of medical research are a better quality of life for all of us. Investment in medical research is a long-term commitment and, as I have said before, breakthroughs often take years, sometimes many years, not months. But the benefits are extraordinary. Access Economics has determined that reducing cancer deaths by 20 per cent would be worth $184 billion, and reducing cardiovascular events by 15 per cent would be worth $34 billion. This means we must ensure that taxpayers are getting value for money for their research investment.

We begin our task from a strong base. In 2004 New South Wales research institutes, hospitals and universities won $52 million in research grants from the National Health and Medical Research Council, an increase of $17 million from the previous year. In 2003 the Australian Research Council backed 35 science-related projects in New South Wales, more than in any other State, while in advance fields, such as nanotechnology, we lead Australia. The University of New South Wales is one of just three Australian institutions to be listed in the global top 100 nanotechnology institutions.

But there are areas in which we can do better. In August last year I commissioned three eminent thinkers to conduct a detailed analysis of New South Wales medical research effort: Mr Greg Woods, Professor Judith Whitworth and Dr George Morstyn. Their goals were to identify medical research priorities for New South Wales, to advise on how to capitalise on New South Wales research strengths and improved areas of weakness, and to identify ways to optimise research investment and set future directions for medical research in this State.

Today I released the report entitled "NSW Research: A prescription for health". The report has found that New South Wales research strengths include cancer, cardiovascular and psychiatric research; strong pharmaceutical and biomedical industries; strong performing university-based research; and the fact that New South Wales receives 10 times the international funding for private sector medical research than Victoria and Queensland. However, other parts of the report are more sobering. Using 2001-02 comparative statistics between States, the report found that Victoria secured about 40 per cent of National Health and Medical Research Council peer reviewed funding, compared with 24 per cent secured by New South Wales; and that only 19 per cent of National Health and Medical Research Council research fellowships are in New South Wales, compared with 53 per cent in Victoria. The report also found that New South Wales will face increased competition for research funding in coming years.

But the report also provides a clear indication of the direction forward. Its recommendations include promotion of an efficient research structure that encourages collaboration and communication, and consideration of a medical research Act to facilitate medical research and provide for the independent administration of government funding for research. A major theme that emerges from this report is that we can improve the efficiency and effectiveness of our research effort by closer co-operation and collaboration between researchers and research institutions, because by working together our researchers can achieve much more than they can by individual pursuits. I have referred the report to the Ministerial Advisory Council on Medical and Health

Research. I also note that on 24 March the Federal Minister, Brendan Nelson, released three reports that draw very similar conclusions. It is now time to work with our communities, to drive reform, to ensure we get value for money from our medical research.

Questions without notice concluded.

CONSIDERATION OF URGENT MOTIONS

United Nations International Year of Rice

Mr PETER BLACK (Murray-Darling) [3.27 p.m.]: This matter is urgent because this year is indeed the Year of Rice, accorded that stature by the United Nations. This year is important because New South Wales is the leading State in the production of rice in Australia, and that is principally in the seats of Murray-Darling and Murrumbidgee. This matter is urgent because this year we celebrate the fact that SunRice, a great New South Wales vertically integrated company, is the fourth-largest rice company in the world.

This matter is urgent because it follows on last week's launch in Canberra of the Year of Rice. It is important that New South Wales endorses the Federal launch and recognises the importance of the plan to develop rice. However, the matter is urgent for another reason, and I say this with great reluctance because it should be bipartisan. On the day of the Federal launch the shadow Minister for Agriculture in the other place issued a quite felonious press release which said that we on this side are attacking the principle of single desk. We have never ever attacked the principle of single desk, and I will seek to debate that later. The third reason the matter is urgent is that today, in this place, we had a presentation in the theatrette about grain on rail. Today is Grain on Rail Action Day.

Unfortunately, we have a problem down south in the rice industry. All honourable members would have heard of John Elliot, a person who wanted to set up his own desk some time ago, a man who failed to pay his bills through Water Wheel, at Moulamein, in the electorate of Murray-Darling. The matter is urgent because the railway line between Moulamein and Echuca is not being maintained by the Victorian Government. The motion is most desperately urgent. With a crop to come in, we need to be fair dinkum about keeping trucks off roads during the harvest period. The matter is urgent because, notwithstanding that this year's crop is expected to be as low as 400,000 tonnes—up from 350,000 tonnes last June but certainly down from the 1.7 2 million tonnes harvested in the summer of 2000-01—we do not want to see this rice crop going on roads from Moulamein across to the mills at Deniliquin.

Those roads are maintained by the Conargo, Windouran, Wakool and Murray shires. It is a gross impact on those shires that the roads should be used instead of the existing railway line from Moulamein down to Echuca. The matter is urgent because, at the end of the day, the rice industry is a great industry for Australia. We should salute the Federal launch. We should salute that model of Federal Parliament House made of rice that will be displayed at this year's Royal Easter Show at Homebush. We should salute this matter as urgent because of the importance of the rice industry to the Murray-Darling and Murrumbidgee electorates. We should salute this matter—following Canberra—as a very important industry worth $800 million to the State of New South Wales. [*Time expired.*]

Grain Rail Line Closures

Mr ANDREW STONER (Oxley—Leader of The Nationals) [3.33 p.m.]: I am pleased that the honourable member for Murray-Darling, in arguing the urgency of his motion, referred to the importance of rail and of keeping grain freight off roads by sending it by rail. He bagged the Victorian Government, but his own State Government proposes to close down up to 10 branch lines in New South Wales. I am really pleased that the honourable member for Murray-Darling has raised this matter. Obviously he supports the urgency of the Opposition's motion, which is all about keeping those branch rail lines open in New South Wales. This matter is extremely important to country communities throughout New South Wales—communities that will be impacted upon by the proposed closure of restricted rail lines. Closure will impact on farmers, communities, road users and local government ratepayers.

If the Labor Government closes restricted rail lines, freight will be put off rail and will be transferred to roads. Something we cannot afford in this State is up to 79,000 additional truck movements. These are not small trucks but massive B-doubles that will add considerably to the safety risk on country roads in this State. According to a formula used by the Australian Transport Safety Bureau and the Australian Bureau of Statistics,

the estimated result of an additional 120 tonnes of grain transported on the branch line from Boree Creek to The Rock being put onto road would be two additional fatalities and five additional injuries in just one year. Nothing could be more urgent than saving lives through efficient movement of commodities, such as grain, in the State of New South Wales.

The matter is urgent because the methodology used by the Grain Infrastructure Advisory Committee [GIAC], upon which Minister Costa is about to make a decision, is totally flawed. Councils estimate that the costs of operating roads would be up to three times greater than the amount quoted in the Grain Infrastructure Advisory Committee report. The matter is extremely urgent because the GIAC costs just one road in each area as the future grain route, when many roads around farms and silos will be used by additional trucks. The report totally underestimates the cost of the road upgrade. I know that the former Minister for Agriculture understands this issue. This is a classic case of cost-shifting onto local government by the Carr Labor Government.

The Government talks about a one-off allocation of about $105 million for road upgrades, but then it will walk away from it, and the ongoing maintenance of the roads that will get a bashing under heavy transport vehicles will be left to the ratepayers of New South Wales. The urgency is that the submissions in response to the GIAC report close today. Although we support the rice industry—The Nationals and the Coalition have always supported it in this State—nothing could be more urgent than a report, to which submissions close today, that recommends dramatic changes to the freight of grain in the State of New South Wales. The matter is urgent because the Labor Government's fix-when-fail strategy for rail maintenance has resulted in the deterioration of the grain rail network in this State.

This short-sighted patch-up strategy has resulted in speed limitations of only 15 to 20 kilometres per hour for freight trains on some restricted branch lines, and speed limits down to only 8 kilometres per hour across some bridges. The use of some lines is possible only at night. It is urgent because Labor' s neglect has brought into question the viability of these lines. The matter is urgent because restricted lines alone account for 3.36 million tonnes of grain on the rail network, which is equivalent to 40 per cent of total grain production in New South Wales or 67 per cent of grain destined for export. These lines are incredibly important to the economy of New South Wales, farmers, rural communities and ratepayers, not to mention road users.

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

The House divided.

Ayes, 50

Ms Allan	Mr Greene	Mrs Paluzzano
Mr Amery	Ms Hay	Mr Pearce
Ms Andrews	Mr Hickey	Mrs Perry
Mr Bartlett	Mr Hunter	Mr Price
Ms Beamer	Mr Iemma	Dr Refshauge
Mr Black	Ms Judge	Mr Sartor
Mr Brown	Ms Keneally	Mr Scully
Ms Burney	Mr Lynch	Mr Shearan
Mr Campbell	Mr McBride	Mr Stewart
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
Ms Gadiel	Mr Newell	*Tellers,*
Mr Gaudry	Ms Nori	Mr Ashton
Mr Gibson	Mr Orkopoulos	Mr Martin

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 Cansdell	Mr Merton	Mr Stoner
Mr Constance	Ms Moore	Mr Tink
Mr Debnam	Mr Oakeshott	Mr Torbay
Mr Draper	Mr O'Farrell	Mr J. H. Turner
Mr Fraser	Mr Page	Mr R. W. Turner
Mrs Hancock	Mr Piccoli	
Mr Hartcher	Mr Pringle	*Tellers,*
Mr Hazzard	Mr Richardson	Mr George
Ms Hodgkinson	Mr Roberts	Mr Maguire

Pair

Ms Saliba	Mr Brogden

Question resolved in the affirmative.

UNITED NATIONS INTERNATIONAL YEAR OF RICE

Urgent Motion

Mr PETER BLACK (Murray-Darling) [3.45 p.m.]: I move:

That this House supports the International Year of Rice and all those involved with the rice industry in New South Wales.

At the outset I acknowledge that my electorate secretary in my Hay office, Michelle Kelly, who is a farmer, has harvested rice recently, as well as oats and barley. Despite what was said by the Leader of The Nationals during the determination debate on the matters for urgent consideration, I am more than interested in branch rail lines. Mr Deputy-Speaker, I must report to you that last Sunday, after the great occasion at Broken Hill St Patrick's Race Club, I met an illustrious librarian-teacher from Maitland. It is great that people from Maitland visit Broken Hill to attend the St Patrick's races.

But I digress. It is no accident that Tottenham in my electorate was the first branch line to receive funding for upgrading. What has been said by the Opposition can be completely disregarded because this Government allocated a total of $5.3 million for upgrading the Tottenham line, including $4.5 million for 30,000 steel sleepers to replace the wooden ones. The upgraded line will be used to transport grain from my electorate to this State's great export ports. The attitude of, and the statements made by, the Leader of The Nationals can be comprehensively dismissed in the light of those facts. Quite clearly he is not keeping up to date with information on branch rail lines, in spite of the forum that was held in the Parliamentary Theatrette today. During this debate, I will discuss the transportation of grain by rail and the fact that this Government will keep it that way for the benefit particularly of the western shires of my electorate of Broken Hill.

The transport of grain by rail is very relevant to a celebration of the International Year of Rice in 2004. After all, the transportation of rice to export ports is a matter of critical importance. Transportation of rice from places such as Moulamein in my electorate to Deniliquin is vital to the success of the rice industry, and the transportation of grain by rail instead of road will assist in keeping road maintenance costs down for local government authorities.

During my speech I will dispel some popular misconceptions about rice. Some people in my electorate are critical of the irrigation industry, and unfortunately they include the recently re-elected Mayor of Broken Hill, who does not know that the production of one tonne of rice requires less water than the production of one tonne of milk, one tonne of eggs, one tonne of wheat, one tonne of beef, one tonne of chicken, one tonne of almonds, or one tonne of oranges. The production of each of those commodities requires more water than does rice.

Last week the launch of the United Nations International Year of Rice 2004 was marked by an occasion at Parliament House in Canberra, and I would like to draw to the attention of the House two speeches made on that occasion. One was made by Mr Laurie Arthur, who is the President of the Ricegrowers Association of Australia and a constituent of mine. He is a great leader of the rice growing industry and a very good friend of mine. He provides me with all sorts of information about the rice industry. Gerry Lawson, the Chairman of SunRice, also gave a speech at the national launch of the International Year of Rice in Canberra last Wednesday. In a letter to me dated 22 December 2003 Laurie Arthur wrote:

> The United Nations proclaimed 2004 International Year of Rice (IYR) at the fifty-seventh session of the United States General Assembly noting that rice is the staple food of more than half the world's population.
>
> The dedication of an international year to rice, a single crop, is unique in the history of the United Nations and reflects the growing importance of this staple food globally.
>
> Rice is grown on all continents of the world, except Antarctica and as a global food it has a large influence on human nutrition and food security all over the world.
>
> The Food and Agriculture Organisation of the United Nations based in Rome is responsible for facilitating the year and has developed the following mission statement:
>
> > **The International Year of Rice promotes the awareness of, and guidance for, sustainable development of this staple food for more than half the world's population. Through increased awareness of the rice system, food and agricultural policy as well as technical, economic, social and development goals will be better focused by all stakeholders involved in the sustainability of food systems.**
>
> As a close friend of the Australian Rice Industry we were hoping that you would assist us to leverage this fantastic opportunity and help to promote rice and in particular the Australian Rice Industry. We would view your role as an "ambassador" for the 2004 Year of Rice and would provide you with the support required.

I accept that accolade, but it is very sad that during this celebratory International Year of Rice, in the other place the shadow Minister for Agriculture and Fisheries put the only sour note into the equation. He issued a press release that was indeed a sour note, and not even The Nationals would challenge a press release from the Hon. Duncan Gay. It stated:

> Mr Gay said all NSW rice must be sold through the rice Marketing Board and that 8 years ago the National Competition Council assessed the Board, giving the NSW Labor Government a choice: do an independent, current review of the net public interest of these arrangements, deregulate the industry, or face competition penalties …
>
> Federal Treasurer, Peter Costello, reminded Bob Carr of this choice in a letter dated December 3, 2003: "NSW will need to progress on reform for the NSW domestic vesting arrangements or provide a public interest justification for maintaining these restrictions.

That is the attitude of the Commonwealth Government, not of the New South Wales Government. On this side of the House we are passionate, as is the industry, about a single-desk arrangement; we must maintain the commonsense export arrangements. If we do not maintain the single-desk arrangement, the same thing will happen to rice as happened with Australian coal: the Japanese will pit one company against another, force prices down, and force our excellent, world-competitive, most efficient rice industry out of business, simply by forcing one grower to fight against another.

Our rice industry is very efficient and is not subsidised, but I will detail subsidies that are paid in other countries. Across all OECD countries, wool is subsidised by 6 per cent, eggs 13 per cent, poultry 14 per cent, pig meat 22 per cent, maize 32 per cent, beef and veal 32 per cent, other commodities 38 per cent, sheep meat 42 per cent, wheat 48 per cent, other grains 56 per cent, sugar 56 per cent, milk 57 per cent, and rice—wait for it—81 per cent. What are people doing about the so-called free trade bill with the United States of America? It is not worth the paper it is written on unless it includes Third World countries. It should include the countries to which we export rice.

Mr Adrian Piccoli: Except the United States.

Mr PETER BLACK: The United States of America subsidises rice, to the tune of $280 per tonne. That subsidy is not paid to Australian growers; our growers get nothing like that. The subsidy in the European Union is $486 a tonne, in Thailand it is $237, in India it is $206, and in Japan it is $2,243. In Australia it is nil! In Australia medium grain rice constitutes 73 per cent of Australia's production of Japonica rice. Medium grain rice produced in the southern areas of New South Wales accounts for 11 per cent of the world's grain trade. Australia has a 23 per cent share of the world's medium grain market, and we would not have achieved against a background of international subsidies unless we were competitive.

I am heartily wearied of the continuing criticism of irrigation by the Greens and people in the west who do not know how efficient and important our irrigation industries are. The issue of irrigation has been swallowed up in the mishmash of arguments concerning the state of the Murray-Darling basin. We have to maintain our rice industry as a leading component of our irrigation industry. If we do not, we will waste resources and might as well close down south-western New South Wales.

Mr ADRIAN PICCOLI (Murrumbidgee) [3.55 p.m.]: I am very pleased to support the rice industry, primarily because the vast majority of rice growing in New South Wales, probably 90 per cent, is in my electorate. There are about 2,500 rice farmers living, working, investing and supporting families in my electorate, including members of my family. This morning I spoke to my father while he was on a header, halfway through harvesting our rice crop. I am a proud supporter of rice growing for both of those reasons. I am sure that every member of this Parliament supports the rice industry, because of its investment in new technology, in developing new varieties of rice, and in improving environmental performance. The rice industry has devised a program called Environmental Champions, which has made farmers and the industry more aware of better environmental outcomes for the growing of rice.

One focus of the rice industry is farm profitability—it has often been said that it is hard to be green if you are in the red—and that means that it is most important for rice farmers to be viable. Gerry Lawson, the Chairman of the Ricegrowers' Co-operative Ltd, now called SunRice, and Matt Linnegar, the chief executive officer of the Ricegrowers' Association of Australia Inc. have provided fantastic leadership. The rice industry has also focused on improving rice productivity and has invested in new varieties. The rice breeding station at the Yanco Agricultural Institute, in the Murrumbidgee area, has been at the forefront of developing new varieties for increased yields and ease of growing. Previously, certain varieties of ripe rice would fall over, making harvesting much more difficult and affecting quality. Rice breeds and varieties have been improved to make them more attractive to the export market, particularly to Japan. Some improvements in Japanese varieties have been absolutely first class.

I have a story to tell about a Japanese trade fair. The Japanese, who were blind testing rice, tried an Australian variety and refused to believe that it was an Australian variety; it was so good that they assumed it must be a Japanese variety. The rice industry has done fantastic things. It has been able to invest with confidence in new and better varieties and in new technologies that will improve the environmental outcomes of rice growing because of the co-operative nature and structure of the rice industry. The owners of the rice industry are the rice farmers. The people who have the most to gain and the most to lose are those who own the organisation. They have been able to invest with confidence in some of the areas where returns for their investment are not so obvious.

Returns do not come immediately to those who invest in plant breeding; they come over a period of years. Because of their co-operative structure, rice growers have been able to invest with confidence and it has proved successful. Jerry Lawson, the chairman of SunRice, Terry Hogan, the former chairman, and the SunRice board have made some hard decisions over the past few years. A number of employees were dismissed, there was restructuring, and a couple of mills were closed. They had to do that in order to keep the industry viable. One of the dangers inherent in a regulated industry such as the rice industry in New South Wales and in other States is that protection can lead to management laziness and result in some real disasters. We saw some of those disasters in recent years.

SunRice, to its credit, did not fall for that. It made the hard decisions when they had to be made and it made them for the future of the industry. The rice industry, which is well placed at the moment, has been through a few tough years. This year it had low allocations. Last year's crop generated only about 400,000 tonnes compared with its anticipated harvest of 1.2 million tonnes. The rice industry requires that quantity of rice to service its existing markets and to retain them. The 400,000 tonnes crop made it tough for the rice industry. This year about 600,000 or 700,000 tonnes of rice have already been harvested, but as we are in the middle of the harvesting season we will not have final figures for a while.

As I said, the rice industry has had a few tough years. However, because of its good management and its co-operative structure, rice growers have been able to see out those tough years. I hope there will be some improvement in the next few years. The rice industry, obviously, is reliant upon water. It is continuing to try to breed varieties and to put in place land management practices that use less water, for environmental purposes and in an attempt to reduce costs. Significant costs are incurred in growing rice. The honourable member for Murray-Darling, other Government members, and Federal Labor members are responsible for some of the problems that are facing the rice industry.

Rice farmers have suffered as a result of New South Wales Labor's bungled water reform process. The Carr Labor Government introduced a water cap in 1995 but I am sure that if it were given another chance it would do things differently. General security licence holders, who are primarily rice and dairy farmers, suffered the most as a result of that cap. As I said earlier, the New South Wales Government was responsible for implementing that cap, which put a great deal of pressure on the rice industry and on rice farmers. This Government is to blame for that. It did not do its research. When it came into office it said, "Let us hit the rice industry hard." It implemented a cap that impacted significantly on rice farmers, and in subsequent years it tried to hit the industry even harder.

The Federal Labor Party issued a policy that states that an additional 1,500 gigalitres will be released down the Murray River. That will impact on the Murrumbidgee River and it will also impact on general security licence holders, primarily rice farmers and dairy farmers. When the honourable member for Murray-Darling replies to the debate I hope he will say he does not support the commitment by Mark Latham and the Federal Labor Party to release an additional 1,500 gigalitres. He knows that rice is grown in Moulamein and in the southern parts of his electorate. People grow rice in my electorate. The mayor of Wakool, who is well known to the honourable member for Murray-Darling, said that the decision to release 1,500 gigalitres of water down the Murray River would impact significantly on dairy farmers. However, it will impact even more significantly on rice growers in this State. When the honourable member for Murray-Darling replies to the debate I hope he voices his opposition to that proposal.

Will he be mute on that subject just as he was mute in relation to branch line closures, the sale of FreightCorp and everything that is important to country New South Wales and, in particular, to his electorate? He has a habit of criticising the Federal Government and the New South Wales Opposition although he is a member of the Government that has its hands on the wheel. He can do something about it. He can state today that he disagrees with Federal Labor's plans to release 1,500 gigalitres down the Murray River. [*Time expired*.]

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [4.05 p.m.]: I am pleased to lend support to this motion and to the New South Wales rice industry. I congratulate the Country Labor member for Murray-Darling, Peter Black, on moving this motion. I express disappointment that, on such a positive motion for such an important industry, we cannot get a consistent and positive approach from Opposition members. As the Minister for Regional Development I will highlight the domestic and international market value of this sector. While the rice industry is geographically focused on the Riverina, its economic impact is far more widespread. No less than 85 per cent of all the rice that is eaten in Australia is produced locally, generating about 8,000 direct jobs and about 38,000 flow-on jobs.

About 2,500 farms in New South Wales produce rice, with a total yield of about 1.2 million tonnes a year. Naturally, that figure was down last year because of the drought. Eighty-five per cent of the New South Wales rice crop is exported, generating more than $500 million each year through value-added exports. Key international markets include Indonesia, Bangladesh, Africa, New Guinea and the Middle East. Needless to say, maintaining those markets is critical not only for many rural and regional communities but also for the entire New South Wales economy. Our success so far is a testament to our rice growers, who have maintained a competitive advantage through innovation and commitment.

At the forefront of this reputation is the SunRice brand, which represents a co-operative wholly owned by Australia's 1,834 rice growers and is anchored in regional New South Wales. The company employs about 1,000 staff. It is estimated that the rice industry generates directly and indirectly 20 per cent of all jobs in the Riverina. Annual sales total some $800 million, with 80 per cent of that coming from exports to more than 60 different countries, particularly in the Asia-Pacific region. The company is Australia's largest exporter of processed, branded food products. For more than half a century SunRice has worked hard to make rice production more efficient, to cut water use, and to break into emerging markets.

Today SunRice is the fifth largest rice company in the world with export markets to more than 70 countries. In 2002 alone, more than 40 million people ate Australian rice every day. This is the result of a targeted marketing strategy leading to a 20 per cent share of the global medium grain market, although SunRice produces only 4 per cent of the world's total rice. In November last year Australia sat up and took note of the SunRice story when the group was named national regional exporter of the year at the 2003 Australian export awards in Sydney. Australia ranks seventh among rice-exporting nations but SunRice is the world's fifth-largest rice company. I congratulate SunRice on its export award and acknowledge each of the 2,000-odd rice growers who are the lifeblood of the group. They have actively supported research and development in their industry over the years and are willing to adopt the new technology that emerges from that research.

Naturally, given the nature of the industry, much of that research has focused on improving the use of water. Rice farmers have risen to the challenge on a farm-by-farm basis, taking small steps such as planting more trees and fencing off native vegetation. On a broader basis, they also played a major role in the $18 million investment in rice research and development last year alone. The results speak for themselves. For example, the rice yield per tonne in the Riverina region has virtually doubled in 15 years, from 0.5 tonnes produced per megalitre in 1985 to 0.9 tonnes per megalitre in 2000. Value-added products from SunRice can now return more than $7,000 per megalitre of water.

Rice is ahead of other food crops in terms of the return to producers on the retail price, and currently averages 44 per cent. We also stack up favourably on an international scale. In fact, our growers can use as little as one-fifth of the water used by some other countries in their rice production. Incidentally, chemical use on Australian rice is also the lowest in the developed world following the adoption of a unique rotation system. One of the key bodies pioneering rice research in Australia is the Co-operative Research Centre for Sustainable Rice Production, which was established in 1997. NSW Agriculture is closely involved with this body, together with Charles Sturt University, the CSIRO, SunRice, the Department of Infrastructure, Planning and Natural Resources, the Rural Industries Research and Development Corporation, and Sydney University. A recent press release from the centre stated:

> In the end, the drive to increase water use efficiency on irrigation farms is not simply a reaction to the needs of the environment or pressure from environmentalists. It is a scientific and measured response to enable this great farming nation to continue growing the crops that feed the world, using the most efficient and sustainable methods on the planet.

That is a positive message from the industry, and I thank the honourable member for Wagga Wagga for allowing me to finish that quote. [*Time expired*.]

Mr DARYL MAGUIRE (Wagga Wagga) [4.10 p.m.]: That was a positive contribution that needed to be made. I have great pleasure in supporting both the honourable member for Murrumbidgee in this debate and the motion, which calls on the House to support the International Year of Rice and all those involved with the rice industry in New South Wales. The rice industry in this State supports some 27,500 people directly in the farming community, and that has a multiplier effect in the wider community. New South Wales produces almost all of the Australian rice crop. Most rice production is undertaken in three areas: the Murrumbidgee Irrigation Area, the Coleambally Irrigation Area and the Murray Valley Irrigation Area. These three areas are part of the Murrumbidgee and Murray statistical divisions. In 2001 increased plantings resulted in a 50 per cent rise in production to some 1.6 million tonnes. I am familiar with the areas that I have mentioned because I lived in Griffith for 13 years. I married a Griffith girl whose family is still involved in the rice industry, which generates much vital income for that community. In fact, much of Griffith's wealth and infrastructure was built on this important industry.

In 2001-02 approximately 589 million tonnes of paddy rice were produced worldwide. Australia produced 1.25 million tonnes of paddy rice in 2001-02. Australian rice production volumes have steadily increased since the 1950s. Information from the Australian Bureau of Statistics reveals that some 200,000 tonnes of rice were grown in 1951. Approximately 405 million tonnes of rice were consumed in 2001-02. Up to 40 million people across the globe eat rice every day. Our Australian rice industry exports to 70 countries and is the first Australian agricultural industry to initiate biodiversity enhancement and greenhouse gas strategies. The Australian rice industry generates more than $500 million worth of value-added exports annually. Australian rice growers are the most efficient and productive in the world.

I said that rice production has increased by 50 per cent. That production increase was gained with a net drop in water usage of about 60 per cent. That is an amazing gain, and I pay credit to the industry for working hard to reduce water consumption. The rice industry was sometimes criticised harshly for its water usage, but it is working hard to improve its productivity, to feed the world, to provide job opportunities for people in the electorates of Murray-Darling and Murrumbidgee, and to benefit the wider community. When John Anderson launched the International Year of Rice he said that he believed completion of the national water initiative would have a most positive effect on the industry. I agree. John Anderson paid credit to the New South Wales Government for its work in this area so far but urged everyone involved to complete the initiative so that we get water usage right.

It is fitting to acknowledge in this place an industry that has grown so much since 1951, facing occasional trials and tribulations on the way. I urge members on both sides of the House to support the rice industry and those who work in it and who market our product worldwide. I note that SunRice is based in Leeton and brings enormous benefits to that community. I have great pleasure in supporting this motion. I urge

honourable members to learn more about the rice industry, and I am sure that they would be most welcome to start their eduction in the electorate of Murray-Darling. The honourable member for Murray-Darling said that he expected the Victorian Government to fund the rice grain line from Deniliquin to the Victorian border. Yet today he refused to debate a motion calling for the establishment of grain lines for wheat. My constituents and those of the honourable member for Murrumbidgee are terribly disappointed that Labor members did not agree to debate a motion calling for the investment of more government funds in our electorates.

Mr NEVILLE NEWELL (Tweed—Parliamentary Secretary) [4.15 p.m.]: It is a pleasure to support my colleagues in promoting the International Year of Rice, which is a major event for agriculture in New South Wales. It is extremely appropriate to talk about our thriving rice industry at this time of year as harvesting of this season's rice crop is in full swing in the Riverina in towns such as Griffith, Leeton, Coleambally, Finley, Deniliquin and Hay. It is a formidable sight to see grain storage facilities running at the peak of the season, processing an endless stream of grain trucks around the clock. I was lucky enough to visit the Riverina region recently—which I rate as second only to God's own country, the Tweed—and I was most impressed by the highly professional and committed people who work behind the scenes.

The first official rice deliveries in the Riverina were made on 5 March but the hectic period will commence this week, as many of the medium-grain rice crops start to mature. On average about 1.2 million tonnes of rice are harvested around Australia each year and rice crops cover about 135,000 hectares in New South Wales alone. Unfortunately, the drought continues to impact on crop levels and, as the honourable member for Murray-Darling said, this year's harvest might yield only about 400,000 tonnes. However, marketing arrangements and advanced irrigation technology have helped growers to maintain their edge over competitors. During my recent visit to the Murrumbidgee I observed the changes in cultural practices and technology, including mapping and utilising soil, that have occurred in the past 20 years or so. Mention has been made of research into new rice varieties, particularly those that no longer lodge in the wet or the wind, and increased water efficiency. There is marketing promotion and advice on sales consumption, including recipes, to ensure that people get the full enjoyment of rice.

Ongoing research on rice varieties is certainly being undertaken at the institute at Yanco, as the honourable member for Murrumbidgee has said. I agree that the professionalism of those at the institute and research are important to maintain the industry. Investment in research is probably a key way to keep the industry ahead of the wolves, as they say. One of the key bodies pioneering rice research in Australia is the Co-operative Research Centre for Sustainable Rice Production, which was established in 1997. NSW Agriculture has a close involvement with this body, together with Charles Sturt University, the CSIRO, SunRice, the Department of Infrastructure, Planning and Natural Resources, the Rural Industries Research and Development Corporation and Sydney University. A press release from the co-operative research centre stated:

> In the end, the drive to increase water use efficiency on irrigation farms is not simply a reaction to the needs of the environment or pressure from environmentalists. It is a scientific and measured response to enable this great farming nation to continue growing the crops that feed the world, using the most efficient and sustainable methods on the planet.

I concur that the increase in water efficiency that has occurred in the past 20 years has resulted from good research, good agricultural practices and from farmers and the Riverina co-operative working hard to ensure that they maximise the efficiency of the resources that produce this crop. Rice is Australia's third-largest cereal grain export and our ninth largest agricultural export. As my colleague the Minister for Regional Development pointed out, 85 per cent of all rice eaten in Australia is grown locally. Virtually all of that rice is generated through the hard work of Riverina farmers, who rely on the rice industry to support one in five local jobs.

It is no wonder that the local community takes such pride in the industry, in the same way as the Tweed takes pride in its banana and tourism sectors. That pride will ensure a big turnout of rice growers throughout the Leeton SunRice Festival, which kicks off this Saturday. To acknowledge the International Year of Rice the biannual event, which is timed to coincide with the harvest, will be bigger than ever. It will also celebrate the eightieth anniversary of the first commercial rice crop in Australia, which was planted near the current site of the town swimming pool at Leeton. The festival will include the interstate hot-air balloon championships, the regional skateboarding championships—the honourable member for Murray-Darling might be interested in that—the famous Leeton camel stakes, the festival opening ball and, of course, the famous Easter Sunday street parade, which attracts about 15,000 people. I urge all families driving through the area for their Easter holidays to drop by and support both the local rice industry and the Riverina region as a whole.

Mr PETER BLACK (Murray-Darling) [4.20 p.m.], in reply: It is a privilege to reply to this debate because of the importance of rice to the electorates of Murray-Darling and Murrumbidgee, indeed to New South

Wales and Australia as a whole, cannot be understated. I thank the Minister for Regional Development and honourable members representing the electorates of Murrumbidgee, Wagga Wagga and the Tweed for taking part in this debate. At the outset I must say that I was disappointed by the contribution of the honourable member for Murrumbidgee in relation to water issues. As he well knows, the Government has not accepted the supply of 1,500 gigalitres down the Murray.

We have told the Minister for Natural Resources, who is a great friend to the people of western New South Wales, that we will not use the $500 million that is on the table simply to buy a quantum of water from irrigators. We will find a water supply and introduce better practices. However, we are not interested in going down the path of buying water at an inflated price. I have been told that the price of water will rise from $1 million to $2 million per gigalitre. This is about pipelines and piping water down the piece channels. Yesterday I was involved in discussions about piping water down the anabranch in western New South Wales. We are looking at a raft of mechanisms to protect the Australian rice industry.

I salute my good friend the honourable member for Wagga Wagga on his research. He is a great, simply because he was born and bred in Ivanhoe, which is the heart of the electorate of Murray-Darling. He is known as the Ivanhoe lad. I will not use his nickname publicly; I will talk about what he did as a lad at some other time. He said that more than 40 million people around the world eat Australian rice each day. Australian rice is grown, processed and packaged in regional Australia. The industry creates approximately 8,000 jobs, as two speakers have said. Rice is the main source of nutrition for more than half the world's population, and Australia's contribution to world rice consumption stretches beyond 70 countries, contrary to an earlier speaker who said the number was 60.

Value-added rice products like the SunRice Express Rice Cups return more than $7,000 per megalitre. Australia grows temperate varieties of rice—not tropical varieties like many other countries. Temperate varieties suit our climate and are demanded by the higher-priced international markets. Australian rice growers have improved their water use efficiency by 60 per cent in the past 10 years. I commend the acknowledgement of that fact by the honourable member for Wagga Wagga. The Greens have to take that fact on board when they criticise the irrigation industry. They are consistently off the ball and want to turn Australia into a poor and impoverished third-world country that is staggering along. We have a highly effective and efficient industry of which we are proud.

Rice is an excellent source of energy. It is rich in carbohydrates, which are broken down into glucose in our bodies. Rice is low in sugar, total fat and saturated fat. It is cholesterol-free. I refer to the ABC *Online* program on Tuesday 30 March, which argued cogently that rice should best be eaten with marsupials. A Gold Coast company, Overseas Game Meat Export, produces 10 tonnes of kangaroo meat daily. At the moment about 90 per cent of kangaroo meat for human consumption is exported. Incidentally, this year we introduced Cooking Skippy into every cooking class in every TAFE college in New South Wales. The approach of that company has been to develop a range of pre-prepared kangaroo products so that people can avoid slaving over a hot stove when they would rather be relaxing after a long working day. Fast cook-at-home kangaroo options include a pre-prepared curry and kangaroo vindaloo. That has a nice ring to it. The honourable member for Upper Hunter has recommended that kangaroo meat be eaten with chutney. I salute that view, but it should always be served on a bed of rice.

Motion agreed to.

WESTERN NEW SOUTH WALES TOWNS

Matter of Public Importance

Mr IAN ARMSTRONG (Lachlan) [4.28 p.m.]: It gives me great pleasure to talk about towns in western New South Wales, which, like the rest of Australia, is made up of evolving communities. That process of evolution is happening with greater repetition than ever before in our history. Forty years ago the towns in the west of New South Wales were vibrant and active and provided important services. Shearers, station hands, those who did clearing, fencing and tank sinking, those who put in roads, power and water, and those who serviced those industries made up the populations of those towns.

In many instances, the completion of projects and advances of technological sophistication in maintaining facilities, such as by Telstra, have led to a decline in the number of service people in western towns. That is probably a general trend throughout the New South Wales community, but it is more pronounced and

visible in many western towns. The character of the economic and social make-up of many of those towns has changed. Along with those developments, of course, have been some benefits, but on the other hand there have been many problems, which, unfortunately, the New South Wales Government does not appear able to address.

Recently we saw published the forty highest-ranking postcode areas of general disadvantage according to the "Community Adversity and Resilience" report compiled by Tony Vinson of the Ignatius Centre for social policy and research. Somebody asked me, "Where is the west of New South Wales?" I think in the Year of the Outback, some two years ago, somebody said, "It's out there." In other words, in effect it is wherever we regard it as being. Interestingly, the isolated children's programs commence at the top of the Blue Mountains. But I return to more serious matters. The localities doing it tough are Brewarrina, Koorawatha, Lightning Ridge, Tingha, Ulmarra and Windale. Galong, near Harden, Ashford, near Inverell, and Binnaway and Barmedman, which is out towards West Wyalong, Bogan Gate, near Parkes, and Woodstock, just east of Cowra, are others that are generally disadvantaged. is another such centre. Most of those communities have populations of fewer then 500 persons.

One of the disadvantages that have occurred is the change in the economic base of those communities, in that the service people and trades people, the higher income-earners of the past, have completed their jobs and moved to larger centres, such as Dubbo, Broken Hill and Shepparton. As a consequence many of those smaller communities, whilst they may have larger populations, have a larger proportion of people on extremely low incomes, with many in those centres being on social services. That affects the spending power of those communities, and that in turn affects the viability of the commercial business centres—the local service stations, newsagents, chemist shops, drapers and toy shops, or whatever they may be.

That makes it difficult for many of those towns to maintain a viable service and business community. Consequently, jobs are difficult to get in those shops and businesses. The challenge for government is to recognise that those changes have occurred and will continue to occur. The number of people wanting to live in those towns certainly will increase as people from larger centres look for more realistically priced accommodation. Also, education is important if some of those towns in western New South Wales are to sustain a proper quality of life and proper business centres.

Recently I heard an interview with the late Sir David Griffin, who passed away only last week. He was a former lord mayor of Sydney, a former senior officer in the Australian Army and a Changi prisoner of war for many years. He was a great poet, writer and successful businessman in this city, in fact one of Sydney's most respected gentlemen, from a highly respected family. Sir David, when interviewed on the "*Australia All Over*" program on a Sunday morning, was asked how the prisoners of war kept their sanity whilst they were in Changi. He responded that men who had education, had expanded minds and were able to create conversation, recite poetry and participate in plays and so forth handled it reasonably well, but those who lacked education, once they had talked about the winners of the last three Melbourne Cups and the last three rugby league competitions, ran out of things to do and quickly succumbed to mental depression. I thought that an interesting observation by Sir David.

It was with that in mind that I thought we should have a look at education in those towns identified as disadvantaged by Dr Vinson. I am conscious that recently in the electorate of Murray-Darling the Isolated Children's and Parents Association [ICPA] had its annual conference. In his report the chairman highlighted many facets that I think are worthwhile putting on the record. He said:

> ICPA will investigate the loss of the Deniliquin district and its consultant in the Country Areas [Education] Programme. The Deniliquin district is the second largest CAP district in NSW. ICPA is concerned that the time and travelling distance now required for CAP consultants will impact on children in isolated areas who already face educational disadvantages.

In other words, the restructure does not take into consideration the isolation factor that those who are servicing education have to deal with. The chairman of the association went on to talk about hostels, of which there are five in New South Wales, and said:

> The Hon. Dr Refshauge, Minister for Education and Training, announced last November that the Government would not grant operating funding to the five remaining hostels in NSW.

How much funding are those five hotels seeking? It is a total of $170,000. That is a trip and a half to Japan for six, or ten times the increase in salary of the Deputy-Speaker.

Mr Milton Orkopoulos: That's a bit low.

Mr IAN ARMSTRONG: Teachers cannot ignore these facts. It might not be amusing that I say that, but that is all that is needed to keep those five hostels going so that quality education can be provided for children in inland New South Wales who have distance problems in gaining an education. The chairman also spoke in his report about the Murrumbidgee College of Agriculture. That is a matter I know a lot about, because when I was Minister for Agriculture there was considerable expansion of the physical facilities of that college, and we appointed the well known Mrs Helen Withers, a former ICPA president and New South Wales life member, to the advisory board of the Murrumbidgee College of Agriculture. The chairman said in the report:

> How do you look 39 students in the eye and tell them they are nothing more than a statistic of misguided monetary figures by the Department of Agriculture?

That is because that college was closed by the New South Wales Government, and those 39 students were thrown out onto the streets, so to speak. It was said at the time that they could go to the Tocal college, but that college was full. Many of those students went to Queensland. Another similar example that has occurred in the past few months involved the Burcher family, who had a very bright 19-year-old boy at the Murrumbidgee college, which the father had attended as well. That boy had to go across the Queensland border to complete his education. He was well regarded by the college and highly thought of. That shows a lack of understanding, let alone compassion, by the Government as far as education in the bush is concerned.

The other point is the ongoing difficulties posed by social behaviour and so forth in inland towns. We saw recently an unfortunate incident at Wilcannia which required major reinforcement of police numbers to control what was deemed to be a Wilcannia riot. In that regard I refer once again to the Dick Estens program at Moree, a program now being trialled at Dubbo. I ask the Government to look seriously at this program and implement it wherever that is practical. My colleague the honourable member for Barwon will probably have more to say about that. That is a scheme to get more Aboriginal people employed.

The bottom line is that if any of us were now between 18 and 25 years of age, were physically fit, had a little bit of education but had not a darned thing to do, we too would be in trouble. About 80 per cent of the young inmates in Bathurst gaol are Aboriginals. That correctional centre has enormous workshops making mailbags and government furniture—but those workshops are in the wrong location. They should be in Wilcannia, Bourke, Brewarrina and so on. It is too late when these young people have criminal records and are in a correctional environment. We are all guilty on this; we have only just woken up to the fact that prevention is much better than cure. Much is said about correctional centres and their programs, but we need preventative centres so that support can be given to the people in their local communities. The Murrin Bridge community in recent times has done great things through its wine grape growing and giving people in the area a focus and physical and mental activities in a venture that is turning out to be quite profitable. There are many problems in the west, but the west has an enormous future if the Government will get behind it, which it has not been doing. [*Time expired.*]

Mr PETER BLACK (Murray-Darling) [4.38 p.m.]: I have a high regard for the honourable member for Lachlan, irrespective of whether we abolish his seat. He started a question with "Where is western New South Wales?" even though he referred to the Year of the Outback. I was the chairman of the New South Wales section.

Mr Ian Armstrong: Only New South Wales.

Mr PETER BLACK: The greatest State. In a government primary school, a geography teacher who might be teaching geography would reasonably conclude that if one goes halfway across New South Wales to the South Australian border one would hit Nyngan. I would argue that anything west of Nyngan is western New South Wales and that anything east of Nyngan is not in western New South Wales. After representing Tottenham today—we are keeping that grain line because the money is available, and I will battle for the other three, too, that come into the electorate, I can assure honourable members of that—I am more than happy with the proposals that Murray-Darling take over Condobolin, Lake Cargelligo, and even as far as West Wyalong, Bland Shire, according to one of the submissions. Lord only knows why western New South Wales perhaps has to go that far east, except—as alluded to by the honourable member for Lachlan—the dreadful fall in population that western New South Wales is enduring.

Mr Ian Armstrong: What is the Government doing about it?

Mr PETER BLACK: The honourable member for Lachlan stated that the Isolated Children's Parents Association [ICPA] conference was held last week. I was at the western pasture protection boards conference at

Wentworth, which also involved western graziers. The ICPA conference was held at Hay on Tuesday. I am aware of the program because I had been invited to attend the conference, although, quite strangely, not to speak at the conference. Last time I went to the ICPA conference was when I was in the electorate of Barwon, and the same thing happened. I do not know whether a member of Parliament should go to a conference if the member is not invited to speak. The honourable member for Lachlan referred to the restructure of distance education, which I salute because it will strengthen the delivery of educational services to western New South Wales. We are lining up TAFE areas with department of school education areas. We are getting the interface right and we are going to get onto the job of developing jobs through vocational education and straightening out that interface between school education and TAFE.

The honourable member for Lachlan referred to small schools—the ICPA again. One heck of a lot of small schools in New South Wales are in western New South Wales in my electorate, such as White Cliffs Public School, Pooncarie Public School, Pomona Public School and Pallamallawa Public School. A raft of small schools received an additional teacher so that they do not have to close when the teacher is away for training, and the area does not have to find casuals that do not exist. The small schools are very well serviced. The honourable member for Lachlan referred to hostels and said, "It is only $170,000." I was the Chairman of the Bush Children's Hostels Association for 15 years. When the honourable member for Lachlan speaks of hostels he is treading on very dangerous ground if he wants to debate it with me. But when he was the Deputy Premier in the previous Coalition Government his government refused to fund hostels for the same reason that we refuse.

Incidentally, I do not agree privately with the reason, but successive advice to governments from the department is: do not fund hostels directly because the hostels will become the responsibility of the Government. Give the money to the parents instead. That is what we do, we give the money to the parents instead. It is a legitimate way of properly disposing of funding for hostels. The honourable member for Lachlan did not mention the additional buses, the levels of eight per bus that used to apply. He mentioned Yanco Agricultural College—and yes, I dramatically regret its closure. But steps are being taken to re-evaluate the process. We have set up a committee made up of representatives from Sturt University, the Department of Agriculture, and the Mayor of Leeton, Joe Byrne, to oversee the process and see what can be done.

I salute the honourable member for Lachlan completely for what he said about Aboriginal employment. I do not know what one can do in a place like Wilcannia, to which my friend Ian Armstrong referred, because the Aboriginals in Wilcannia are fifth generation unemployed. In all probability their great, great, great grandfather was a stockman employed by one of the Kidman empire estates. The Kidman empire fell apart in 1946. The Aboriginals were magnificent stockmen, but horses went and stock crates came in. One can see photographs of early stock crates on those early trucks, but the trucks replaced droving. When those trucks came along those jobs were lost. With the breaking up of the big properties for soldier settlement we lost many of the jobs that people had on those big early Kidman properties. Yes, we have to get jobs if those river Aboriginal communities are going to survive, but just how we do it I quite frankly do not have a solution. The honourable member for Lachlan spoke about service industries, but we have been through the worst drought in European settlement in Australia's recorded history.

Mr Ian Armstrong: 1992 was the worst.

Mr PETER BLACK: People argue that.

Mr Ian Armstrong: The banks crashed as well.

Mr PETER BLACK: That might be so, but we have been through the worst drought in European settlement in Australia's recorded history—bank crash or otherwise, so put that aside. We have a major problem. Drought means no income from industries that rely on rain.

Mr Ian Slack-Smith: What is your Government going to do about it?

Mr PETER BLACK: I think we can send the good member for Lachlan to Wilcannia and get him to do a rain dance; that would be a good start. Yes, there has been a huge change in the social make-up of the community. In the community of Broken Hill there was a net loss of 2,000 from the electoral roll between 1999 and 2003. As the honourable member for Lachlan said, professionals such as doctors, teachers, whatever, are always moving out. The people leaving are our breeding-age people. They are leaving to get jobs or tertiary education. Whatever they leave for, they do not come back. I have three kids, but none of them live in Broken Hill. I would not want them to come back if there are no jobs for them to come back to. The mining industry in Broken Hill has collapsed. There is no substitute for the mining industry at all at this time.

The history is that mining towns and mining cities, such as Broken Hill, come and go. In other words, they reach a peak of employment. In the case of Broken Hill it was 1915, with a population of 33,000. Today's population is 20,000. It is going down, and I expect it to plateau at about 18,000. Yes, it is quite true that there is a change in the economic base because only two industries are going ahead in western towns and both are dependent on water: one is irrigation and the other is tourism. Without those two industries western New South Wales might as well be cut off from the rest of New South Wales and sent to wherever. The combination of a lot of issues, such as the drought, the change in the nature of industries, the collapse of the pastoral industry and those two industries, especially in terms of employment—

Mr Thomas George: The Carr Government.

Mr PETER BLACK: Without the Carr Government I would say that western New South Wales would be in a terrible state. At least with the Carr Government we have been able to put our trains back on the track—the great Outback Xplorer. With the Carr Government we have been able to reopen railway lines and make sure that they are being preserved. Through the Carr Government we are keeping the grain going to Tottenham. We did not close railway lines—that lot opposite did. We are working to preserve western New South Wales. [*Time expired.*]

Mr IAN SLACK-SMITH (Barwon) [4.48 p.m.]: It is with pleasure that I participate in debate on western New South Wales towns. For the benefit of the honourable member for Murray-Darling I point out that people who live in Sydney believe that "out west" is Penrith, and that any area that is farther west than Penrith must be far western New South Wales. For the sake of effecting progress in this debate, I have to say that Nyngan would be about right if one wanted to pinpoint a typical New South Wales western town. I place on the record that one would not find warmer, more friendly, more generous or more kind-hearted people than those who live in western New South Wales.

Mr Peter Black: Nor better members of Parliament.

Mr IAN SLACK-SMITH: The honourable member for Murray-Darling referred to the problem of population drift from western areas of this State. The results of the 2003 State election show that the total number of votes for the Murray-Darling electorate decreased by 12,000. I am not declaring that the parliamentary representative for the electorate was responsible for that, but I suspect he might have had something to do with it.

One of the big problems in western New South Wales is isolation, and its underlying cause is economic conditions. The Brewarrina shire is in my electorate and more than 20 per cent of its land-holders have left the area. An enormous number of houses on farms are vacant because it has become necessary to increase the size of properties to make farming viable. Despite modern technology and better business management, especially in the livestock industry, people are still needed in sufficient numbers to run a property properly. Consequently, even on my patch at Wee Waa, scores of houses on properties are vacant because there is nobody to live in them. This is happening right throughout western New South Wales. The honourable member for Lachlan mentioned schools in western districts and the Isolated Children's Parents' of Association of New South Wales.

I draw to the attention of the House some unfortunate occurrences that are being reported in schools. One high school in my electorate has recorded a truancy rate of 80 per cent, and there is also violence, bullying, a complete lack of self-respect and a lack of respect for teachers in the school. I will be referring this matter to the Minister for Education and Training because teachers are totally powerless to control the situation. The school is virtually unmanageable and parents are withdrawing their children. Some schools in my electorate have a percentage of Aboriginal students, but before people jump to conclusions, I point out that the Aboriginal members of the community also are withdrawing their children from the school, so it is not a race-related problem. Teachers are powerless to tackle the problems, and the situation is extremely serious.

As I stated earlier, the people who live in western areas of New South Wales are absolutely fantastic and their attitude is great, despite having had their hearts broken by the drought. There are problems associated with the placement and retention of nurses, teachers and police officers. Many of the teachers who are appointed to schools in western New South Wales do not want to go there and the turnover is horrific. Nearly 80 per cent of teachers remain in western areas for 12 months or less, and that is very sad. The shortage of nurses and doctors is a statewide problem, but notwithstanding the incentive program for police to serve in western districts of this State, it is still very difficult to fill police officer vacancies. Last year one of the five local area commands in my electorate had 13 fewer sergeants than its full complement. As everybody knows, the sergeants run the NSW Police.

In conclusion, I pay a tribute to the former Mayor of Brewarrina, Angelo Pippos, who is a very fine person. I take this opportunity to congratulate him on the tremendous work that he has done during his term as Mayor of Brewarrina Shire Council.

Mr Peter Black: I was there. Where were you?

Mr IAN SLACK-SMITH: I was unable to attend because the motel was closed and it was too far to drive. There is no doubt that, among the problems that exist in New South Wales, isolation is a major factor. Nevertheless, people who live in the western areas of this State are great human beings.

Mr IAN ARMSTRONG (Lachlan) [4.53 p.m.], in reply: I thank all honourable members who have participated in the debate on this most important subject. I am the shadow Minister for Tourism and I have received a report entitled "Advancing Tourism" which provides a précis of tourism endeavours across Australia. I draw to the attention of this House that the report lists the top tourism organisations in regional Australia. The report states:

> Across regional Australia there are many of these organisations performing in different ways at different levels. Of these the 12 most effective organisations are
>
> - Augusta at Margaret River tourism WA
> - Blue Mountains tourism association NSW
> - Central Australia Tourism Industry Assoc NT
> - Central Coast Tourism NSW
> - Euchuca Moama Tourism Vic
> - Eurobodalla Coast Tourism NSW
> - Gold Coast Tourism Bureau Qld
> - Tourism Top End NT
> - Tourism Tropical North Queensland Qld
> - Tourism Whitsundays Qld
> - Tourism Wollongong NSW
> - Wine Country Tourism NSW

The western area of New South Wales is missing from that list, and I wonder why this Government does not recognise its enormous tourism potential. For example, Silverton at Broken Hill is one of the great destinations of New South Wales and one of the most photographed towns in Australia, or possibly the world. Sadly, it is not being promoted, and it is not recognised for the tourism attraction that it is. At Bourke a tremendous amount of work has been done in recent years to develop its superb tourism potential, but it also is not receiving the recognition it deserves from the Government and mainstream tourism promotion.

A great vacuum exists in the recognition of opportunities for expanding tourism potential among establishments in western regions of this State. I adopt the precis given by the honourable member for Murray-Darling in denoting the western areas of this State but I nevertheless maintain that the west is anywhere people want it to be, provided that it is west of the Blue Mountains. Temora's superb new aviation museum attracted 43,000 visitors last year—its second year of operation. JD's Jam Factory at Young attracted 123,000 visitors last year and sells morning teas, jams and chutneys. There are a great number of tourist attractions in the western areas of this State.

Mr Ian Slack-Smith: The best places in the world.

Mr IAN ARMSTRONG: That is right. Another wonderful tourist attraction is the world-class Western Plains Zoo at Dubbo. It is one of a dozen other opportunities that exist to expand the tourism potential of the west. The old properties such as Peppers Burrawang West Station at Condobolin is the only reason the honourable member for Murray-Darling wants to take over the Lachlan Shire Council. Another tourist attraction is Lake Cargelligo, which is a magnificent inland lake covering 3,500 hectares known as the Surfers Paradise of the west.

Mr Peter Black: How long is it since you have been there?

Mr IAN ARMSTRONG: While I have been out in the community talking to the people, the honourable member for Murray-Darling has been elsewhere in Lake Cargelligo, namely the club. I urge the honourable member for Murray-Darling not to stay in the club. The next time he visits Lake Cargelligo he must get out of the pub and the club and visit the milk bars and service stations as well. I know about him and Lake Cargelligo.

The bottom line is that there are many tourism opportunities in the west that this Government can assist in promoting. The enormous potential of the tourism industry in the western areas of New South Wales will not benefit this State unless the mini-budget that the Treasurer will present next Tuesday restores financial disbursements that were cut from NSW Tourism's allocations last year. Those budget constraints cut the insides out of the NSW Tourism budget, and unless the Treasurer restores funding in the mini-budget next Tuesday, the opportunity to escalate tourism business in this State by advertising and promotion, and by encouragement of domestic and overseas visitors to include the western areas of New South Wales in their itinerary, will be lost.

What better industry could there be for the western areas of New South Wales than the construction of caravans and motor homes—a reasonably straightforward industry? Approximately 70 per cent of caravans and motor homes are built in Victoria and Queensland instead of New South Wales. Because of the rate of stamp duty applied to registration in this State, those vehicles are registered in other States. Only 13 per cent of the caravans and motor homes that are owned by New South Wales people are first registered in New South Wales. If we want a fully-fledged tourism industry we will have to become fair dinkum. If we want to take up some of the slack by developing light manufacturing industries in places such as Wellington, Hay, Nyngan—

Mr Ian Slack-Smith: And Weilmoringle?

Mr IAN ARMSTRONG: Weilmoringle might be a bit far out, but that is beside the point—the construction of caravans and motor homes would be worth considering. It is a classically simple industry which is eminently suitable for country communities, yet the Government taxes the socks off people who live in the western parts of New South Wales and refuses to return any benefit to them in the form of financial assistance for tourism. The end result is that tourists drive through New South Wales or cut across New South Wales to reach other destinations. Another factor that should be addressed by this Government is the cost of petrol in this State compared to its cost in Queensland. That is a major disadvantage in attracting tourists to New South Wales.

Mr Peter Black: Why should that be so?

Mr IAN ARMSTRONG: What is the honourable member for Murray-Darling doing about that? The honourable member for Murray-Darling agrees with what I am saying. He has lost the plot. [*Time expired.*]

Discussion concluded.

BILLS RETURNED

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

Road Transport Legislation Amendment (Public Transport Lanes) Bill
Thoroughbred Racing Legislation Amendment Bill

Mr ACTING-SPEAKER (Mr John Mills): 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

TUMUT TIMBER INDUSTRY

Ms KATRINA HODGKINSON (Burrinjuck) [5.00 p.m.]: Timber is a vital part of the economy of the Tumut region. It would be impossible these days to talk of the timber industry in Tumut without mentioning the Visy Pulp and Paper Mill. I attended the opening of the site when the first sod was turned in November 1999, and the mill commenced production two years later. In February and March of 2003 the Visy Mill achieved two milestones: the processing of one million tonnes per annum of plantation-based pulpwood and sawmill residue wood chips to the digester and a production high of 880 tonnes of paper in a 24-hour period. But what effect has the construction and operation of the Visy Mill had on the region and on the community of Tumut? Visy has invested more than $450 million into the Tumut region and has created more than 1,000 direct and indirect jobs.

Some two years ago Visy commissioned URS Forestry to conduct an evaluation of the effect of the Visy Mill on the forest industry and economy of the Tumut region. URS Forestry is one of the largest and

longest established specialist forest sector consulting companies in the Asia-Pacific region. The study found that the Visy Pulp and Paper Mill has the potential to create an estimated 1,080 full-time jobs in Tumut and another 1,800 jobs in the South West Slopes. Apart from significantly increasing local employment, the Visy Mill is also a responsible environmental citizen. The mill uses a significant amount of so-called green energy generated at the mill using biomass fuels such as bark and wood waste. Visy takes in sawmill residues from local plantation timber, pulpwood materials from softwood plantations and domestic and commercial wastepaper from Queensland, New South Wales and Victoria and produces paper for the production of high-strength boxes.

The mill is generally recognised as the most advanced pulp mill of its kind in the world and many environmental groups have commended the company for its sustainability. It also has a significantly lower usage of water than many similar mills across the world. Visy is also a good community citizen. Apart from the employment and concomitant support of local businesses, Visy is very active in supporting community organisations in the Tumut region. The philanthropic work of the Pratt Foundation is so well known that it does not need further mention. In Tumut and the South West Slopes many community organisations have benefited from support from Visy. The list includes local show societies, schools, sporting clubs, progress associations, service clubs, volunteer firefighters, disability services, wildlife rescue groups and community festivals, to name just a few.

During March last year Visy also announced its feasibility investigations for stage two of its expansion plans for the mill, which will see an additional 550 jobs and $360 million in investment by 2007. The Premier made the front page in local papers around the area in the couple of weeks before the last election with that announcement. It is there that my concerns lie. Almost two years ago in this Chamber I raised the Premier's 1997 promise of an additional $6 million a year for 10 years for roads in the area of operation of the Visy pulp and paper mill. That promise, as with so many promises made by the Carr Labor Government, was subsequently rewritten into a commitment to maintain the existing level of road funding for 10 years. During the election campaign last year when the Premier made one of his very rare visits to Tumut he made a lot of noise about State Forests establishing 13,400 additional hectares of new salinity control plantations within 150 kilometres of Tumut.

That was to support the stage two expansion of the Visy mill and the additional jobs it promised. I have a sense of deja vu now; next Tuesday we will see the Labor Government, after wasting $3.3 billion over the past nine years, slash millions of dollars from non-core functions. State Forests appears to be in the firing line as the Carr Labor Government flips around trying to find assets to sell to prop up its wasteful extravagance. What will happen to Visy's expansion and to the rest of the timber processing industry if the Premier flogs off State Forests to an overseas profit-driven superannuation company? Last week I again visited several timber industry facilities in the Tumut district, including Visy, with my colleague the shadow Minister for Natural Resources (Forests), the honourable member for Coffs Harbour, and listened again to local concerns about the Carr Labor Government's actions.

Every company and every worker in the timber industry to whom I have spoken is very concerned about the effect that the sale of State Forests would have on this region. I have lodged thousands of signatures on petitions in this place opposed to the sale of State Forests. Roads and transport is another area of concern. The Labor Government cut $100 million in real terms off the roads budget last year. It has consistently refused to commit to reopen the Tumut to Cootamundra rail line. To survive, industry needs raw materials and good transport links, but the current actions of this Labor Government are aimed at attacking both of those vital resources. The Premier must honour his commitment to the Tumut region. Tumut needs more jobs, better roads, the reopening of the rail line from Tumut to Cootamundra, and a secure forestry industry. The Premier must not be allowed to break another promise to the people of Tumut. I cannot stress enough the importance of this. [*Time expired.*]

YOUTH WEEK

Mr PAUL GIBSON (Blacktown) [5.05 p.m.]: Youth Week commenced in New South Wales in 1989, and in 2000 it became a national event. Youth Week is important to many in this Chamber, as we are all fairly youthful. This year National Youth Week is celebrated from 27 March to 4 April. Youth Week gives young people an opportunity to highlight their positive contributions to the community, to discuss ideas, to raise issues and concerns, to develop strategies to address issues that concern them, and to work with other community members to address those issues. Youth Week is about young people having fun, showing their talents and putting forward their ideas. It gives them an opportunity to express what they think is important for their future. It is a great innovation and has increased in popularity over the past few years.

This year the largest number of councils ever will participate in Youth Week: 163 councils in total. During the week almost 1,000 events will be held across the State—a mind-boggling feat. Youth Week is aimed at young people aged from 12 to 24 years. More than 12,000 young people will attend activities and events. Blacktown City Council has announced its program, and emphasises that all events are free of charge. Highlights include outdoor cinemas, youth festivals, art and cultural events, and sporting competitions.

Mr Thomas George: Do you go to them?

Mr PAUL GIBSON: I have been to them in the past. I will attend as many as I can this year, only because I am young. Blacktown City Council's youth planner, Lisa Giacomelli, has done a great job, and she was backed up by the mayor, Alan Pendleton, and the full council. The councils and the State Government sponsor Youth Week. The donation of $2,500 by the State Government to run the activities was much appreciated by the young people in my electorate. Blacktown's Youth Week program started on Thursday 25 March with the launch of the Keep It Street Aerosol Art Exhibition, which promotes different street cultures. It raises awareness of graffiti art and shows young people that graffiti should not be plastered over community fences and buildings. On Saturday, Harmony Day was celebrated at the Holy Family Centre, Emerton, where young people recognised the diversity of different cultural backgrounds through arts and crafts.

On Monday an information session on council's Youth Advisory Sub-Committee was held at the Blacktown Arts Centre. Young people were advised how to participate in the administration of the committee and how to promote themselves—something that was not available to us when we were of that age. Tuesday was Run With It stall day at Mount Druitt. Young people were invited to come to the stall and obtain information relating to education, training, employment, and other youth issues. There have been outdoor cinemas at Riverstone and at Quakers Hill. At a career exposition to be held tomorrow young people will be assisted to choose a career and will be told how to pursue those careers. Free barbecue meals have also been provided. The finale and highlight of Blacktown Youth Week will be a skating exhibition, and I urge all members to support it. We will encounter major problems if we lose our youthful feelings. I thank the council and the State Government for promoting Youth Week.

MURRUMBIDGEE ELECTORATE PRESCHOOL FUNDING

Mr ADRIAN PICCOLI (Murrumbidgee) [5.10 p.m.]: Preschool funding is an important issue in my electorate of Murrumbidgee and throughout New South Wales. Last week I attended a morning tea at Coleambally preschool and I was invited to look at the facilities and the proposed renovations that are required to ensure that the preschool complies with occupational health and safety standards and the standards set by the Department of Community Services. Currently it shares facilities with Coleambally Tennis Club, including its hall and its kitchen, but the kitchenette does not comply with occupational health and safety requirements, so the preschool has to build a new one.

As with most preschools in New South Wales, it does not have sufficient funding to do that. The Coleambally community has been fantastic and generous and has raised a fair bit of money for the preschool, but it is a relatively small community and there is only so much money that can be raised. The community applied for a number of government grants but so far it has been unsuccessful. Coleambally preschool and preschools across New South Wales need an increase in funding from the New South Wales Government. Preschool teachers receive lower salaries than primary school teachers, and there is an incentive for them to leave preschools and child care centres and go into primary school teaching, thus making it more difficult for preschools to recruit teachers.

It happened to be my birthday on the day of my visit and the kids sang happy birthday, which was delightful. The standard of facilities at that preschool are substandard, but small communities such as Coleambally make the best of what they have. The kids are happy but the preschool needs some capital works funding. Next year a child who is confined to a wheelchair will be attending the school, and that will increase the need for facilities. The school has written to the State Government asking for capital works funding so it can bring its facilities up to an appropriate standard. I hope it is successful in that regard. Coleambally preschool is by no means an exception. Last year Leeton preschool, which is located in my electorate, was in dire straits and required additional State Government funding to survive and maintain its licence. This year it conducted a number of fund-raising events.

Leeton is not a small community by any measure, and many different groups are looking for donations and support from the community, and it has only so much in the way of available resources. However, the

Government has significant resources available to it. Nothing could be more important than supporting young children in our preschools and child care centres. I said earlier that Coleambally and Leeton preschools and preschools in Griffith and Deniliquin are experiencing similar difficulties. Tocumwal and Finley child care centres are experiencing difficulties because of a lack of funding, which has been frozen since 1988, and they are struggling.

I have previously referred to the problems confronting Tocumwal and Finley, but I refer to them again because those communities are struggling and will continue to struggle if their child centres and preschools do not remain open. These communities do not have the option of sending their children to preschools in another suburb. That is why it is essential that they remain open and viable—and they will only remain open if they receive funding. As I said earlier, this is not just a problem in my electorate. The shadow Minister for Community Services said in her press release last year that about 50 preschools and child care centres across New South Wales are experiencing similar difficulties. I ask the State Government to address these issues.

Mr BRYCE GAUDRY (Newcastle—Parliamentary Secretary) [5.15 p.m.]: The honourable member for Murrumbidgee referred to issues relating to Coleambally, Leeton, Tocumwal and Finley preschools—issues he has referred to before. One of the most important things in this State is early learning in preschools. The honourable member for Murrumbidgee should join Government members in asking the Federal Government to provide $376 million from the Grants Commission. That would go a long way towards assisting the State Government to meet the needs referred to by the honourable member. I thank him for bringing this matter to the attention of the House. As I said, he is aware of the important work of child care centres in providing early learning and social development for children.

HOLY FAMILY PRIMARY SCHOOL, MEREWETHER, LANDCARE AWARD

Mr BRYCE GAUDRY (Newcastle—Parliamentary Secretary) [5.16 p.m.]: I congratulate the Holy Family Primary School in Ridge Street, Merewether, on being chosen as the Australian winners of the Volvo Adventure Environmental Award—for its AirCare project. From 1 May to 5 May this year the school will represent Australia in Gothenburg, Sweden, against a number of schools from Canada, Croatia, Guatemala, India, Mauritius, Romania, Russia, Spain, Sweden, Tanzania, Turkey, the United Kingdom, the United States of America and New Zealand. Honourable members will gauge from that tremendous number of countries what a prestigious award this is.

This small primary school, which has 240 students, has been involved in a remarkable Landcare project. It calculated the number of cars that parents drive to the school, it calculated how many trees would need to be planted each year to absorb the greenhouse gases produced by those cars, and it undertook plant propagation and planting activities. Over a period these students have planted more than 20,000 trees in a number of habitats in the Newcastle area. I am totally impressed by the work that has been undertaken by about 45 students who are actively involved in this program.

Genevieve De Sousa, Monica Fortunaso, Hannah Smith and Sian Taylor will represent the school. Accompanying them will be Carolyn Taylor, the enviro-passionate teacher from the school, and Jenny Robinson, a parent who is also the Landcare environmental education manager from Trees in Newcastle, which carries out projects under the Landcare program. This is a tremendous opportunity for these students. I met them the other day and they made it clear that they had examined a number of issues. They established that we drive a lot of cars that produce carbon dioxide, which when it enters the atmosphere can cause the planet to warm up, ice to melt, and sea levels to rise, all of which leads to more extreme weather conditions.

The students wanted to do something locally to address that problem, so they identified things they could do to reduce global warming. They learnt about greenhouse gases and car pollution and searched for ways of making practical links between tree planting and reducing the level of carbon dioxide in the atmosphere. They conducted classroom research on air pollution, global warming and carbon trading via interviews and web site reviews. They interviewed the environmental education manager from Trees in Newcastle and gathered information on air pollution, tree species and the number of trees needed to offset carbon dioxide emissions. The students went to the Greenfleet web site, which showed that 17 trees are needed to neutralise the emissions of one car in one year. They surveyed the school and identified locations with native vegetation. They collected seeds, established a nursery in the school, planted and propagated the seeds, ensured that they were thriving, and then planted them around the Newcastle area.

The students planted 50 local species relevant to Newcastle habitats, including wetland, rainforest, coastal, riparian, littoral and open-forest trees. They secured a contract with Newcastle university to plant 5,000

plants a year. The students have also undertaken plantings at Merewether Beach, Kooragang Island, and the school wetland and they have developed a vegetable garden at the school. Those 45 fantastic young people from Holy Family Primary School at Merewether are known as the "garden grubs". I congratulate them and congratulate the school on its tremendous environmental education work. I wish the students well. I also congratulate Volvo on meeting the total cost of trips by students from all around the world who will travel to Gothenburg, Sweden, to compete for the Volvo Adventure Environmental Award.

TRIBUTE TO MR LESLIE WILLIAM WALKER

Mr ANDREW TINK (Epping) [5.21 p.m.]: I pay tribute to the police career of Leslie William Walker, who was recruited as a police cadet on 20 May 1954 and on 20 May 2004 will complete 50 years of continuous service in the New South Wales police force. That is an all-time record—no serving or former police officer has served as long as Les Walker. Les is currently a duty officer attached to the Eastwood Local Area Command, which covers my electorate and the electorates of the Minister for Police and the honourable member for Lane Cove. Les has had an extensive career in the metropolitan area, which has seen him perform general duties, traffic law enforcement, and human resource management. He has also been a station controller and occupied staff officer positions, including in intelligence and operations.

Les has been awarded the National Medal and is the only officer in any police force in Australia to receive three clasps to that medal. He was recently awarded the Centenary Medal—I believe he is one of very few police officers to receive it—and the NSW Police Medal for his long service. The medal was inaugurated recently for long-serving police officers. On Australia Day Les was awarded the Australian Police Medal, which is not usually given to an officer of his rank, which reflects his long and distinguished service. Today Les Walker was on duty from 6.30 a.m. until 4.30 p.m., when he clocked off and I had a talk to him. He is back on duty tomorrow morning at 6.30 a.m. and will work another 10-hour shift. I have spent a night in a police car with Les. He is 64 years of age, rising 65, and is lean and fit. He has a young family, who he says keep him young. Even in his sixties, Les has literally continued to chase crooks—I know because I have seen him. Les has never given up. He has not been sitting behind a desk for 20 years; he has been on active police duty for the whole of his time with the force. It is important to put that point on the record.

I am indebted to Alex Roberts, a student from Cheltenham Girls High School who has been doing work experience in my office this week, for trying to put Les's career in context. Les joined the police force before police Ministers were appointed. We believe the first police Minister he served under was Mr Downing, who was followed by Mr Mannix, Mr Askin, Mr Waddy, Mr Wran, Mr Crabtree, Mr Anderson, Mr Paciullo, Mr Pickering, Mr Griffiths, Mr West, Mr Whelan, Mr Costa and the current Minister for Police, John Watkins. Les has been in the police force since before the Minister for Police was born—I regret to say that I was born shortly before that, but thems the breaks. Les served 10 police commissioners: Colin Delaney, Norman Allen, Fred Hanson, Mervyn Wood, James Lees, Cecil Abbott, John Avery, Tony Lauer, Peter Ryan and Ken Moroney.

I have tried to get a handle on what was happening in 1954 when Les joined the police force. He joined as a cadet nine days before Edmund Hillary climbed Everest on 29 May 1954. It is interesting to try to put 50 years of continuous service in an historical context. Les's service predates the active careers of anybody in this Chamber and in most other areas of the work force. I wish Les all the best for what I am sure will be an active retirement after 50 years in the force. From what I know of him, I am sure that until his last day in the force Les will do his job on the front line with vigour. I have witnessed him doing that job while in his sixties. I thank Les for his career with NSW Police.

Mr JOHN WATKINS (Ryde—Minister for Police) [5.26 p.m.]: I thank the honourable member for Epping for raising this matter as a private member's statement. I, too, offer my personal congratulations to Inspector Walker for his outstanding services to policing throughout the Sydney metropolitan area. As we know, Inspector Walker joined the police force as a cadet in May 1954. He later served as a traffic sergeant for more than 10 years before being promoted to inspector in December 1986. Inspector Walker has served in various commands across the metropolitan area, in roles including general duties; staff officer, intelligence and operations; staff officer, personnel; and station controller.

Inspector Walker is currently a duty officer at Eastwood Local Area Command, which is in my electorate and I am very proud to have him serve there. Inspector Walker is well known for his ability to pass on his vast experience and knowledge to younger officers, and he has played that important role with the many young officers who have come under his care throughout his long career. Inspector Walker's career reflects the highest level of personal integrity, leadership, and commitment to policing. This was recognised in 2002 with

the award of the National Medal and the 45 years clasp and, in May 2003, with the Centenary Medal for service to the community as a police officer. Inspector Walker should also be congratulated on his recent receipt of the Australian Police Medal. NSW Police encourages its officers to strive to provide the best possible service to the citizens of New South Wales. The award of all these medals, particularly the Australian Police Medal, is evidence of Inspector Walker's great work on behalf of the community of New South Wales. All members wish him the best upon his retirement.

EMU PLAINS CORRECTIONAL CENTRE INMATE PROGRAMS

Mrs KARYN PALUZZANO (Penrith) [5.28 p.m.]: The Emu Plains correctional facility, a minimum-security centre for females, is situated in my electorate of Penrith. I am very proud of that facility and make particular mention of its superintendent, Judy Leyshon, and Lee Downes, Commander, Women's Prison. One of the many successes of this Government's approach to reducing reoffending can be seen at this centre, and I will give some examples. On 2 March this year Her Excellency the Governor of New South Wales, Marie Bashir, visited the Emu Plains Correctional Centre accompanied by the Minister for Justice and me. The Governor met with inmates and staff and presented representatives of Nepean Hospital with 12 small quilts made by the inmates of the centre.

Emu Plains Correctional Centre was a prison farm for male offenders for 80 years until it was converted in 1994 into an institution to prepare female inmates for release from prison. The quilts made in prison are donated to women who have experienced the death of an infant through sudden infant death syndrome, miscarriage, or other causes, at the neonatal intensive care unit. All quilts have a heart shape sewn in them. Three quilts had already been distributed—one to a prison officer serving at another facility. I was very proud to attend this emotional day with the Governor, the Minister, prisoner officers, and the inmates.

One inmate I will call Sue was standing quietly in the corner holding a plastic bag. We were both looking at the quilts being presented and noting their exceptional handicraft work. The quilting volunteers from the electorate of Penrith who came to the centre to share their skills also attended. Sue proudly held in her plastic bag a quilt that she had started on her own, with the skills and encouragement she received from volunteer quilters. When the article about the day was published in the local paper she sent a copy to an overseas relative with the explanation that she was the person quoted by the local member. It was wonderful to see her skills.

Other programs at Emu Plains Correctional Centre encourage inmates to acquire skills and attitudes to help them lead law-abiding lives after their release. Inmates work for Nepean Food Services and prepare hot meals every day for meals on wheels in the Penrith local government area. Last week I was fortunate enough to partake in a meal of fruit, orange juice, orange chicken and a delicious jam roll. I was impressed by the quality of the food, which was produced by just one professional chef and six inmates. I again met Sue at the Nepean Food Services luncheon. Sue was not only a quilter but had entered the kitchen 2½ years ago as an inmate and with encouragement she increased her skills. She now sets the menus and is doing a hospitality course at TAFE one day a week. Little did I know that she made the jam roll, which was one of the most delicious desserts I have ever tasted, and I hope to partake of one again.

It was wonderful that 60 to 70 volunteers work with Nepean Food Services and deliver meals on wheels in Penrith. They link up with the kitchen at the Emu Plains Correctional Centre. The quilters from Glenbrook in the lower Blue Mountains should be commended for their work. Penrith used to have a number of dairies, but the Emu Plains Correctional Centre has the last remaining working dairy in Penrith. The inmates get up early to attend to milking, and the milk is made into custard and other milk products for all of the prisons in New South Wales.

Mr BRYCE GAUDRY (Newcastle—Parliamentary Secretary) [5.33 p.m.]: The honourable member for Penrith has mentioned some very positive programs of the Emu Plains Correctional Centre, which provides not only correction but education, rehabilitation and social development skills that are so important. It is a tremendous shame that many men and women in our prison system are often disadvantaged by the lack of education or work skills. It is important to break the cycle of inmates receiving only correction in prison, with the likelihood of their re-offending on release. It is great that quilters from the lower Blue Mountains work with female inmates, who not only develop these practical skills but have the opportunity to communicate with the volunteers while they work together, and I am sure they talk about all aspects of life. The involvement of inmates in the preparation of meals on wheels provides them with a link to positive community life and programs in the community. I hope that those types of programs are conducted in all our correctional centres, particularly for youths, who are often disadvantaged and in need of upskilling. It is great that it is happening.

BAULKHAM HILLS RESIDENTS M2 NOISE COMPLAINTS

Mr WAYNE MERTON (Baulkham Hills) [5.35 p.m.]: I refer to important issues relating to excessive noise levels being experienced by residents of Baulkham Hills who live adjacent to the M2. There is no doubt that the M2, an initiative of the Greiner-Fahey Government, has been a great success, and, as I have said previously, a wonderful asset for the people of north-western Sydney. It surely has dramatically transformed travel from Sydney to the Hills district. However, some residents have suffered from, and continue to experience, excessive noise emissions from traffic on the M2. I have raised this matter on at least two occasions in this Chamber.

My constituents, to whom I have referred previously in this Chamber, Mr and Mrs Phil Reid of Petrina Crescent, Baulkham Hills, describe the noise coming from the motorway as sounding like a vacuum cleaner left on all night. They say that they are woken at 4.00 a.m. by either the noise of a truck or a motor bike revving to maximum speed before changing gear. In February 2000 I first wrote to the Minister for the Environment about these problems, and I wrote to the Minister for Roads in July of the same year. My constituents have sought to have the height of the noise barrier increased.

The Roads and Traffic Authority [RTA] has attended the premises and claims to have carried out noise readings. The RTA claims the levels were below the New South Wales Environment Protection Authority design criteria for the M2 of 60 dB(A) L, 24-hours, and 55 dB(A) L, eight hours. On 13 May 2002 I again raised this matter on behalf of Mr Reid and I received a response from the Parliamentary Secretary for Roads in June 2002 which confirmed that the RTA believed that the noise levels were below the permitted levels. But the tests were carried out in November 2000, about 18 months earlier. The letter from the Parliamentary Secretary stated:

> However, in view of Mr Reid's continued concerns regarding traffic induced noise, the RTA will arrange for a new noise study to be undertaken at his residence and the RTA's traffic noise consultant will shortly contact him to make arrangements for the noise study. The noise study will be undertaken with the purpose of evaluating the adequacy of existing noise treatments in the vicinity of Petrina Crescent.

However, Mr and Mrs Reid are very patient. They continue to be subjected to unreasonable noise levels and should not be expected to sleep night after night in a room with noises sounding like a vacuum cleaner being left on. It would appear, nearly two years after the letter from the Parliamentary Secretary for Roads, that the RTA has made no further contact with my constituents. Last week my constituents wrote to me and said, inter alia, that they are still waiting for the height of the wall directly in front of their property and 12 Petrina Crescent to be raised. I have since made further representations to the Minister for Roads and asked for an urgent response. I pointed out that residents of this area believe that the uneven height of the noise barriers is why they are experiencing excessive noise from the M2.

Mr Mike Cox of Valerie Avenue, Baulkham Hills, also lives in close proximity to the M2. In February 2002 I first referred his plight to the Minister for Roads. The response was to ask Mr Cox to complete a noise abatement program application, which he did on 25 June 2002. I was subsequently advised by the Parliamentary Secretary that as the Cox's had not lived in the house for seven years or more, a further evaluation of noise treatment under the noise abatement program was not deserved. However, to assist in identifying practical ideas to improve the home noise environment of the Coxes, the Minister enclosed the publication "Traffic Noise and Your Next Home". Firstly, I fail to understand how the length of time one has lived in a house should determine whether the house requires noise treatment. Secondly, the title of the booklet, "Traffic Noise and Your Next Home", implies they should move on and look for another house. It sounds like the Roads and Traffic Authority hopes that my constituents will not be able to stand the noise and will move on, with the seven-year period starting all over again with the new residents. I quote from the letter written by Mike Cox entitled "The Noisiest House in Town!!!":

> Please accept my thanks for all of your good work on our behalf with the ongoing problem of ever increasing road noise emanating from the intersection of Abbot and Old Windsor Roads. …
>
> My question to the government is simply why the same protection was never afforded to the property I and my family now own and occupy. When this property was purchased, we had no way of knowing that the RTA never had any intention of following the requirements of the original EIS and accordingly, for whatever reasons, failed to protect this property.
>
> Despite many written requests to Minister Scully for relief, all of which you have been a very helpful party to, we appear to have achieved nothing. The RTA people with whom I have had face-to-face discussions about this problem have indicated to me that they need a statutory lead time of seven years of ownership to begin to look at the problem seriously.

This is a serious matter for Mr and Mrs Cox because they have been subjected to excessive noise, starting at 5 o'clock in the morning. They have motorcycles and motor cars going by, and they have already spent $6,000 trying to overcome the problem. I ask the Minister to look at this matter urgently. [*Time expired.*]

CAMDEN SHOW

Mr GEOFF CORRIGAN (Camden) [5.40 p.m.]: The Camden Show has a motto of "Still a Country Show". That motto is as true today as it was when it was adopted, which by my recollection was in the early 1980s. Camden Show Society's 118th annual show was held last Friday and Saturday. As usual, it was a cracker, with an attendance of 32,790 delighted patrons. The Camden show is regarded as the premier show on the country show circuit, and its position as the last show before the Royal Easter Show always ensures a hearty roll-up of competitors getting in last-minute practice before the Royal Easter Show.

Last Friday afternoon I wandered from the cooking exhibits to the poultry display and, at the same time, kept my eye on the main arena watching the show jumping. What a fantastic event it was for the whole day. As I made my way across to the sheep dog trials a steward, Hamish Wilson, grabbed me and asked me to sash the winners of the Elders Dairy Junior Paraders Competition. I had not seen the junior paraders competition before and it was very interesting with competitors from local high schools including Elizabeth Macarthur and Elderslie and out-of-district luminaries such as Yanco High and Hurlstone—the school of our future Prime Minister.

After sashing the six placegetters I went over to the Invitation Sheep Dog Trial, where my father-in-law, Wallace Martin, was the judge. I particularly wanted to see the sheep dog trial as it is rumoured that it was to be the swansong of the patriarch of the Inglis family, Dick Inglis. Dick is typical of the many families and businesses that support the Camden show. The Inglis stock and station, auction and real estate business was closed for two days as the family and staff worked hard at the show. I am sure Dick will not mind me mentioning that at 83 he is probably the oldest competitor in the sheep dog trials. I am happy to say that Dick won first prize in those trials with an excellent tactical manoeuvre in the championship round. I learned quite a lot about sheep dog trials on the day.

Saturday night saw another excellent program, with the highlight being the always popular Hennings firework display. Hennings, a local jewellery firm, has sponsored the fireworks for the twenty-four years I have lived in Camden, and they have bought joy to many children and adults as well. Importantly for us in Camden, the fireworks are provided by the premier fireworks family in Australia, the Foti family, who this year celebrate 50 years in the business. We at the Camden Show get a preview of the fireworks that will be used on Sydney Harbour on New Years Eve. I can tell the House that the Fotis have come up with some fantastic new pyrotechnics for this year's displays.

I would not want anyone to think that I just visited the show. I proudly display here today the ribbon my office won for second place in the Camden Show indoor display. I thank my staff Kristy and Denine for the effort they put in, particularly Kristy, who seemed to have all the answers to the judges' questions. I guess that as a former Camden Showgirl, Kristy knows what those judges look for. And in case honourable members think that is a one-off, I also have here my ribbon for winning last year's charity woodchop. I defeated Pat Farmer in that event and was able to donate $500 to Rett's syndrome research as a result of my victory. I am proud of that.

I take this opportunity to praise the hard-working members of the Camden Show Society, headed up by President Matt Collins and his more than 60 committee members. If you are on the committee of the Camden show, you have a job to do—there's no place to hide! Just look through the show book and see the many fantastic things that happen: the trade cattle section, the dairy goat section, the cat section, the championship dog show, the ponies, the saddle classes, the Andalusians, the farm produce displays in the pavilion section—

Ms Linda Burney: Where the scones are.

Mr GEOFF CORRIGAN: Yes, where the scones are, and the flowers and pot plants section. Somebody has marked in my book the novice trophy in the decorative section, which I believe is for cakes. I congratulate show secretary, Sue Sharpe, who has stepped into the big shoes of Mrs Doreen Wilkinson, who retired last year after long service as secretary of the Camden show. Sue has done an excellent job. Time has not permitted me to cover every activity at the Camden show, but I take this opportunity to congratulate the best country show in Australia. Keep it up in future years. I trust that some of my colleagues from the other side will come down to Camden and see what a real show is like.

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [5.44 p.m.]: I join the honourable member for Camden in celebrating the 118th annual Camden show. What a great celebration! Part of the ethos of the Australian spirit is demonstrated by that show, what it means for exhibitors who have an opportunity to display the best in cooking, poultry, sheep dogs, show girls. What more can we ask for?

Ms Linda Burney: Show boys!

Mr TONY STEWART: Show boys as well, as the honourable member for Canterbury says. These shows give competitors an opportunity to demonstrate excellence in produce, products and displays. I am pleased that the honourable member for Camden has paid to the show the tribute that it deserves. Once again the honourable member has evidenced his commendable approach to all matters in his electorate. He is out there on the hustings, working with and being part of the local community. The honourable member has, by the comments he made today, expressed how proud he is of his electorate and what it achieves, especially in putting on the Camden show—one of the best in Australia and the prelude to the Royal Easter Show. I say to the great member for Camden: Well done!

STATE EMERGENCY SERVICE FUNDING

Mr ANTHONY ROBERTS (Lane Cove) [5.46 p.m.]: It is a great pleasure and privilege to speak tonight on behalf of that great body of men and women who do so much for the New South Wales community in times of disasters, the State Emergency Service [SES]. It is important to consider how they are provided with the funding that the service needs. I refer to a letter by Mr Paul Maher, the President of the Illawarra-South Coast Division of the State Emergency Service:

> Members of SES who, over a long period time, have sought to improve the way that SES is funded, have been frustrated by the lack of the Insurance Industry's co-operation in coming forward with some formula for a realist contribution to the funding of our Organisation.
>
> It seems indisputable that our Organisation saves countless millions of dollars annually in the work that we do in responding to flood and storm events. In the same way that the Rural Fire Service saves lives and property—

And I commend the Rural Fire Service and Commissioner Koperberg—

> (and insurance payouts) in fire situations, the SES saves lives and property (and insurance payouts) in storms and floods. And yet the Industry continues to obstruct any attempt to obtain a fair and realistic contribution from it to the cost of the things that we do for them.
>
> It is probably fair to say that the Government of NSW has allowed the Insurance Industry to continue its free ride (at taxpayer's expense) on the back of an Organisation that saves it millions of dollars each year.
>
> If we examine events of recent times we don't come away with a lot of encouragement. The efforts of the Organisation in persuading the Minister to get all interested parties around the conference table did not succeed. The Industry basically said that they don't wish to contribute to the costs of running the SES as they do with the Fire Services, and the Government doesn't seem to have the political will to enact legislation to see that the Industry does meet its obligations, and also see that the SES is placed in a financial position that will enable it to meet its responsibilities in terms of our Act.
>
> So we remain the "poor relation" Emergency Service, in terms of funding, compared to the permanent and volunteer Fire Services.
>
> We remain at the stage of development where the pursuance of our strategic plans are totally reliant upon what the Organisation can get from the Government on an annual basis.
>
> Our monetary needs are well documented. High on our list is dollars for staff and infrastructure development at State Headquarters and in Divisions, to support the increasing number of volunteers in Units and to undertake the wider scope of tasks that the community manages to find for us to do. Also on the Organisation's list of priorities is money for a continuance of the paid Division Controller programme, and also a programme to appoint full time paid Local Controllers.
>
> There have been ongoing improvements to the way that we fund various things, Building and Vehicle subsidies are two that come to mind. The Organisation did, however, recognise some time ago the need to increase subsidies in these areas to a level that will attract more Local Government funding for our Units. Up until now, the burden of providing much of the funding for these programmes throughout the State has fallen on Local Government. In many cases it doesn't get done because Local Government can't afford it. Many Local Controllers around the State have strategies in place to develop Units in communities that are in many cases centres of substantial population, often 30 minutes or more from the town with the Local HQ, and the Councils are struggling to find the money that is necessary to build a HQ for a second or a third Unit. With a maximum subsidy of $40,000 available, not all that many Councils can find the additional $100,000 also to build an additional HQ to a suitable standard.
>
> If SES could obtain a level of funding comparable to [other organisations], subsidies of a realistic level could be offered to attract Council investment in a HQ for their SES Unit.
>
> If we examined the Disaster Events Data produced by Emergency Management Australia, which details the economic cost attributable to disasters in NSW, and the annual average cost of disasters from 1989 to 1999, then the relationship of that cost to the budget for the SES makes very interesting reading.

EVENT	*COST ($m)*	*RESPONSE AGENT*
Storms	4959 P.A.	SES
Floods	975 P.A.	SES

> But does the budget reflect this?
> Let's have a look!
>
> SES budget for the decade……Average $12m pa, or $120m
>
> Can we now turn our attention to a funding alternative.
> A glance at the figures published by the Australian Bureau of Statistics, in relation to the number of residential and business properties that could be used as a basis for arriving at a formula for an insurance levy, is very interesting.
>
> If we allow for an annual budget of $50m to one SES in NSW, (indexed of course), a formula might [be achievable] …
>
> If we levy 1%
>
> If we levy 1.5% [on various insurance policies]
>
> IT IS TIME THAT THE INSURANCE INDUSTRY IN NSW ACCEPTED IT'S RESPONSIBILITY AND SUPPORTED THE STATE EMERGENCY SERVICE IN THIS STATE.
>
> IT IS TIME THAT THE NSW STATE GOVERNMENT RECOGNISED THE NEED TO PLACE SES IN NSW IN A COMPARABLE SITUATION TO THE RFS AND TO ENACT LEGISLATION TO ENSURE THIS HAPPENS.

Mr Maher states that the SES deserves a much better deal financially than it is currently getting and asks that members support the New South Wales SES voluntary association by becoming financial members and working to improve the service provided. He also asks SES members to take the opportunity to talk to their State member, as he has done, and present the case for a new deal while asking for the support they deserve. I ask all honourable members to take on board the request of the SES. It is about time that insurance companies took on board some of the burden that is currently placed on SES volunteers. Hopefully, they will be able to continue the good work.

CANTERBURY CITY COUNCIL COMMUNITY HARMONY DAY

Ms LINDA BURNEY (Canterbury) [5.52 p.m.]: I acknowledge Canterbury City Council's work towards building harmony in the Canterbury area. The council's by-line is "City of Cultural Diversity" and every sign that bears the council's name will have underneath it "City of Cultural Diversity". A wonderful banner outside the council chambers says, "Canterbury Council welcomes refugees." I remind honourable members that Canterbury is an area of enormous diversity. They may recall that my previous private member's statements acknowledged the many community groups within our area. Many events took place across New South Wales on Community Harmony Day last week. I refer specifically to Canterbury City Council's Community Harmony Day, which was held at the Orion Centre and organised by the council's multicultural advisory group. The group is made up of 15 organisations, and initiates local projects that facilitate peace, harmony and mutual respect. One example is the Canterbury Interfaith Harmony Project.

Canterbury City Council has an impressive and well-run committee structure—for example, the traffic council, the community safety committee and a number of other committees that give the community a voice in what happens in our area. The new Mayor, Robert Furolo, officially welcomed the huge crowd to celebrate Community Harmony Day. I congratulate Robert and his Labor team on last week's election results, which provided the Labor ranks with an additional councillor, Bill Kritharis. I also acknowledge the strong foundation the new council has inherited from the work of excellent council officers under the leadership of Jim Montague, the General Manager, and the work of the outgoing mayor, Kayee Griffin. Under Kayee's leadership, harmony and cultural diversity were well established and became the norm for our area.

Mr Tim Earnshaw from the Centre for Culture and Health of the University of New South Wales was the keynote speaker at the Community Harmony Day celebration. His speech, entitled "What can the community teach doctors?" was extremely interesting. The title of his speech is a nice juxtaposition and a reflection on how the community and the medical profession should interact. This year the focus of Community Harmony Day was youth. The program was included in the Greek Festival of Sydney project. On the day, a number of awards and certificates of achievement were presented to students from Connell's Point school, Connell's Point Greek School, Arkana College and Ashfield Greek School. Students from Punchbowl Primary School, Arkana College and Clemton Park Primary School, and members of the Horizon Theatre and the Korean Women's Choir performed at the Community Harmony Day celebration. The children were absolutely amazing. The Korean Women's Choir is made up of many senior members of our community. They are great community participants and appear at many events within the electorate. A lunch was provided, but unfortunately I was unable to stay. Some 230 people attended the celebration.

I want to make some comments about harmony and the need for us as a nation to celebrate our diversity. One of the great honours of being the representative for the Canterbury electorate is the opportunity it presents to embrace community diversity and the wonderful mix of people in our electorate. I know that the honourable member for Bankstown, with whom I share an electoral border, will agree that it is an enormous honour and an educational experience every day to work with the fantastic groups that make up Community Harmony Day. Canterbury City Council must be congratulated on its work. I remind honourable members that our country was built on migration. It is the basic foundation of who we are as a nation. In the electorate of Canterbury and the surrounding areas that is truly the way we live our lives.

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [5.56 p.m.]: Together with the honourable member for Canterbury I celebrate community harmony. It is something she is proud of in the electorate she represents. The electorate of Canterbury and its surrounding area celebrate more than 120 different nationalities. That reflects what Australian multiculturalism is all about. Different families, religions and races live side by side as friends, neighbours, brothers and sisters without the tension and anxiety that we witness in other parts of the world. It is disappointing that our local areas of Bankstown and Canterbury are stereotyped by the media. I am fortunate to share an electoral boundary with such a strong member who represents her electorate so well.

The remarks of the honourable member for Canterbury contain a message we should take account of: Community harmony is alive and well in a multicultural Australia of which we are proud. Canterbury City Council excels in what it does for the community. I congratulate Robert Furolo on being elected as the new mayor. I acknowledge and commend Kayee Griffin for her input, particularly in relation to multiculturalism. She was the mayor for eight years and helped to establish the multicultural approach of the council to many of its affairs. I know that the community in Canterbury and the surrounding region will not forget her or her input.

It is important also to recognise the contribution of Jim Montague, who has been a great general manager for Canterbury City Council. He has stuck by Canterbury over a lengthy period and the district is the better for that. I commend the honourable member for Canterbury for drawing the issue to the attention of the House. I am able to state as the representative of the neighbouring electorate of Bankstown that the honourable member for Canterbury is a very diligent member of Parliament. I am proud of what she is achieving. I look forward to working with her in the future in the development of harmonious community perspectives.

NEW ENGLAND WOOL EXPO

Mr RICHARD TORBAY (Northern Tablelands) [5.58 p.m.]: The New England region is renowned worldwide for its production of fine and superfine wools. For the past 23 years the New England Wool Expo has been a showcase for manufacturers of sheep and wool products and equipment, wool brokers, wool research and development organisations, government departments and retailers to display and promote the latest developments in their industry at an annual three-day event in Armidale in northern New South Wales. Wool Expo was begun by a small group of enthusiastic woolgrowers and local business people who, in 1980, presented the first exhibition at the Armidale Showground and moved the following year to the town hall. In 1982 the event, which has become well known throughout the New England region and far beyond, moved to its current popular and highly visible site on the Armidale Creeklands, only one block from the Armidale Mall.

This year Wool Expo will focus on youth, highlighting the fact that New England, unlike many other country areas of Australia, is still home to many young men and women who see a future in the wool industry and who have returned to be involved in their rural and associated businesses. A forum with the theme, Young Guns in Wool, will present an opportunity for these successful young people to share their experiences with senior secondary students who are considering careers in the wool industry. They will also participate in panel discussions with wool buyers and other industry representatives. Wool Week will be launched on Friday 30 April with a gala evening and the launch of the Living from the Land exhibition from Howard Hinton collection at the New England Regional Art Museum. A centrepiece of that exhibition will be a loan for four weeks of Tom Roberts's famous painting *The Golden Fleece*, one of Australia's favourite rural paintings, which has only been outside its home at the Art Gallery of New South Wales on a few occasions.

Other attractions during Wool Week will include a Wool Ball, street fashion parades and a wool bale rolling competition. At a practical level, wool producers will be invited to attend a Technology Day at "Chiswick" which will be co-ordinated by Cicerone and will include speakers from major industry bodies. Wool Expo at the Creeklands from Friday 7 May to Sunday 9 May will feature many well-known attractions, such as the Fleece Spectacular, producer forums, the Mazda Woolcraft Centre and commercial displays. The latest

innovations in the wool industry will be exhibited in the Australian Wool Innovation Ltd's showcase van. A new feature of Wool Expo this year will be the Forsyths Farmgate Art Exhibition, with prize money in excess of $3,000 for works of art reflecting the New England region, rural Australia or the wool industry. Sheepdog lovers will be entertained over three days at the Australian Yard Dog Championships in the Creeklands where the two competition rings are set up only a block from the centre of the central business district.

Seminars have been organised for senior students and producers, while primary schools are encouraged to participate in a unit of study on the wool industry and enter competitions. Educational institutions including schools, TAFE and the University of New England [UNE] have been involved with the event since its inception in 1980. This year the UNE will host the Education Centre where students of all ages can learn something about sheep and wool. The Young Design and Innovation Awards, which were introduced in 2003, will continue in 2004 with added sections and increased prize money. Secondary students are invited to design and, if possible, construct a project to make working and living on the farm safer and/or easier. Wool Expo promotes other natural animal fibres as well as wool. A popular exhibition is the New England Alpaca Association's show. During Expo a shearing shed will be set up to demonstrate the art of shearing and preparing wool for sale. There will be daily entertainment and lamb cooking demonstrations.

One of the expo highlights will be the popular Australian Wool Fashion Award parades, which will present this year's entries and category winners. These fashion awards have been recognised nationwide and attract top designers as judges each year. They demonstrate that wool is still one of the most versatile and fashionable of all the natural fibres. Although we can no longer as a nation claim to be riding on the sheep's back, the industry in New England is still strong, with local graziers taking on many innovative practices to improve fleece quality and flock management. Recently graziers Don and Fay Tully won a prestigious Zegna award, against strong international competition, for an ultra-fine wool fleece from a non-rugged sheep. Wool Expo in autumn in Armidale attracts many visitors and industry professionals and demonstrates that woolgrowers, despite years of drought and downturns, are still willing to not only produce the fibre but also participate actively in promoting it and taking the message to the widest possible audience.

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [6.03 p.m.]: I congratulate the honourable member for Northern Tablelands on drawing to the attention of the House the forthcoming Wool Expo in Armidale, a most important event. The expo highlights the significance of the wool industry not only in New England but also in the lives of Australian people generally. As the honourable member pointed out, the wool industry has diversified, and approaches to management of the industry have changed. However, we must never forget the historical significance of the sheep and wool industry in the Australian ethos and as part of the fabric of Australian life. However, I remind the honourable member to ensure that the lamb cooking demonstrations are not held within proximity of the merinos, which might be looking on nervously.

HASTINGS RELAY FOR LIFE

Mr ROBERT OAKESHOTT (Port Macquarie) [6.04 p.m.]: I draw to the attention of the House an event that will take place this weekend in my electorate: the Hastings Relay for Life, a fundraising initiative of the Cancer Council of New South Wales that is strongly supported by many people in the Hastings Valley. The challenge is to break the State record by having more than 90 teams participate and to raise over $100,000 during one weekend for cancer research, support and advocacy. Currently 80 teams have registered to participate in a 24-hour walk during the Relay for Life. Tonight I call on the Hastings Valley community to gather together and make up 10 more teams to break the record and raise a significant amount for cancer research. During a conversation I had with the honourable member for Tamworth I was told that Walcha, which is a one-and-a-half-hour drive from Port Macquarie, raised $100,000. That is a significant fundraising effort from a community that is much smaller than Port Macquarie, so I am hoping that the sterling effort behind the rugby victory by Port Macquarie over Walcha last weekend will extend to fundraising as well.

The event that will be held over the weekend will be fantastic and represents a great deal of work by the Cancer Council committee and the Relay for Life committee. The events commenced last weekend with a Relay for Life swim, in which I participated. Owing to the cessation of daylight saving, it became a 25-hour swim, but it was certainly a delightful way to kick off a fantastic week of fundraising. Some of this weekend's events may interest the Parliamentary Secretary at the table, the honourable member for Bankstown, Mr Tony Stewart, because the program includes a good deal of live music that will be played throughout the Relay for Life. It will be a fun time to be out in the community and walking around. There will be a 24-hour touch football match between two local football teams. The Craig Stewart Band will give one of live music performances, and I cannot help but wonder whether Craig is a relative of the Parliamentary Secretary. If not, perhaps the balloon man is!

Mr Tony Stewart: I take it he is a clown.

Mr ROBERT OAKESHOTT: That is right, he is. Even Kenny and the Cavemen are a possibility and will also participate in the program. It will be a fun 24 hours, albeit with a serious purpose. There will also be a candlelight Ceremony of Hope, whose participants will mainly be those who have at some stage been touched by cancer and survived. The program will be a magnificent opportunity to educate the community and get the message across about cancer prevention. Cancer is one of the most significant problems faced by communities, and that is particularly so on the mid North Coast. It should be remembered that some forms of cancer can be controlled or minimised, such as lung cancer and skin cancer. We should all try to keep to a minimum the number of people who take up the bad habit of tobacco smoking. The evidence is clear that smoking creates cancer in the human body.

The program of events over the weekend will also include Go Smoke-Free by the Cancer Council, which is designed to encourage clubs and pubs to voluntarily make their premises smoke-free in the interests of patrons and staff. The program will also include sun exposure awareness and skin protection awareness campaigns. Skin cancer is preventable by adherence to the advice of slip, slop, slap. Unfortunately, far too few people do so, with the result that skin cancer is a major cause of suffering in the community.

The Hastings Relay for Life is, without doubt, one of the major fundraisers in the Hastings Valley for the year. We are doing significant work in cancer-related areas. From a government point of view I note that the radiotherapy units in Port Macquarie and Coffs Harbour are in the planning stages and are to be delivered in the next couple of years. Associated with that planning is the major fundraising campaign undertaken by the combined Rotary clubs to provide a significant upgrade in accommodation to facilitate those undergoing radiotherapy treatment at the Port Macquarie facility. The Hastings Relay For Life is part of the Cancer Council's overall campaign to raise funds for the Cancer Council for research, support and advocacy. Significantly, with the improvements in accommodation at Rotary House, every community dollar raised is worth $2 to that project, because of the commitments by the Cancer Council to our local community.

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [6.09 p.m.]: It is great to once again witness the honourable member for Port Macquarie supporting a community opportunity, something he does often in his local area. The mid North Coast, particularly the Hastings Valley, offers people the opportunity to recognise the importance of fundraising for the Cancer Council. The 24-hour walk and associated activities will raise valuable funds for cancer research. Most members of this House who have been touched by cancer know that it is an insidious disease that creeps up and grabs life. In that process it takes away a person's dignity; it is a horrible process to watch.

It is commendable that the honourable member for Port Macquarie has highlighted this event. Everyone should be aware of how horrible that disease is. We should get together, working as a community, to highlight the necessity of raising the funds that would allow thorough research to beat that horrible disease. I commend the people who will participate in the 24-hour walk and the associated activities to raise money to stop this terrible disease. We should all put our money where our mouth is. I hope that the honourable member for Port Macquarie comes up trumps and beats his competitors. The Hastings team needs to raise more than $100,000 to reach the State team record. I know that great region on the mid North Coast will do its best to do that.

Private members' statements noted.

[*Mr Deputy-Speaker left the chair at 6.11 p.m. The House resumed at 7.30 p.m.*]

HEALTH CARE COMPLAINTS AMENDMENT (SPECIAL COMMISSION OF INQUIRY) BILL

Second Reading

Debate resumed from an earlier hour.

Mr BARRY O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [7.30 p.m.]: This legislation is completely and utterly unnecessary. It should never have been introduced into this House, and it is legislation that the people of New South Wales do not welcome. The only reason we have this legislation is that when it came to health, to running our public hospital system and to administrating the health care complaints system in New South Wales between 1999 and 2003, the former Minister for Health, Craig Knowles, and his

boss, Premier Bob Carr, were asleep at the wheel. As a result there were accidents and people died. To date the families of those people have had no satisfaction or answers in relation to those unnecessary deaths at Camden and Campbelltown hospitals.

The Opposition does not oppose the legislation but it opposes the basis on which it has been generated: the sheer incompetence of the former Minister for Health. I have no complaints with the current Minister for Health in regard to this matter. Indeed, he blew the whistle on this matter in December. To some extent he may have blown the whistle to ensure that people were politically distracted, but at least he blew the whistle. But I have to say to the Minister for Health that even his record in this area will not be what it ought to be until he is able to admit in this House the sheer negligence, the sheer failings, the sheer cover-ups and the sheer incompetence of his predecessor as Minister for Health.

At the end of the day, if Westminster democracy means anything, if the Parliament holding executives accountable means anything, a Minister who presides over this sort of mess ought to resign; he ought not remain a member of the ministry, irrespective of whether he has been moved. The only reason we have this legislation is a failure to properly run at least two hospitals in the State's public hospital network and a failure to ensure that the public watchdog in relation to the State's health network—the Health Care Complaints Commission—actually operated effectively. Irrespective of the excuses put forward, regardless of the spin the Premier wants to put on it, at the end of the day the buck stops with him. In particular, it stops with the man who, between 1999 and 2003, was charged with running the Health portfolio in New South Wales, Craig Knowles.

We regrettably welcome Bret Walker's report today because it is an indictment of the administration of the Health Care Complaints Commission. It is an insight into the maladministration of the health system between 1999 and 2003 at Camden and Campbelltown hospitals. It is an independent indictment of Craig Knowles' performance and the performance of the department he was charged to run. Forget the claims of the politicians, forget even the claims of the heroic whistleblower nurses: this is independent verification of just how bad Craig Knowles was as Minister for Health. Clearly, as a result of this report it is demonstrable that he has blood on his hands. We regrettably welcome this report, as does the Australian Medical Association [AMA] (NSW), which today issued the following press release:

> AMA (NSW) welcomes the interim report and the speed at which Bret Walker, SC, has started to address the complex issues surrounding Macarthur Health Service.

The AMA release continues:

> AMA (NSW) President Dr Choong-Siew Yong, said it was disappointing that the interim report had made no reference to one of the major failings of the health system at Camden and Campbelltown—chronic under funding.
>
> AMA (NSW) is encouraged that the Interim Walker Report has acknowledged that the next phase of the inquiry will focus on systemic improvement.
>
> Mr Walker's decision to refer doctors to the NSW Medical Board and/or the Health Care Complaints Commission (HCCC) as a first step, raises concerns that the inquiry is focused on individuals rather than assessing system failure.
>
> We welcome Mr Walker's decision not to release the identity of the doctors referred for performance assessment or investigation. We note Mr Walker's acknowledgement that doctors have already suffered from a lack of procedural fairness at the hands of the HCCC.

It is pleasing—and it must be pleasing for the Minister—that the AMA has welcomed the report, and that it applauds, as does the Opposition, the speed with which Bret Walker has addressed these concerns, particularly in the interests of the families of those affected but also, as the AMA points out, for the medical practitioners over whom this cloud has hung for far too long. We would far prefer to have legislation in this place; we would far prefer Mr Walker to be carrying out the job in relation to a royal commission into the State's public hospital system because, as much as it suits the Minister for Health and the Premier to suggest that these problems are isolated to Camden and Campbelltown hospitals, today we have proof positive that the problem is more widespread.

Today, whilst it suits the Premier and the Minister for Health to say, "We have restructured the Health Care Complaints Commission. We will move forward and the public should have confidence in moving forward," the reality is that neither this legislation nor any statement made in another place today addresses the concerns of those people who suffered at the hands of the Health Care Complaints Commission. As the Leader of the Opposition has already told this House, out of 70 matters referred to Mr Walker, not a single one was properly investigated against the statutory obligations of the Health Care Complaints Commission—70 out of 70 failures is clear evidence of how dysfunctional the Health Care Complaints Commission was.

Yet during the period that the former Health Care Complaints Commissioner was in charge of the commission, during the period in which the former Minister for Health sat on his hands and allowed Ms Adrian to shift the focus of the Health Care Complaints Commission away from the investigation of complaints and assessment of the culpability of those involved to a softer, gentler, more educative role, which Bret Walker has damned in his report today, thousands of cases were presented to the Health Care Complaints Commission.

Indeed, in the period that Ms Adrian was Health Care Complaints Commissioner, 8,714 matters were referred to the Health Care Complaints Commission for investigation. Of those matters, only 1,034 were finalised, and another 589 were open as at 30 June 2003. In the light of Bret Walker's report today, those 8,714 complaints to the Health Care Complaints Commission may represent one per individual. Today at least 8,714 families across New South Wales will be wondering what confidence, what weight, what satisfaction they can have in their dealings with the Health Care Complaints Commission when Ms Adrian was commissioner.

We believe that at the very least all of these matters need to be reviewed, in the same way that Bret Walker reviewed those cases before him. Not to do so is convenient for the Government. One question I will ask the Minister for Health, one question that no doubt he will not, on this occasion, want to provide me with the answer to—I am sure he will dodge the question or seek not to answer it when I put it on notice—is to which hospitals across the New South Wales public health system did those 8,714 complaints apply? In other words, at which hospitals did the issues of which people complained arise?

The Health Care Complaints Commission collects that data but does not publish it. If the Minister was prepared to be transparent and accountable in this process he would table this evening, or at the very least when the matter is debated in the upper House, details of the hospitals to which the full 8,714 complaints, the 1,034 complaints that were finalised or the 589 that were open as at 30 June 2003 applied. One thing is certain: not all the complaints were isolated to Camden and Campbelltown hospitals. The Opposition has been making that point since this issue first reared its head.

What we are seeing in relation to Camden and Campbelltown hospitals, what Mr Walker is now inquiring into, what Mr Walker is having to refer to the Health Care Complaints Commission and other bodies through this legislation, are the systemic failures within New South Wales Health, not only in the health care complaints process but in the way in which our hospitals are run. We have been arguing that point from day one. We now have 8,714 reasons as proof that the failures extend wider than Camden and Campbelltown hospitals. With a batting average of 70 failures out of 70 cases investigated by Bret Walker and found to have been wanting in the Health Care Complaints Commission assessment and investigation of them, it is clear that multiple errors were made, affecting probably tens, if not hundreds, of hospitals around the State.

I urge the health Minister to consider putting that information forward. However, he will not do so because it does not suit the Carr Government's political agenda. I simply remind the Minister for Health, who I think has inherited an appalling legacy from his predecessor and who I believe is endeavouring to come to grips with it, that if he continues to pursue the tainted approach of the former Minister for Health to the administration of health in this State, if he continues to put political advantage and political interests ahead of public interests and the interests of the patients, he will end up like the former health Minister; he will be discredited and, what is worse, he will end up with preventable deaths on his hands.

Notwithstanding the criticisms of Mr Walker in today's report on the operation of the Health Care Complaints Commission, the reality is that, as Mr Walker clearly indicates, the health care complaints legislation enacted by a former Coalition Government is sound; if applied, it can do the job. I think I saw the part-time Premier of New South Wales on television making that point this evening. If the legislation is properly run by a health care complaints commissioner it can achieve the purpose of the Health Care Complaints Commission. When this Government came to office Merrilyn Walton was the Health Care Complaints Commissioner. I must say that no-one from the medical profession, the nursing profession, the allied health profession or consumer groups within health ever had any doubt that Merrilyn Walton was prepared to name names, to apply accountability and to ensure that both systems failures and individual failures were addressed within the Health Care Complaints Commission.

If I it may be so bold as to give her a back-handed compliment, Ms Walton, like many good watchdogs—for the benefit of my friend the honourable member for Wakehurst, who may have someone else in mind in relation to another watchdog—made herself unpopular with the group in which she was operating. Merrilyn Walton sought no favours and gave no favours. She demonstrated just how well a health care complaints commission can operate. However, what happened, as with all appointments, her appointment was

finalised and the Government proceeded to select a new appointee. As the former Minister for Health was quick to assure the House today, that was a Cabinet decision. These days the former Minister is very much into collective decision making. All those who sat in the last Cabinet have now been damned by the former Minister in relation to that statement. That exempts the Minister for Health, who, as I said, is trying to come to grips with the legacy he has inherited.

However, we end up having employed as the Health Care Complaints Commissioner someone whose approach is as different to that of Merrilyn Walton as one could get, someone who would not put the same emphasis on the investigation of individual complaints and holding people to account for those complaints, someone who much preferred to approach these issues in an educative and instructive manner. Bret Walker's report released today makes it clear what a disaster that was. Ms Walton was in the Parliament on Monday addressing a committee of another place. What I found interesting when I read the transcript on Monday, and what I went back to today after being briefed by Bret Walker, was the following statement by Ms Adrian:

> I was appointed to the position of Health Care Complaints Commissioner in 2000 with the following as my platform: providing the community with an effective, independent watchdog agency for the health system; developing the commission as an organisation that was taking a more systemic view of the challenges to safety and quality in the health system; and introducing a significant change program aimed at changing the perceptions of many health professionals that the commission was solely an instrument that was bent on seeking out the "bad apples" in the health system, humiliating them by investigating them and taking disciplinary action through a formal prosecution for professional misconduct. In my view, this new approach would lead to a culture of learning and a willingness to share information about errors, and the failures of the system, and it would encourage open and active discussion and improvement in health care. This is fundamental to a safe system providing high quality care …

On Monday, under oath, Ms Walton told the committee that when she applied for the job she made it clear that she was about to change the focus of the Health Care Complaints Commission, away from the investigative approach that the Minister for Health demanded in December when he sacked Ms Adrian and away from the approach that Bret Walker believes should have been taken. Indeed, during our discussion today—and I do not think I am breaching any confidence—he described the Health Care Complaints Commission as having acted contrary to the law—in other words, not fulfilling its statutory obligations. Ms Adrian says she made it clear from the outset what her approach was going to be: it was going to be caring and sharing—and no alarm bells rang. Those of us who have been in government know that the panels who choose these appointments are chosen appropriately. They are not flunkies. Occasionally ministerial staff are appointed to one or two of them, but even then they are taken very seriously.

This is a significant appointment. It is one of the State's watchdog authorities. It is important to our public hospital system. It oversights a health system with the largest budget in the State, yet no alarm bells rang. It goes through that process and up to the Minister's desk, and no alarm bells ring. As the former Minister, Craig Knowles, helpfully tells us today, it goes to Cabinet and no alarm bells ring. Yet five years later we end up with this sort of report concerning a very limited inquiry about Camden and Campbelltown hospitals and allegations raised by whistleblower nurses, showing that 70 out of the 70 cases referred to the Health Care Complaints Commission were not adequately processed.

It may suit the Government today to blame the former Health Care Complaints Commissioner for the way the commission was run, but Amanda Adrian was appointed by the Labor Government in 2000. She followed Merrilyn Walton, who had used the legislation to the hilt, and used it effectively. The system was fundamentally changed by the appointment of Amanda Adrian, who told the upper House committee under oath that she was going to do that—and no alarm bells rang. Quite the contrary, she was endorsed not just by the panel, not just by the Minister, not just by Cabinet, but also by the Premier.

We know that the Premier does not have a full-time focus on any of the issues in the State, but it is hoped that when one is appointing one of the handful of watchdogs in the State that has significant powers the Premier might have tuned in for a moment. But it is clear that he did not. Although I say the former Minister for Health is to blame, his boss is the Premier, and those two cannot escape that fact. Within a short time of Ms Adrian being appointed to the job a feature article appeared in the *Sydney Morning Herald* on 1 August 2000 written by Judith Whelan—who is probably related to the Labor Party. The article stated:

> To her mind, the commission is not just to investigate mistakes and assign blame, but to keep the system on track, accountable, always interested in performing better for the patients.
>
> "We are trying to … work with the health professionals … who are not always good at seeing things that might lead to complaints," she says. Often complaints arise from communication problems rather than actual treatment: part of the commission's work is teaching managers to deal with potential complaints early.
> "I see [the commission] as very much supporting and being an advocate for the consumer" …

> Her focus is not just on individual doctors and nurses, but on the organisations which train them and manage the way they serve their patients.
>
> "There is a culture in the medical system, an idea that the doctor is in charge of everything, but in reality the doctor delegates … With many of these complaints, it is a systems issue."

If the interviews Ms Adrian gave and the evidence she gave under oath to the upper House committee that she was going to change the approach of the Health Care Complaints Commission were not warning signs, an interview given three months after she was appointed and published in the only broadsheet in this State—and presumably read, if not by the Minister for Health, by his advisers—should have set alarm bells ringing. But it did not. Once again the Minister was asleep at the wheel. But today the Government is saying it is not its fault; it is the fault of that nasty Amanda Adrian. Certainly Ms Adrian has much to account for, and Mr Walker has assured us that she will be given the opportunity to account for it, but Ms Adrian did not just materialise. She was appointed by this Government and the Government sat on its hands despite what was happening.

I sincerely hope that the second and third stages of the Walker inquiry look at the appointment process in regard to Ms Adrian—that they pull the files, look at whether riding instructions were provided, and look at the role the former Director-General of Health, Mick Reid, may have fulfilled on behalf of his Minister, Craig Knowles, to see if this was not the outcome the Government wanted. What is certain, and what I am on the public record as having said well before this came into the public domain, is that it has been in the interests of this Government to slowly wind down the operations of the State's watchdogs.

Whether it is the Health Care Complaints Commission, the Independent Commission Against Corruption or the Community Services Commission, which was merged with the Office of the Ombudsman, this is a government, a society and, frankly, a Parliament, that no longer experiences the fear that Ian Temby and other commissioners of the Independent Commission Against Corruption instilled in members of Parliament and public servants. My friend the honourable member for Wakehurst can attest to that. As the Leader of the Opposition said, this is a government that prefers its watchdogs to be lapdogs; to be tamed; to concentrate, if I can be so bold, on the cuddly, on the caring and sharing, on the expenditure of funds to improve the system through education. It is not prepared, because of its political persuasion, to tunnel down and hold people to account in the way that dissatisfied the Minister for Health when he received the Health Care Complaints Commission report last year and when he released the report in early December.

The reality is also—as the Leader of the Opposition pointed out today, as Bret Walker has privately told us, and as the Minister has acknowledged in the second reading speech—that many people who conducted those failed and bungled investigations in the Health Care Complaints Commission hold their jobs today: they still work within the commission. I accept and put on the public record that due to Bret Walker's proactivity he received commitments from the initial interim commissioner, Bill Grant, and the new commissioner that none of those staff would be involved in reassessing these 70 cases. But the reality is that the same people who operated in the former failed regime are still there and are not being held to account. The Opposition believes those people should go. We have a bus and a new driver but the same conductors, and we are not sure that the passengers are being looked after. We saw what happened when the former Minister fell asleep at the wheel, and we are not prepared to say that cannot happen again so long as these people are there.

Mr Brad Hazzard: Why is Knowles there?

Mr BARRY O'FARRELL: With due respect, we know this is a government that can never accept blame. It is a government, like the Fonz out of *Happy Days*, that can never say the word "sorry". This is a government that is not prepared to stand up for Westminster-style democracy. This is a government that never holds a Minister to account, whether that Minister has been responsible for train crashes and despite the recommendations of the Glenbrook inquiry, or, in this case, whether he has been responsible for appalling administration of the health system. When the current Minister for Health, to his credit, published all the material in December, the former Minister for Health was nowhere to be seen. He suffered as a result of that, and I am pleased he suffered, because the families of these victims are suffering today.

When the former Minister for Health said today that he welcomed the question, he might have at least followed it with an apology to those people for his appalling administration, but he did not do so. The last time the Premier and the Minister were wringing their hands about this matter, the former Minister for Health was not present and was not mentioned. He was the subject of media criticism. He was forced out of his barrel and had to make some statements to the media. Today the same thing happened. If there were any justice in the world, today the Premier should have announced that Craig Knowles had been sacked from the Ministry because, as I said at the start, Bret Walker's report is a damning indictment of his administration of the health system from top to bottom.

Bret Walker says that these complaints were going to the Health Care Complaints Commission and not being investigated. They were never coming back. The delays were enormous. Yet no alarm bells were ringing in the Minister's office. The Minister's political antennae were not working, and former Director-General of Health, Mick Reid, and current Director-General, Robyn Kruk, did not seem to realise the extent of the problem. One person might be an oversight, but three or four people are a conspiracy. That just goes to support my view that the Government was always interested in having a tame lapdog, not a credible watchdog. Therefore, when it sent over another complaint, and there were lots of them—8,714—it was not unhappy when a response did not come back. I made the point earlier today that this Government is too interested in political media management and it is not interested in managing the health system—a point made by John Menadue. Until that changes we will not see any improvements in the health system.

I make a second point about Amanda Adrian's sworn evidence. She said on oath that repeated attempts to have budgets ramped up in order to assist her in her task—as misguided as I might think her task was—were rejected. We sought to ask the former Minister for Health, the Hon. Craig Knowles, about that matter today but, of course, he was not prepared to answer the question. In fact, on two occasions he said, "Read page 6 of the report." Page 6 of the report has nothing to do with that question. We would still like to know what support the former Minister for Health and the Treasurer provided in relation to those requests and whether or not at the end of the day that was part of the factor in this whole sorry saga.

I accept Bret Walker's finding that it was the appointment by the Minister and the department of someone who had a completely different cultural view of complaints that led to this problem. Whichever way we look at it, a backlog was growing within the Health Care Complaints Commission that was not being addressed. On Monday, Amanda Adrian said under oath that that was due to budgetary problems in her attempts to obtain extra resources to deal with those problems. I cannot let this legislation pass without making some comment about the Joint Committee on the Health Care Complaints Commission. Mr Acting-Speaker, you and I have served on similar watchdog committees. They are important in oversighting bodies such as the ICAC, the Police Integrity Commission, the Ombudsman and, in this case, the Health Care Complaints Commission, which have wide powers and which can have significant impacts upon people's lives.

One of the protections for people in relation to these bodies is to have an oversight committee of the Parliament. Whilst it cannot delve into individual cases, it is there to try to protect the public interest. Whichever way we look at it, the Joint Committee on the Health Care Complaints Commission, during the period 1999 until the election in 2003, comprehensively failed to do that. The chairman's foreword for each of the reports during those years makes interesting reading—the chairman being the honourable member for Lake Macquarie. It notes some concerns; it notes fewer complaints; and it provides, on a range of public service-speak, the mildest of criticisms and the tiniest of rebukes.

It was not until its December 2003 report that it finally blew the whistle on the enormous backlog within the Health Care Complaints Commission. Only in its December 2003 report, which was released a few days after the Minister released the Health Care Complaints Commission report into Camden and Campbelltown hospitals, the chairman of that committee, the honourable member for Lake Macquarie, said, "This is a terrible organisation." Forgive me for being cynical. I have probably seen Walt Secord in this building for far too long. That report of the Joint Committee on the Health Care Complaints Commission has to me all the hallmarks of a report written in haste after the leak earlier—in about August or September 2003—of the original Health Care Complaints Commission report into Camden and Campbelltown hospitals and the revelation of the extent of the problems.

After reading that report again today—a report that was produced in December 2003 by the Joint Committee on the Health Care Complaints Commission—it struck me as being all too cute. Six months after an election and 3½ years after Amanda Adrian was appointed—the three years in which Bret Walker's report makes it clear that the Health Care Complaints Commission was dysfunctional, disobedient to its legislation and not providing the service that the public expected—it is all too convenient that the report was produced at the thirteenth, not even the eleventh, hour. The committee was not even able to issue its report before the Minister made his statement. If ever there was an example of backside protection, that is it.

As I said today in the House, the honourable member for Lake Macquarie has been chairman of that committee for 4½ years. He receives about $14,000 a year in allowances and expenses for that. He received $60,000 to do a job—to uphold the public interest—and he has fundamentally failed. That is not my view; that is the view of Bret Walker. That is the only conclusion that can be drawn from Bret Walker's inquiry. As Mr Walker said to us today, the law of privilege, the separation of powers and the limited terms of reference that

he has been given mean that he cannot review the effectiveness of the Joint Committee on the Health Care Complaints Commission. First, it is not within his terms of reference and, second, there are issues that relate to privilege.

I would dearly love the Minister to extend Mr Walker's terms of reference. I would dearly love this Chamber to exempt the committee's agendas, minutes and other working papers from the privileges that apply to this Chamber to allow that to happen. That will not happen because that would widen this issue. It would include other political fallout. This Government, from day one, has been seeking to limit the political fallout involved in this whole issue. We are satisfied that, due to the incompetence of Bob Carr and Craig Knowles, this legislation is necessary. There would be no legislation if they had done their job properly. There would be no legislation if they had appointed a Merrilyn Walton clone, or someone akin to Merrilyn Walton, as Health Care Complaints commissioner.

There would be no need for this legislation if Craig Knowles and the Premier and Craig Knowles' director-generals had been alert to problems within the Health Care Complaints Commission. There would be no need for this legislation if someone at some stage had asked, "What happened to that referral? Why have we not got an answer?" There would be no need for this legislation if it were not for the incompetence and the determination of Craig Knowles and his boss, Bob Carr, not to pick the scab off NSW Health, as it was between 1999 and 2003. They were not interested. They simply wanted to keep the lid on that portfolio in the lead-up to the State election campaign.

After all, this is the health system that Bob Carr said in March 2003 was the best in the world. Even the honourable member for Fairfield would have to admit on a reading of Bret Walker's report that this is hardly the best system in the world. This is perhaps the best example of a failed health system in relation to those two hospitals. As I said earlier, the Opposition's real concern relates to what we have seen going on at Camden and Campbelltown hospitals. Clearly, that is happening or it has happened in other hospitals. We know that 8,714 complaints were referred to the failed Health Care Complaints Commission under the former commissioner, who has been so comprehensively criticised by Bret Walker today.

There can be no certainty that one of those complaints was properly handled when, as I said, Bret Walker's review of 70 complaints finds that all 70 failed the legislative and statutory test because of the way in which they were investigated, and 12 of them were referred for disciplinary procedures. We support this legislation reluctantly because of the incompetence of this Government. We support this legislation because without it people cannot be held to account. We support this legislation because without it those who might be guilty of incompetence or other misconduct charges could get off on technicalities through appeal to the Supreme Court. We support the legislation because, unless through clause 7 it is applied retrospectively, those who may well be guilty—those who should be named and shamed—may continue to practise in our hospital system. I apologise to my Opposition colleagues for the length of my contribution.

So many people have died. So many people have been sacrificed on the altar of ministerial incompetence. Craig Knowles continues to sit in the Carr Cabinet, and this Government, despite the prospective best efforts of the Minister for Health, refuses to go back and either review the thousands of complaints received by the failed Health Care Complaints Commission, which has now been exposed as an appalling institution, or acknowledge that those complaints apply to other hospitals in the system. Nothing is being done about those other hospitals. We hear an enormous amount about what is being done to rescue Camden and Campbelltown hospitals, but I again point out that, according to the rhetoric of either the former Minister for Health or the Premier in the lead-up to the last election, no rescue package was necessary—Camden and Campbelltown hospitals were allegedly examples of the best that the New South Wales health system had to offer. That was the line during the election campaign. It was a lie then and it is a lie today.

This Government stands condemned by this report. This Government has had to establish a limited commission of inquiry to try to quarantine political fallout from this affair. This Government appears to be turning a blind eye to the wider implications of this affair and is clearly providing no satisfaction to the thousands of families whose complaints were not dealt with properly by the Health Care Complaints Commission.

Mr MORRIS IEMMA (Lakemba—Minister for Health) [8.11 p.m.], in reply: I thank the Opposition and the shadow Minister for Health for supporting the Health Care Complaints Amendment (Special Commission of Inquiry) Bill, which is needed to bring finality to the process of getting to the bottom of all that happened at Macarthur Health Service. The need for this legislation is clearly evident in the report of the special

commissioner. That report speaks for itself. An independent statutory body charged with the responsibility of investigating complaints against practitioners and services within the health system failed to do the job properly by taking its eye off the legislative framework in which it operates.

The issue of resourcing is not central to the need for this legislation and it is not central to the failings of the Health Care Complaints Commission [HCCC] that caused it to neglect its duty. No amount of resources was going to fix the problem that Mr Walker has highlighted in his report—namely, the commission did not carry out its statutory function. It had nothing to do with resources. The commission requested additional resources on several occasions in the past and those requests were met with additional resources. The failings of that body had nothing to do with resources and everything to do with the fact that it simply did not apply the statute that it was supposed to apply to the processes it commenced regarding the Macarthur Health Service.

This legislation is needed so that legal technicalities do not stand in the way of accountability. This is not about witch-hunts or blaming and shaming for the sake of it. Commissioner Walker in his report clearly outlines how individual accountability and systemic improvement are not mutually exclusive—the two go hand in hand. We cannot have quality and systemic improvements in our health system without individual accountability because only through accountability do we get improvements. The HCCC clearly failed to apply a number of sections of the current legislation. As Mr Walker pointed out, the legislation operates well. We will need down the track to make further amendments to the Health Care Complaints Commission Act to give the commission additional powers to improve the way in which it operates. The legislation before the House will plug some gaps that have been identified so as to stop legal technicalities preventing people from being held accountable for possible professional misconduct. I thank the Opposition and the shadow Minister for Health for their support.

Motion agreed to.

Bill read a second time and passed through remaining stages.

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Mr CARL SCULLY (Smithfield—Minister for Roads, and Minister for Housing) [8.15 p.m.]: I move:

> That standing and sessional orders be suspended to allow the introduction and progress through all stages at this sitting of the Transport Administration Amendment (New South Wales and Commonwealth Rail Agreement) Bill.

I understand that the Opposition is aware of this legislation. Agreement has been reached between the Commonwealth and New South Wales governments to progress the leasing by the Australian Rail Track Corporation of a large section of the New South Wales rail network, and it is important to pass this legislation as soon as possible. I have discussed this matter with the shadow Leader of the House, the honourable member for Epping. I commend the motion to the House.

Motion agreed to.

TRANSPORT ADMINISTRATION AMENDMENT (NEW SOUTH WALES AND COMMONWEALTH RAIL AGREEMENT) BILL

Bill introduced and read a first time.

Second Reading

Mr JOSEPH TRIPODI (Fairfield—Parliamentary Secretary) [8.16 p.m.], on behalf of Mr Craig Knowles: I move:

> That this bill be now read a second time.

In September last year the Minister for Transport Services, and Deputy Prime Minister announced a historic agreement under which the Australian Rail Track Corporation [ARTC] would lease the New South Wales interstate and Hunter Valley lines. The Transport Administration Amendment (New South Wales and Commonwealth Rail Agreement) Bill represents the culmination of more than 100 years of evolution of the

Australian rail network. It provides the framework by which management of the New South Wales rail network will become integrated with the rest of the national rail network. It is the last major plank in the national network's realignment.

At the time of Federation the State's rail systems had been developed as a series of stand-alone networks, radiating from the major ports to serve the hinterland and bringing rural produce and passengers to the major cities along the coast. Three separate track gauges were adopted by the States, effectively making their networks incompatible. The founders of Federation had the foresight to recognise explicitly their role in the Constitution, giving the Commonwealth the explicit power to deal with railways. Construction of the transcontinental railway was instrumental in bringing Western Australia into the Commonwealth and represented the beginning of the Commonwealth's direct involvement in the nation's railways.

After a long pause the involvement of the Commonwealth increased from the 1960s, as it pushed for a common gauge for the national rail network. Over the next two decades Melbourne, Perth and then Adelaide were linked to Sydney and Brisbane on the uniform gauge network. This network was completed in the mid 1990s with the standardisation of the Melbourne to Adelaide line. Management of the network also increasingly recognised the need for integration across State borders.

The Commonwealth take-over of the South Australian railways and improved co-operation between the State rail networks through the 1980s gave way to the creation of a single interstate rail freight operator, National Rail, in the 1990s. At the time of its establishment it had been expected that National Rail would also take over the national track network. The emergence of national competition policy in the early 1990s led instead to a recognition that the future of freight operations lies in competition between rail freight operators, which necessarily required the separation of the management of the track. The Commonwealth and New South Wales both followed this path, effectively precluding the take-up of the track by National Rail. In its place the Commonwealth established the Australian Rail Track Corporation, consistent with a 1997 intergovernmental agreement between mainland States and the Commonwealth.

The ARTC was established as a Corporations Law company with its shares wholly owned by the Commonwealth. It initially took on the railways then owned by the Commonwealth, and shortly afterwards took a lease of the interstate lines in Victoria. It subsequently entered into an arrangement to provide access for operators to the interstate lines in Western Australia. Importantly, this network is under the control of the Commonwealth, through the ARTC. During the past five years growth in general freight on the New South Wales rail network has been in excess of 30 per cent. This is a strong endorsement of the policies put in place by this Government. It is a tangible demonstration that the Government's strategy of separation and the introduction of private sector competition into rail freight operations have delivered genuine gains to the community.

However, to sustain this impressive growth requires change in the underlying management structure of the rail freight network. The long-term freight transport trend is away from the traditional hinterland to port pattern and toward interstate flows. The Commonwealth is well placed to provide the national context required to effectively manage this evolving transport pattern. Similarly, the Commonwealth holds primary responsibility for funding the national highway system. It is appropriate that it also take primary financial responsibility for the national rail system. The integration of the New South Wales rail network represents the last major piece in creating a true national rail network, managed as an integrated whole.

This Government believes that such integration is logical and sensible public policy, and the bill provides the framework for that integration. The three key features of the agreement with the Commonwealth and the ARTC are a 60-year lease to the ARTC of the non-metropolitan interstate main lines and the Hunter Valley; management by the ARTC of the country regional network; and the majority of country rail staff remaining employees of New South Wales. New South Wales remains vitally interested in intrastate trade flows and in ensuring that the freight needs of rural communities are met. To provide for the continued integrated management of the rural New South Wales network it has been agreed that the country regional network, that is, branch lines and non-interstate main lines, will be managed by the ARTC on behalf of New South Wales.

This network will be managed through an alliance contract between New South Wales and the ARTC. The Rail Infrastructure Corporation [RIC] will retain ownership, and New South Wales will retain funding responsibility for these lines. An alliance board will be established to oversee these lines through the setting of key performance indicators. The Labor Council will be represented on the alliance board. The majority of

country infrastructure maintenance and train control staff are to remain employees of the RIC and the State Rail Authority [SRA], though they will work for the ARTC. The ARTC will directly employ its New South Wales management, administrative staff, train control managers and infrastructure team managers or leaders. It is proposed that the ARTC lease and management arrangements will commence on 1 July 2004.

There are a number of other significant elements of the proposed arrangements. The Sydney metropolitan freight lines will be leased to the ARTC on similar terms to the lease of the interstate and Hunter Valley lines. It is proposed that this will commence on or after 1 January 2006, and conclude on the same date as the interstate lease. The ARTC is to undertake a five-year infrastructure investment program of $818 million on the New South Wales network, plus a further $52 million program on the Albury to Melbourne line in Victoria. This will include a contribution by New South Wales of $61.9 million.

The centrepiece of the investment program is the construction by the ARTC of a new railway line, the southern Sydney freight line, within the existing railway corridor from Sefton Park near Chullora to Macarthur. This will allow segregation of freight and long-distance passenger services from electric suburban services in this corridor, and provide a dedicated freight track connecting the interstate rail network with Port Botany. The investment program will also provide for capacity and performance enhancement works on the interstate network to achieve Australian Transport Council targets, works for the Hunter Valley coal lines, and the upgrade and consolidation of train control and signalling systems.

Importantly, the ARTC has agreed to be bound by the New South Wales passenger priority principles. New South Wales will have the right to resume network control in cases of gross and persistent non-adherence by the ARTC to these obligations. The ARTC management of the network will be subject to New South Wales rail safety accreditation by the Independent Transport Safety and Reliability Regulator in accordance with the Rail Safety Act. The bill makes it clear that the ARTC is responsible for safety on the lease network and for seconded staff. The ARTC securing its accreditation is a condition precedent of the lease and other arrangements commencing.

The ARTC is currently part way through the necessary processes to secure its accreditation. Clear and achievable performance indicators are being established for performance under the contracts, including track performance and infrastructure condition. The track indicators will be directed at precluding a run-down of the asset. New South Wales is reserving the right to undertake capital works within the rail corridor, or to utilise the corridor for New South Wales Government purposes, such as laying of additional optic fibre or utility services.

An option has been provided for the ARTC to lease the Werris Creek to Boggabilla line to facilitate a Melbourne to Brisbane inland route, should the ARTC seek to proceed with this project. Any decision on the inland route will be a matter for the ARTC and the Commonwealth. There have been extensive discussions with the Commonwealth to ensure that New South Wales retains control in the event that the Commonwealth seeks to change the equity structure of the ARTC. It has been agreed that the Commonwealth will consult New South Wales in the event that it wishes to dispose of any of its interest in the ARTC. New South Wales will have an option to acquire back the ARTC's leasehold interest in the New South Wales rail network.

An important aspect of the implementation of the arrangements is the protection of the interests of current New South Wales employees. The original ARTC proposal was assessed by New South Wales against a set of 29 criteria developed in consultation with the unions. During the assessment of the proposal by New South Wales, an employee reference group was established to advise the unions of progress and provide a forum for feedback. In July 2003 the Labor Council was involved in, and signed-off on, 11 key objectives against which alternative models were considered to arrive at a preferred model.

Following extensive consultation with the unions and the Labor Council, it was agreed between New South Wales and the ARTC that most employees would remain employees of the New South Wales Government, rather than be transferred. This will allow staff to retain the benefits of being New South Wales public sector employees. In developing this model, the chairmen of the RIC and the ARTC undertook regular consultation with unions and the Labor Council. The ARTC will be recruiting approximately 290 staff, who will be direct employees of the ARTC. A transfer package has been put in place for country staff who resign from a New South Wales rail entity to take up employment with the ARTC.

No-one will be forced to apply for a position with the ARTC. The Government's policy of no forced redundancies applies to work force changes resulting from the ARTC lease. A joint consultative group with the Labor Council and rail unions has been established to provide a formal consultative mechanism during the

implementation of the ARTC arrangements. I will flag, on behalf of the Government, that some amendments may be moved in the other place arising out of these ongoing discussions. We will further consult with the Labor Council and the ARTC in the coming weeks. Comprehensive arrangements have been put in place to preserve the existing conditions and entitlements of staff.

For infrastructure maintenance and train control employees working on the ARTC-managed lines, existing enterprise bargaining agreements [EBAs] and other industrial instruments will govern conditions of employment. Future EBAs will be negotiated with the RIC and the SRA, in consultation with the ARTC. Staff taking up positions with the ARTC will have a range of options for how to deal with their entitlements. Their options are set out in a comprehensive transfer package. Details of the transfer package are being communicated through their work force representatives and directly to staff through briefings and information packages. Country employees who resign from the RIC or the SRA to take-up employment with the ARTC will have a three-year employment guarantee.

The principal purpose of the bill is to give effect to the arrangements I have already set out. The bill enables the rail authorities to enter into each of the key agreements with the ARTC already outlined. It also makes a number of consequential changes to facilitate the agreements, including adjustments to the functions and objectives of the authorities and an amendment to the Conveyancing Act. The bill includes a number of provisions to ensure that New South Wales policy objectives are met. The ARTC is explicitly required to maintain the linear continuity of the network being leased to it. Its powers to deal in the land and infrastructure have been limited, including its ability to grant certain financial securities. This is primarily directed at ensuring that the ARTC cannot withdraw services from the network, and that there can be no indirect transfer of the network to a private sector entity. The bill precludes the ARTC from becoming involved in above-rail operations in New South Wales to preserve the New South Wales policy that rail freight operations should be separated from track ownership. The bill ensures that this industry structure is preserved.

As previously outlined, the arrangements provide strong protections for the New South Wales policy of passenger priority. New South Wales recognises that with such a long-term arrangement it is important to provide flexibility to deal with changes in circumstances. The bill provides clarity of the ability of New South Wales to acquire the ARTC's interest in the leased area, applying the principles of the Land Acquisition (Just Terms Compensation) Act. This will allow New South Wales to regain control of part of the lease network if there is a policy need to do so at some time in the future, for example, if New South Wales wanted to extend electrified commuter operations.

In the absence of legislative change, the ARTC would not be subject to any planning regulation. The bill creates a framework for the application of the Environmental Planning and Assessment Act to the ARTC to avoid this regulatory vacuum. This framework will allow a State environmental planning policy and regulations to bring the ARTC's management of the rail network under Part 5 of the Act. This section of the Act allows for the efficient and streamlined environmental management of linear infrastructure such as rail lines. The bill also contains various provisions to allow for the efficient administration of the arrangements and to provide for clarity in the application of New South Wales legislation to the ARTC. I commend the bill to the House.

Mr PETER DEBNAM (Vaucluse) [8.31 p.m.]: The Opposition will not oppose the passage of the bill through the House tonight. However, we will further consider the bill and discuss it in more detail in the upper House. One would think, from listening to the Parliamentary Secretary Assisting the Minister for Transport Services, the honourable member for Fairfield, that he was not a member of this place during the past four years of rail disaster under the Carr Government. I acknowledge that he was not part of the Carr Government, and has not been part of that Government, but he was a Labor member of this House.

I have to ask: Who wrote his speech for him? Who was the author who pretended that the Carr Government has done a good job of running the rail system and negotiating with the Commonwealth over the past couple of years? That is a joke. It is a matter of extreme hypocrisy that the Parliamentary Secretary has spoken as if the Carr Government has been reasonable and considerate and has reached this wonderful arrangement with the Federal Government—an arrangement that just has to be rushed through this House tonight so that it can be put in place. But first let us look at the bill and then have a little look at history. The Government's briefing note on the bill states that the bill is:

> to achieve the integration of the NSW rail network into the national ail network, with a view to achieving a competitive and efficient national rail network capable of maximising rail's share of the growing long-distance freight transport task.

That is a worthwhile objective. The briefing note continues:

> After negotiations between the State and Australian Governments, agreement has been reached for the Australian Rail Track Corporation (ARTC) to lease the New South Wales interstate track and Hunter Valley rail freight corridors with [a number of] features:
>
> - Transfer of the NSW interstate and Hunter Valley rail lines to ARTC by way of a 60-year lease. The ARTC have committed to spending around $820 million in the first six years.
> - Management by ARTC of the remaining NSW country regional network (branch lines and non-interstate main lines) on behalf of NSW …
> - The Independent Transport Safety and Reliability Regulator (ITSRR) is responsible for approving engineering and maintenance standards to ensure that they are consistent with the ongoing safe operation of the network.
> - Key Performance Indicators will be set through the lease for the interstate and Hunter lines and the alliance board for residual network.
> - Employees of RIC/SRA to remain NSW Government employees unless they choose to apply for a position with ARTC.

The Government has indicated in the briefing note the key policy issues. The note identifies employment arrangements as a key policy issue and says:

> *Employment arrangements:* It was agreed between NSW and ARTC that most employees would be seconded to ARTC, rather than transferred. This will allow staff to retain the benefits of being NSW public sector employees. The Bill makes a number of provisions to ensure that ARTC is appropriately bound as if it were the employer of the secondees. ARTC will also be recruiting approximately 290 staff who will be direct employees of ARTC. …

Safety is the next policy issue nominated by the Government, and the note states:

> *Safety:* ARTC management of the network will be subject to NSW rail safety accreditation by the Independent Transport Safety and Reliability Regulator in accordance with the NSW Rail Safety Act.

The bill says that the ARTC is:

> … solely responsible for safety—

which is probably a good thing, considering the record of the Carr Government. The note states:

> The Bill makes it clear that ARTC is solely responsible for safety on the lease network and for seconded staff.

The Government also nominates as a key policy area what it refers to in the briefing note as "Change of control", and states:

> *Change of control:* It has been agreed that the Commonwealth will consult NSW in the event that it wishes to dispose of any of its interest in ARTC. NSW will have an option to acquire back ARTC's leasehold interest in the NSW rail network.
>
> *Passenger priority.* ARTC has agreed to be bound by the NSW passenger priority principles. NSW will have the right to resume network control in cases of gross and persistent non-adherence by ARTC to these obligations.
>
> *Vertical Integration*. The Bill prohibits ARTC from becoming a vertically integrated operator ie they cannot provide passenger or freight services as well as lease the track.

For the past 24 hours I have been working from the draft of the bill, and as I walked into the Chamber tonight I got the first print of this 45-page bill. As I said at the outset, the Opposition will review it further before it goes to the upper House, where we will further comment on its detail. As with everything that comes from the Carr Government, the devil is in the detail. Given the history of rail in New South Wales and the history of the Ministers, I am sure that there will be plenty of devil in this bill. We will go through it with a fine-tooth comb. But we must go back and look at what the Government has done. This is major legislation, and we have waited for a number of years for it to come before the Parliament.

Mr Joseph Tripodi: It is historic.

Mr PETER DEBNAM: The honourable member for Fairfield says it is an historic piece of legislation, and it is. I had the Transport portfolio in the run-up to the March 2003 election, and we watched the protracted negotiations between the State and the Federal governments over this matter. The Carr Government was in such dire straits on this legislation that it was never going to see the light of day at any time before the March 2003 election. The Government waited a full 12 months, well clear of the State election, before it introduced this

legislation, because many New South Wales rail workers will regard the bill as a betrayal of the Government's pre-election promises. That is the biggest difficulty the Government has with the bill, and that is why it has waited 12 months after the State election to introduce it. Let us go back in history and see what you did with the stewardship of the rail network.

Mr Kerry Hickey: I beg your pardon?

Mr PETER DEBNAM: Not specifically you, because you were not a Minister at that time. You were on the back bench and largely unheard of. The Parliamentary Secretary, the honourable member for Fairfield, was also on the back bench at the time—the same as he is now. We have never understood how the Minister got to the front bench and the Parliamentary Secretary is still on the back bench. Perhaps it indicates why the Carr Government has got into such difficulty that a number of backbench members like the Minister have been promoted to the front bench and given ministries, while the real talent, the honourable member for Fairfield, has never been able to get along with the Premier and move himself to the front bench. But let us go back in history to August 2002. It was then that I released a rail report—a secret report. It is worth recalling what that report said. It was very important because it spoke specifically about this network that is to be transferred to the Commonwealth.

Mr Grant McBride: You are away in Villawood again.

Mr PETER DEBNAM: I am regularly at Villawood. Young Labor out there are throwing their bits of concrete, and a few of them are in prison at the moment. On 5 August 2002 I commented that we had released a report on an audit of the rail network under the Carr Government. This was a very disturbing document. A leaked New South Wales Government report said that track structures, signals and communications systems over most of the Country Rail network were found to have deteriorated over the last four years—1998 through to 2002. The Carr Government ran down investment in the rail network; it said that safety was not an issue. Michael Egan was put in charge of the rail network. Carl Scully, the former Minister for Transport, was ineffective as the transport Minister and Minister in charge of rail, and as a result the system was run down. I took over the portfolio of Transport in April 2002 and as I spoke to people in the rail system, whether they were in Sydney or the country, they all said the same thing: "The Carr Government has run down investment. The system is breaking down, cracking up. We are waiting for the big one."

Mr John Price: Who tells us this?

Mr PETER DEBNAM: The honourable member for Maitland, who has betrayed his constituents time and time again and taken another $16,000 while doing absolutely nothing for the people of New South Wales or his community, sits here and makes inane comments. This report, which I released in August 2002, is the Carr Government's own report. It was a very embarrassing report because it documented in great detail how the Government had run down the system and how there was doubling of rail breaks across New South Wales. The Government did not invest in the system after this report two years ago; it simply held a number of negotiations before and after the election in the hope that it would offload the system to the Commonwealth Government some time in the future.

This damning report showed that the Carr Government had been putting people's safety at risk. By August 2002 we had experienced the Hexham rail crash, which the honourable member for Maitland should be well aware of. It was an extraordinary matter of luck that no-one was killed. I do not know whether the honourable member for Maitland went there that day and saw the rail carriages and how frustrated the rail workers were with the way in which the Carr Government had run down the system and put people's lives at risk. In August there was the Bargo crash followed by a series of rail accidents at Matakana, Bargo, Galong, Cockle Creek, and Waterfall.

All through 2002 everyone in the rail system was saying one thing to me: "We are waiting for the big one." When I said to them, "What do you mean?" They said, "The Carr Government has mismanaged the rail system. It has run down the infrastructure so much that we are waiting for the train crash that will kill people." That train crash was at Waterfall on 31 January. The former Minister for Transport, Carl Scully, and the Carr Government are responsible for it. I hope that sometime in the near future we will see the final report on Waterfall and we will see the final burial of Carl Scully, the Minister responsible for the seven people who were killed in January 2003.

Mr John Price: There you go, trampling through the graveyard again.

Mr PETER DEBNAM: The honourable member for Maitland talks about the graveyard of people who have been killed in rail accidents, and he makes an after-dinner joke about it. We should all be embarrassed that somebody like him, who has been here, I believe, for 20 years, does not take this seriously while we wait for the final report on the Waterfall train crash. All the public employees in the rail system were saying to me they were expecting it for one reason: the mismanagement by the Government and the run-down of the infrastructure.

Mr Joseph Tripodi: This is an historical document.

Mr PETER DEBNAM: It is historic. We were so concerned about the quality of the infrastructure in both the CityRail and the country network that we moved a motion of no confidence in the Minister for Transport, Carl Scully, on the last sitting day of June 2002. The motion related to two matters: the extensive cracking that had become apparent across the network, not just the city rail network but also the country rail network, in May 2002, and the Carr Government's culture of cover-up. Do you want to know why people died at Waterfall? They died at Waterfall because those opposite did not invest in the rail system and they covered up every single problem for eight years. There was a culture within StateRail that said that problems happen, and the first reaction of the Carr Government, from Walt Secord down, is to cover them up. You deny it and then you do whatever you do to paper it over and bury it. That is why Waterfall happened and I am sure that is what Justice McInerney will find.

Mr Alan Ashton: Point of order: Opposition spokesmen are given a fair degree of latitude in a second reading debate, but to say that the Waterfall disaster was a result of the Government's cover-up over a period of time does not reflect the findings of Judge McInerney, and I ask you to direct him to withdraw or to cease following that line of debate.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! I uphold that point of order. I draw the attention of the honourable member for Vaucluse to the remarks of the honourable member for East Hills.

Mr PETER DEBNAM: I am entirely happy to continue with my remarks. I have no intention of withdrawing any suggestion that the Waterfall crash was caused by the Carr Government. That is what Justice McInerney will find when he hands down his final report.

Mr Alan Ashton: Point of order: You clearly gave a ruling, but the honourable member for Vaucluse is ignoring it completely. He is sailing very close to our taking some stronger action.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! I ask the honourable member for Vaucluse to relate his remarks to the bill.

Mr PETER DEBNAM: I will. The facts of the matter are that for nine years the Carr Government did not invest in the rail system, and we had accident after accident. All the public officials within the rail system were saying to me, as shadow Minister for Transport, that they were waiting for the big one, the crash in which people would die—and the big one was the Waterfall train accident. There was no secret about this. It was openly discussed in the New South Wales rail system in both the private and public sector. In August 2002 I released a report, the Government's own report, which was damning of the Carr Government's—

Mr John Price: You released the report?

Mr PETER DEBNAM: I released the report, which was damning of the Carr Government's management of the rail system in New South Wales. It identified the safety concerns and it said that there were very real problems and very real safety concerns right across the network. As I said, in June 2002 we moved a motion of no confidence in the Minister for Transport specifically on safety concerns and the culture of cover-up. Problems with bridges on the country network right across the State became apparent straight after the State election. During this time the Carr Government was simply trying to say that there was no problem—denying it and denying it—because the Government knew that sometime after the State election it would offload the country rail system to the Commonwealth Government. That was the entire strategy. I suppose the only satisfaction the people of New South Wales gained from the State election was that Carl Scully was removed from the Transport portfolio.

He was incompetent. He was given very much lesser portfolios and, pretending that he has some role in the Government, he was made Leader of the House. But for a number of years that man put people in the rail system in New South Wales at risk. He delayed handing over the country system to this new venture because he had a number of problems both in the standard of the infrastructure and the relationship with employees. The bill has been rushed into the House after dinner tonight and standing orders suspended in a desperate move to get it through on the last sitting night in March. We do not expect the Parliament to sit again until May. But this has been discussed for three years.

Mr Joseph Tripodi: You support it, and we appreciate it.

Mr PETER DEBNAM: As I indicated to the Parliamentary Secretary, the honourable member for Fairfield, we have not said we support it: We have said that we will not oppose the Government rushing it through the House tonight but that we will continue to review it, not only with rail employees but also with the rail industry. We will take up our concerns in the upper House. The second reading speech we heard from the Parliamentary Secretary was breathtaking hypocrisy.

Mr PETER DRAPER (Tamworth) [8.49 p.m.]: My contribution to the debate will be confined to pointing out a couple of matters that should be placed on the record. I listened with interest to the second reading speech delivered by the honourable member for Fairfield in which he indicated that consultation with the unions and workers preceded this legislation and that everybody is happy with the result. I point out quite clearly that workers in the Tamworth electorate are very unhappy. They are extremely upset about being kept out of the loop, and there is a great deal of apprehension about the future. I have attended several meetings with Rail Infrastructure Corporation [RIC] workers in Tamworth who have asked me to forward their questions to the Minister for Transport Services, Mr Costa. I am hoping to receive satisfactory answers from the Minister so that those workers will be able to get on with their lives.

Honourable members should bear in mind that many of these workers have devoted their whole lives to the rail industry. They have known no other job and their service to the rail industry has been the centre point of their whole lives. They have gained enormous experience and expertise in their field, but, sadly, much of their experience and expertise seems to be unwanted by the Australian Rail Track Corporation [ARTC]. In spite of the ARTC holding a number of meetings in Tamworth, the workers are still searching for clarification. They point to a clear decline in funding allocations for maintenance, over the past 10 years in particular, and are concerned that funding under the co-operative partnership between the ARTC and the New South Wales Government will not result in sufficient funding being provided to maintain rail infrastructure to a standard that will ensure the safety of travellers.

As I stated earlier, the workers have posed many questions. Because they feel that they have not been included in the consultation process, they want to see some evidence of the Government's commitment to country jobs. They are worried that many jobs will be lost. Speculation in the Tamworth community ranges from 20 to 70 jobs being lost in Tamworth alone. That is, of course, a matter of grave concern to me as well as to people who live in my electorate. The workers are also concerned that the takeover by the ARTC will result in redundancies and relocation because there has been no mention of retraining or government assistance to workers in the form of redeployment to other government departments. Having made those comments and having addressed other issues in this House last night, I will conclude my remarks by pointing out that it is erroneous to believe that the workers are satisfied with what has happened. There is a strong feeling of angst in the workers' community, and they earnestly seek clarification of their position.

Mr JOSEPH TRIPODI (Fairfield—Parliamentary Secretary) [8.51 p.m.], in reply: The Government declines to respond to the contribution made by the honourable member for Vaucluse, other than to acknowledge his support for bill, because it is not worthy of comment. In response to the contribution of the honourable member for Tamworth, the Government reassures the honourable member that it has the interests of workers at heart. The purpose of the consultation process has been to ensure that the future of workers is secure under the new arrangements.

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 30 March.

Mr JOHN PRICE (Maitland) [8.53 p.m.]: While expressing support for the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill, I point out that in percentage terms New South Wales has achieved the highest rate of compliance of any government, including the Commonwealth Government, with the requirements of the National Competition Policy Agreement. Unfortunately, in a number of areas the Commonwealth Government seems to differ from the States on the rate of change. A press release issued by the National Competition Council [NCC] on 17 February indicates that the council interprets the delay in implementation by this State as deliberate. However, one only has to recall the difficulties created by dairy deregulation to appreciate the problems confronting States in compliance with national policy, and each State faces different problems. There have been tremendous changes in New South Wales as a result of dairy industry deregulation. Having said that, I acknowledge that dairy deregulation was introduced as a result of a request by the New South Wales Farmers Association subsequent to a vote in favour of deregulation that was taken by Victorian dairy farmers who were desirous of obtaining Commonwealth Government compensation.

In March 1997 the Dungog shire in the Maitland electorate had 95 dairy farms in operation; it now has approximately 30. There has been a tremendous decline in the number of dairy farms in my electorate as a result of deregulation. It is extremely difficult for me to see any significant benefit to be derived from compensation, and I am concerned that the Commonwealth Government is pursuing deregulation requirements with absolute zeal without any consideration being given to the interpretation by State governments of the requirements of national competition policy. In preparation for my contribution to this debate, I have relied upon a paper entitled "Deregulation and National Competition Policy and its Effect on Rural and Regional Areas—Briefing Paper No 7/01" prepared by the New South Wales Parliamentary Library Research Service. It makes interesting reading. In my examination of national competition policy, I will focus on the public benefit issue. Page 5 of the paper to which I have referred sets out a definition of "public interest" which includes:

- Laws and policies relating to ecologically sustainable development;
- Social welfare and equity, including community service obligations;
- Laws and policies relating to matters such as occupational health and safety, industrial relations, access and equity;
- Economic and regional development, including employment and investment growth;
- The interests of consumers generally or of a class of consumers;
- The competitiveness of Australian businesses;
- The efficient allocation of resources.

That is a broad definition of the principle of public interest in the National Competition Policy Agreement. My concern is that a simplistic approach has been adopted at the national competition level to the manner in which the definition of "public interest" will be applied to New South Wales legislation.

The bill before the House will affect the poultry industry, the liquor industry, the pharmaceutical industry, dentistry and others industries or professions, and will amend the Farm Debt Mediation Act. As I stated at the outset, New South Wales has made by far the greatest effort of any Australian government, including the Commonwealth Government, to comply with national competition requirements. I find it difficult to accept that this State will be continually penalised until the New South Wales Government conforms to what the Commonwealth Government believes should be a uniform standard of compliance.

The Commonwealth Government is attempting to coerce the New South Wales State Government to introduce legislation which mirrors legislation in other States without any real thought being given to the reasons why the State Government believes it is important not to move in that direction. While I support the bill, I look with horror upon some of the deregulation requirements that this State is being forced to introduce in an effort to avoid penalties as implementation of national competition policy proceeds. The briefing paper refers to the Senate Select Committee on the Socio-economic Consequences of the National Competition Policy. That committee released an interim report in August 1999, and its interesting findings included:

- NCP has become the "lightning rod" for the many negative social and structural changes that are occurring in Australia, particularly in rural and regional areas …

- The cumulative effects of changing technology, infrastructure provision, the wide range of micro-economic reform policies including NCP, and globalisation of the economy, on rural and regional areas warrant greater attention.

- The cumulative effect of these influences, rather than solely NCP, on rural and regional Australia is creating significant social pressures, and it is apparent that the impacts of these policies has been disproportionate between metropolitan and country areas.

- Technological and other advances are enabling regional Australia to produce more goods and services with fewer people.

That is the significant part of this debate. Whilst we comply with national competition policy whenever we believe it is reasonable and beneficial to the community to do so, when the policy is applied to rural New South Wales inevitably it is at a cost to employment. In this day and age a job lost is extremely difficult to recover and replace without relocation or using a different education system. The availability of re-education in many parts of the State is not a simple exercise because of the distances involved and the availability of teachers, technical colleges, workers education colleges and the like. The present application of the national competition policy is creating a major problem.

I now refer to the Poultry Meat Industry Act 1996. There is great distress in the poultry industry, which the honourable member for Peats would understand from problems in her electorate, as I do from the problems in mine. There is division between growers in the industry, there is concern about the processes, and there is a threat to the workers from processing factories. In my electorate some 600 jobs in one factory are under threat if the number of farms supplying product to that factory significant declines. What are we talking about? Are we talking about producers transferring their operations overseas? The introduction of competition policy to this degree will result in jobs and industries being lost.

Is this yet another step onto the international level playing field that we hear about, where Australia seems to be the only country that is trying to achieve anything? Honourable members will remember the problems with Newcastle disease, avian flu and other diseases that pertain to poultry overseas. If an operation is transferred offshore those diseases could be easily introduced at a far more rapid rate if the Federal Government changed its tune on the importation of cooked chicken meat to live birds or frozen abattoir birds. A major problem is staring us in the face if we deregulate the industry to the point that has been suggested. What suits other States is fine. In my opinion every effort should be made to maintain what works in New South Wales.

Another aspect of the problem is that many growers want a structural adjustment plan, as the dairy farmers were given with deregulation. That is not a State issue, it is a Federal issue. Frankly, I do not understand how they can get it, but if they do, as happened with the dairy and sugar industries, there would be a surcharge on the product, and everyone would pay that bill. For what reason? Where is the gain in terms of competition policy? I do not see any gain. It is of great concern to me that a group of public servants, well meaning though they are, is looking inflexibly at the various definitions. On a level playing field that would be fine, but we have never found a level playing field. In fact, if we keep on going the only thing Australia will export is level playing fields and I do not believe there is a great market for them anywhere. It is a real problem for us to view this seriously—and it is serious, because it is costing us $51 million a year until we comply. It is important that the Federal Government and the National Competition Council take a step back and consider the socioeconomic impact of national competition policy on New South Wales compared to the States with much smaller industries.

Over many years we have built up the legislation to a degree that we believe is effective, and products can be purchased at a reasonable price in a reasonably competitive market. The liquor industry wants legislation introduced that will increase the opportunity for other traders to move in. The major supermarket chains already sell liquor at discounted prices. If we deregulate totally and force bottle shops out of business and restrict hotels from selling products that should be available to all eligible people, we will create a situation in which a duopoly will be formed. Instead of getting competitive prices we will have increasing prices. I see little benefit in that to anyone. To quote the Victorian experience is all very well, but Victoria is a different State from New South Wales. We may well be able to rule small businesses and service stations out of the market, but how we can make fish of one and fowl of the other I do not know. We either deregulate or we do not. If we only partially deregulate I have some suspicion about the net benefit to the community at the end of the period.

I turn now to pharmacies, another area that worries me. I accept the bill, but what is its history? A number of patented drugs can be purchased only at pharmacies that have a legally qualified pharmacist in attendance. We already have a severe problem in the community with large quantities of drugs being purchased and converted into other drugs that are slowly and surely destroying the young in the community. If we make those drugs available in the larger supermarkets, which may have one pharmacist available, larger quantities of those drugs will be available on the shelves. The opportunity to purchase, convert and resell in a far more dangerous form would become even greater. I can see no significant benefit in that.

Other controls are needed, apart from the registration of the qualified pharmacist, on the sale of the product and the quantities purchased. In addition a tracking mechanism is needed. To remove all that, in my opinion, remains pie in the sky. I support the bill. I believe it is important that the Government, whilst progressing this debate, continues the argument to avoid having to deregulate to the point that has been requested. No State can afford a debt of $51 million a year, which is what it is costing New South Wales. Add that to the current discounting of the GST distribution, which is in excess of $370 million, and where does it stop? Another package of industries will come forward for further deregulation, and we will be subject to further fines. I support the bill, but it concerns me that our Government has been driven to introducing it. I hope the Federal Government ultimately will come to its senses and rethink some of its requirements.

Mr TONY McGRANE (Dubbo) [9.08 p.m.]: I oppose the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill and express the grave concerns of small businesses in regional New South Wales that are set to be devastated if the regulations are implemented. Regardless of the motivation behind the bill, it will have a major impact across various industries and, as it is currently framed, it takes a blanket approach to many varied and complicated issues. The bill will amend the Liquor Act 1982, the Poultry Meat Industry Act 1986, the Dentists Act 1989, the Dental Practices Act 2001, the Optometrists Act 2002, the Pharmacy Act 1964 and the Farm Debt Mediation Act 1994. Those fundamentally different industries cannot be lumped together under this legislation and be expected to operate efficiently.

I will focus on specific issues involving pharmacies and optometrists as I have received a number of representations in my Dubbo electoral office from small business operators in those industries. The national competition policy was formulated with the inclusion of a public interest test as a fundamental component. There is no point in opening up competition for new operators if it will destroy existing industry. The process simply swaps one operator for another, and it penalises existing businesses in rural areas.

There is no doubt that substantial benefits will accrue to some industries as a result of the introduction of competition policy and legislation providing for its implementation, but the overall effect on the community and industry must be considered. If this bill is accepted, regional Australia will be the big loser. There must be exemptions and full consideration must be given to the public interest. The effect of competition in regional New South Wales is obviously different from the effect that it has in metropolitan areas. Let us take regional optometrists as an example. Deregulating the industry in regional areas will not mean competition; it will simply mean a monopoly. It will open the door to organisations and multinationals with buying power and the ability to squeeze out small operators that are vital to the fabric of small country towns.

Max Astri, an optometrist in Dubbo, provides much more than just prescriptions. His company provides a service to outlying towns in regional New South Wales and as far afield as Cobar. That company has an ongoing commitment to the greater community. The national competition policy puts operators such as that at risk. Multinationals will not provide support services and will not invest in local communities. Large corporate operations will result in an erosion of essential individual services and personal advice. That will occur also in the pharmacy industry in Dubbo. Pharmacies in country and city areas do a lot more than just hand out pills.

Only two months ago I had the pleasure of presenting John Manny's Soul Pattinson Pharmacy in Dubbo with its quality care accreditation, the top standard in pharmacy care that represents an overall commitment to community health. Pharmacies deliver many health outcomes through the quality use of medical advice, advice on disease management such as diabetes and asthma and the provision of nursing mothers services, home medication, reviews, needle exchange, nursing home support and a number of other health initiatives. I cannot see multinational supermarket chains providing those additional services if competition was opened up and they were allowed to dispense medications. The result would be devastating.

Massive buying power means cheaper prices. Local small businesses, which cannot match those prices, will go out of business. That is not a level playing field. It demonstrates that the deregulation process is fundamentally flawed. Competition for the sake of competition is pointless. The pharmacy and optometry industry examples highlight the fact that this bill does not serve the interests of the public. It will have the opposite outcome to the outcome that is intended. Let us take, for example, the airline industry. Some years ago the airline industry in New South Wales was deregulated. Before that we had managed competition. The Greiner Government established managed competition under the New South Wales Air Council. Members of the council visited airports that provided domestic services and spoke to members of the community, air operators and the local council, and gave advice to the Minister. The Minister then issued licences to those air services.

After deregulation the skies were opened up. Places such as Tamworth had three airline services under managed competition. However, under the Open Skies Program it now has one airline service, and there is no competition. People pay the full price for freight or fares from Tamworth to Sydney. Dubbo, which had two airlines, always wanted managed competition. Three airlines are now flying into Dubbo and there is competition. We got what we wanted but, frankly, we had a better service when we had only two airlines. Under the Open Skies Program we now have three airlines. Managed competition helps to save jobs, creates competition in these areas and is under the control of the Government. National competition policy will increase costs, reduce access to and availability of services, and make it difficult for new businesses to commence operations in regional New South Wales. The amendments proposed in this bill will not meet the needs of our community. I oppose the bill.

Ms TANYA GADIEL (Parramatta) [9.16 p.m.]: Other Government members and I give reluctant but considered support for the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill. This legislation is borne out of a need to respond to the decision of the Federal Treasurer, Mr Costello, to withhold $51.44 million in competition payments from the New South Wales Government. Mr Costello's decision is based on a recommendation from the National Competition Council [NCC] that New South Wales is non-compliant in reforming and essentially deregulating the liquor market, the medical professions, pharmacies, optometrists and dentists, the poultry market and farm debt mediation.

The decision made by the Treasurer, which was supported by the Prime Minister and the Federal Coalition Government, to withhold that $51.44 million comes as yet another blow to the people of New South Wales and Parramatta. It comes alongside other cuts to the New South Wales revenue stream, with New South Wales hospitals short of $105 million after the Australian health care agreement and New South Wales subsidising other States to the tune of $376 million each and every year according to an antiquated funding formula imposed by the Commonwealth Grants Commission. The Opposition sought to pin the action of the NCC on an agreement that was signed nine years ago at the Council of Australian Governments when, realistically, responsibility for the National Competition Council lies solely with the Federal Government.

The NCC is constituted under Federal legislation, the Trade Practices Act. Only the Federal Government has the power to amend the NCC's charter or method of operation. The Opposition fully supports the National Competition Council, despite any rhetorical flourishes to the contrary. It is disingenuous to suggest that the people of New South Wales have to be shackled with the application of deregulation to every part of human endeavour. All that is required is for the Federal Treasurer to ignore the recommendations of the NCC, to pick up the phone to the Premier and to negotiate an extension of time for the State Government to consult with relevant industries. The Federal Treasurer has the discretion, and no argument I have heard from the Opposition has convinced me otherwise.

Let us turn to the areas of public policy that are impacted upon by the recommendations of the National Competition Council. I will begin with the liquor industry. That industry and its effects on young people, safety, the health system, crime and the family, mark it for the most amount of attention. The New South Wales Alcohol Summit, which was convened in Parliament late last year, put alcohol and its social impacts in their proper context. Alcohol's effects are multifarious and have particular relevance to health planners, community services and law enforcement. Alcohol-related issues are of great concern to the people of Parramatta.

In 1998-99 the social cost of alcohol was estimated to be $7.6 billion. A paper prepared by the National Drug Research Institute, "National Alcohol Indicators—Statistical Bulletin No. 5", suggested that in 1998-99 more than 8,600 people were admitted to hospital as a result of alcohol-caused assaults. All measures of alcohol-related violence indicate that it was at a consistently high level in Australia during the 1990s. It was reported that between 1992 and 2001 10,369 deaths and 537,742 hospital episodes in New South Wales were related to alcohol. The problems associated with excessive and chronic drinking are well documented, as is their relationship with malicious criminal behaviour and significant health issues such as cancer, liver disease and heart failure.

Alcohol and its consumption and distribution are serious public policy issues that go far beyond questions of supply and demand and commercial interests. In December 2003 the Premier and Special Minister of State, the Hon. John Della Bosca, launched the Government's interim report in response to the 300-plus recommendations that came out of the Alcohol Summit. The New South Wales Government has quickly demonstrated its credentials in dealing with this complex public policy issue by establishing and strengthening community liquor accords like that in Parramatta. Parramatta was also proud to host the Liquor Accord Co-ordinators Conference last November. The Government has moved quickly to review the marketing of designer

drinks, to standardise identification cards, and to introduce legislation making it illegal for L- and P-plate drivers to drive under the influence of any alcohol. In short, the New South Wales Government has already begun the task of responding to the recommendations of, and the issues raised at, the Alcohol Summit. The Government was awaiting the final report of the summit in late March when all of a sudden Mr Costello and his cohorts in the National Competition Council pranced in, pre-empting the final report and penalising the people of this State to the tune of $12 million—or $51 million including other industries.

I first became aware of this issue in September last year when a local independent liquor proprietor, Ms Roberta Warner, came to my electorate office and expressed concern about the rumour that liquor marketing deregulation was on the way. Ms Warner has a highly respectable, family-owned business in North Parramatta and has made tremendous personal and financial sacrifices to maintain that retail business. She is a Justice of the Peace. Ms Warner sees deregulation not only in commercial terms—she is convinced that it will send her business to the wall, with larger firms increasing their market share—but in terms of the impact that it will have on the local community. Ms Warner has worked hard to ensure that she and her employees maintain the highest responsible service of alcohol standards and she is concerned that the larger more commercial businesses will not have the same duty of care to the local community.

Ultimately Ms Warner has serious reservations about a deregulated industry, with a greater number of retail outlets and a commensurate increase in the level of alcohol consumption, especially by young people. While youth-focused rehabilitation and post-detoxification services such as the Salvation Army's Follow-up Youth Recovery Support Team initiative in Parramatta do a tremendous job supporting young people with alcohol problems, the overall goal should be to reduce further the access that young people have to alcohol, thereby reducing the economic and societal costs of alcohol to the community. The issue of liquor market deregulation is not just of interest to local independent retailers like Ms Warner but a deep concern for parents and the community in general if the electorate of Parramatta is anything to go by. Over the past month or so I have received hundreds of signatures on petitions about this issue, and more are filtering in.

The essential problem with what the Federal Government and the National Competition Council is imposing on the New South Wales Government is that it is a one-size-fits-all model of deregulation. It has no recognition of the prevailing market conditions of the industry that is to be deregulated and it certainly has little or no concern for the far-reaching social consequences that deregulation has on the community. Deregulation is not a tool that can be applied dispassionately to all retail and product markets in isolation from the wide-ranging impacts that such changes will likely have on the industry at large, consumers, the family and society. The implementation of blanket deregulation to the sale of packaged liquor in New South Wales would see irreparable damage done to the community—increased alcohol consumption, a further concentration of market share by big business, antisocial behaviour and increases in domestic violence and physical assaults.

Thankfully, this Government has acted to curb the excessive impacts that blanket deregulation would generate. The bill amends the Liquor Act, introducing a prohibition on liquor licences for petrol stations. The bill will expand the current restrictions on the sale of alcohol by broadening the definition of a convenience store to include corner shops, mixed businesses and milk bars. The new social impact assessment process will replace the old needs test. It will go some way to ensuring that local communities and young people are protected from the proliferation of liquor outlets. The social impact assessment process, as outlined in the Minister's contribution to this debate, will consider the social, health, economic and crime impacts of a new licence on a neighbourhood. Importantly, the guiding principle of this rigorous new process is "no detriment to the community". In addition to the social impact assessment process, I welcome the Government's commitment to maintaining the restrictions on large supermarkets selling alcohol, through section 49C, which ensures that alcohol is sold from a primary purpose liquor store separate from the supermarket. This enhances the ability of these separate stores to uphold the principle of the responsible service of alcohol.

The Coalition's approach to deregulation, as witnessed on this issue, can best be summed up by five words: the best of both worlds. At the Federal level the Coalition supports the deregulationist agenda and on ideological grounds the withholding of competition payments from New South Wales, while at the State level the Opposition pretends to oppose deregulation yet opportunistically seeks to make cheap political points at the expense of small, family-owned businesses that they are supposed to represent. The truth of the matter is that Mr Costello has the discretion to decide whether he will accept the National Competition Council's recommendations. This debate has once again demonstrated the State Opposition's record of economic irresponsibility. Opposition members seek to wear the $51 million in competition payments—not to mention the other federally imposed cuts—while already promising tax cuts and large spending increases. The Nationals aim to protect small businesses affected by deregulation but then provide no alternative policy.

The Opposition's hypocrisy on this issue is stark. On the one hand, it agrees with the National Competition Council's assessment of the New South Wales needs test of liquor licensing as promoting commercial interest above the public interest. Yet on the other hand the Opposition argues that deregulation is unnecessary, while failing to provide any alternative licensing scheme that would be acceptable to the National Competition Council. This begs the obvious question: What and where is the Coalition's alternative policy? The Opposition should stop being dishonest in its dealings with small little retailers and come clean on the unsustainable state of affairs that will see New South Wales lose $51 million in competition payments. The State Coalition should call on its Federal colleagues to support and facilitate a sound public policy outcome in line with the spirit of the New South Wales Alcohol Summit instead of standing by while the Federal Government strips New South Wales of its revenue—be it through NCC payments or unfair funding formulas set out by the Commonwealth Grants Commission or the Australian Health Care Agreement.

It is interesting to note that the Opposition's approach to the financial penalties imposed by the Commonwealth is merely to accept the $50 million slice off the budget bottom line. This obviously sits well with the $7 billion worth of promises already made by the Leader of the Opposition. Unfortunately for the Opposition, this Government has a State and a budget to run and a proud and unprecedented fiscal record to maintain. The other day I was searching through the media release data base on the Parliamentary Library web site and found an interesting contribution dated 20 March 2003 from the shadow Minister for Gaming and Racing, the honourable member for Upper Hunter, who was then Leader of the National Party and shadow Treasurer.

In the release he trumpeted the Opposition's announcement of "an immediate $50 million of additional cash assistance to drought affected communities". Interestingly, the title of the release caught my eye—"50 million reasons for country people to vote for the Nationals". I imagine this release did not reach the electors at Monaro and Tamworth in time. It is funny that within 12 months $50 million can go from being worth quite a lot in the eyes of the members opposite to virtually nothing at all. Indeed, as the honourable member for Wagga Wagga said in the context of this debate, $50 million is chicken feed. The shadow Minister dismissed the damage that this $50 million gap in the budget will cause, and one might well find that there are 50 million reasons for country people to never again believe that the National Party and the Coalition have the economic credentials required to run this State.

Finally, the Federal Treasurer needs to be held to account for penalising this State for such large sums. Instead he should allow the New South Wales Government to complete its response to the Alcohol Summit in such a way that any liquor market shake-up is complementary to the aims of harm minimisation, improving health outcomes and moderating any antisocial consequences. This issue has exposed the Federal Government's blind, ideological pursuit of deregulation at the cost of any worthwhile social objectives. This issue has also exposed the limitations of the National Competition Council in assessing the regulation of certain markets. I commend the way in which the Premier and the Minister for Gaming and Racing have amended the Liquor Act in such a way that national competition policy requirements are met. [*Time expired.*]

Mr MICHAEL RICHARDSON (The Hills) [9.31 p.m.]: I have listened to this debate with a degree of interest. The arguments that have been put in favour of the legislation by the Government appear to fall rather wide of the mark. The Government says on the one hand that it has to go ahead with this legislation or it will be penalised $51 million, but it says on the other hand that what is proposed in the legislation is not that bad and will not cause too much trouble for the industries concerned.

The Opposition has a consistent position on this legislation. The Opposition opposes it not because of the $51 million penalty that Government members think is the central issue but because we believe it is wrong for our communities and because the Carr Government has taken a totally ham-fisted approach to this issue. The Government has had nine years to come up with a package acceptable to the National Competition Council to deal with deregulation of the industries referred to in the legislation. I understand that the Government's submission to the National Competition Council on these issues was extraordinarily weak.

In April 1995 the National Competition Council was established, and Prime Minister Paul Keating and the State premiers and Territory leaders signed off on the national competition policy. Today the only Premier still in office is Premier Carr. Premier Carr either thought the national competition policy was good or he had a rush of blood to the head. He may well have had a rush of blood to the head but I suspect that he also thought the national competition policy was going to deliver significant benefits to the people of New South Wales. Indeed it has, not only indirectly but directly to the Government of New South Wales, which is getting back far more than $51 million in competition dividends.

The honourable member for Blacktown talked about getting down to the fag ends, as he called them, of national competition reform. But they are not the fag ends; they were determined when the Premier signed off on the national competition policy. The Government has had five years to negotiate changes and come up with an acceptable package. The industries and professions that are affected by this legislation are the liquor and poultry industries, dentists, optometrists and pharmacists, and the Farm Debt Mediation Act is amended. The Opposition has significant concerns about some proposals and that is why it will oppose the legislation.

The Opposition is concerned about the removal of the needs test and its replacement with a social impact assessment process in relation to the Liquor Act. The honourable member for Parramatta did not give it a ringing endorsement but said that the social impact assessment process would be all right. The Opposition does not agree with her. We have heard speaker after speaker, as we also did in the Alcohol Summit last year, talk about the impact of a proliferation of liquor outlets on alcohol consumption and alcohol abuse. We understand that the legislation prevents service stations, other general stores, mixed business shops, corner shops, convenience stores and milk bars from being granted an off-licence. The replacement of the needs test with a weaker or rather feeble social impact assessment will unquestionably lead to a proliferation of liquor outlets and therefore to a higher consumption of alcohol. The Opposition believes that could not possibly be construed as being in the public interest, and applications from supermarkets will be made that will do serious damage to small liquor retailers because of their greater buying power. The Coalition certainly opposes that.

I also have major concerns about the impact of removing restrictions on the number of pharmacy businesses that pharmacists may carry on, or in which they may have a pecuniary interest, and the ability of friendly societies to carry out pharmacy businesses. I have received correspondence from pharmacists in my electorate and, in particular, Mr John Cunningham from Shepherds Drive, Cherrybrook, who stated:

> Allowing Deregulation will see the local Pharmacy go the way of the little Butcher, the little Greengrocer, the little Hardware etc. Large corporations will seize the Pharmaceutical market and use 'rougher than normal' tactics to price smaller Pharmacies out of the market place. After predatory pricing has removed any opposition, the Corporates will be more concerned about the welfare of their shareholders rather than the health of their customers. Things that don't make money like Diabetes and Asthma management programs, Home Medication reviews, Nursing Home support … and FREE home delivery of medicines will be dispensed with. This will be an American style user-pay only brand of Pharmacy which is totally foreign to our way of life.
>
> What about the people who work in the industry? Has anybody thought about how many Jobs will go? This industry is a major provider of both Full time and part time work. It is also a major employer of female workers. It is also a major employer of people with 2nd language skills. This industry also employs people ranging across all socio economic spectrums from cleaners to University Professors. What is the point of newly enrolled Pharmacy students who are embarking on a 4 year course bothering spending all their time and money training for a profession that may no longer exist.

Perhaps Government members who have not yet spoken on this legislation could answer Mr Cunningham's concerns, which I do not think have been adequately addressed so far. Why did the Government come up with a package to prohibit unfair competition that might lead to many pharmacies that are providing enormously important services to communities in all of our electorates going broke or being taken over, with the loss of real care and personalised service?

We all know that supermarket chains want to get involved in pharmacies, which they see as a real area of potential growth, but we also know they will not offer the level of service offered by the Cherrybrook Pharmacy, or McBeath's Pharmacy in Cherrybrook, or Harrison's in Castle Hill—which I regularly go to—or the Thompsons Corner pharmacy, or Ken Lee's pharmacy in Castle Hill, or so many other pharmacies in my electorate. I do not see that friendly service, that personalised care and that all important interface between the doctors and the consumers being provided by supermarkets when they are chasing the almighty dollar. That is a real concern for all members on this side of the House.

The fact is that the Government did have some very real options on alcohol reform. It simply had to reform New South Wales legislation to remove anticompetitive restrictions, and it had control over the content of its legislation to do that. Harm minimisation provisions also can be included in legislation. So it would be possible for New South Wales to introduce legislation that not only removed anticompetitive restrictions but included strong harm minimisation provisions. In fact, according to the National Competition Council, New South Wales could even strengthen its harm minimisation provisions if it could show that those are in the public interest. Nothing that I have heard from Government members—apart from an interminable chant about how appalling the $51 million is—convinces me that the Government really tried to get this right. I am convinced that the Government botched its submission; that it argued only a commercial case regarding changes to the Liquor Act for retention of the needs test, instead of arguing a case for the public good in regard to liquor licensing. Of course, it is the public good that is all important.

I have already mentioned the dishonesty of the Government in suggesting the Federal Government is to blame for this bill. The National Competition Council issued a couple of press releases last month in which it spelt out exactly what options were open to the State of New South Wales. It is interesting that in those press releases Dr Wendy Craik, President of the National Competition Council, said it was a pity that New South Wales "only moved to meet its obligations after the NCC was forced to recommend financial penalties." Dr Craik said further:

> If NSW had undertaken these reforms before it would likely have avoided penalties. NSW has had nine years to provide an independent review.

The Carr Government has been dragged, kicking and screaming, to make these changes, and the changes that are being made are not in the public interest. The National Competition Council also points out that national competition policy has greatly strengthened the Australian economy, and that the completion of the legislation review and reform program will consolidate gains and create further benefits for consumers. Since 1995 there have been 1,765 pieces of legislation reviewed nationally, with almost 70 per cent of those reformed; and indeed New South Wales has reviewed and reformed 73 per cent of the 216 pieces of legislation slated for reform, but it is yet to meet its obligations in a number of key areas.

After I listened to the honourable member for Maitland, who spoke earlier in this debate, I really wondered whether he supported the process of national competition policy at all. I wondered why, as a member of this Parliament in 1995, he did not take his concerns to the Premier or the Labor caucus in April that year and say that the New South Wales Labor Party members did not agree with what the other Premiers and the then Prime Minister were trying to do. It would have been possible for other Labor members of this Chamber to have done exactly the same thing back in 1995. The fact is that they chose to sit on their hands and accept national competition policy.

It is extraordinarily hypocritical for them now to stand in this place and start damning the Federal Government. When I say it is extraordinarily hypocritical, I should say that that is their stance all the time. But during urgency debates they seem to have nothing to talk about other than alleged malfeasances of the Federal Government. We on this side of the House are getting sick and tired of that sort of talk. There are many problems in New South Wales that need to be dealt with, but the Government seems incapable of addressing issues such as health and transport. As we know, the Government is faced with a budget deficit, despite the fact it has had rivers of gold flowing to it since the advent of the Howard Government in Canberra. The Opposition opposes this bill.

Mr BRYCE GAUDRY (Newcastle—Parliamentary Secretary) [9.46 p.m.]: As usual, the honourable member for The Hills was crying in the wilderness. Very clearly, he espoused the end product of flat-earth economics. Honourable members opposite are very keen to espouse the principles of the level playing field and market forces determining everything—a philosophy that no doubt both the Labor and Liberal parties signed up to in the 1980s and 1990s, strongly and positively supporting a market-determined economy with positive outcomes for the community. In the far-distant past I was a student of economics, and I recall that in 1967 the discredited economist E. J. Mishan produced a booklet called "The Cost of Economic Growth". He was discredited because he was a proponent of the triple bottom line, perhaps before it was even invented. He said that all economic growth had social and environmental costs, and that decision-makers should take those into account and should determine their policy on the basis of outcomes that were socially determined as well as economically determined.

If Mishan's works were to be discovered somewhere in library archives, it might be found that his economic theories are back into vogue, because the body of bureaucrats who comprise the National Competition Council are determining that New South Wales, having effected more than 200 amendments to legislation to bring it into line with economic theory and make it compliant with the concept of national competition policy, should now be forced to change the social fabric of its communities. That is a consequence of the final determinations by the National Competition Council and the Federal Government's willingness to accept them and stand over New South Wales and say that the youth groups were wrong at last year's Alcohol Summit—in which I had an active part—and acknowledge that youth alcohol use is directly related to the number of outlets and the ease of access to alcohol.

If New South Wales does not sign up and do away with the needs test, and if the Federal Government does not accept our environmentally and socially responsible approach, it is saying we should deregulate the sale of alcohol to make it far more accessible, and thereby create a situation in which young people potentially have access to alcohol without the strictures of the responsible service of alcohol legislation that we have

worked so hard to introduce in this State. Although I agree that the application of responsible service of alcohol legislation in the hotel and club industry and in liquor stores gives us reasonable access to alcohol and reasonably determines the licensing of alcohol outlets, under national competition policy principles that will be watered down—or perhaps I should say alcoholled up. If the Federal Government does not accept the logical New South Wales amendments to reform the capacity of outlets to sell alcohol, we are looking at a downgrade of the limit on alcohol sale in this State. In view of the recommendations of last year's Alcohol Summit that would be a detrimental step.

More than 200 amendments have been moved to the legislation in this State with a view to complying with national competition policy, and we are now reaching the stage where it is having a severe impact on the social fabric of our State. The $51 million cut—that is worth repeating, despite what the honourable member said—on top of the $376 million cut from the Grants Commission and the $100 million cut to our health system funding from the Federal Government, add up to a significant attack on the capacity of the New South Wales Government to deliver the services that the people of this State demand. Through its amendments to the Act, the Government has attempted in a positive and defined way to deal with the National Competition Council and to limit access to alcohol sales. As a result of the amendments, the needs test will be replaced by the social impact assessment process and a service station will be clearly defined as a building or place used primarily for the filling of motor vehicles. People will not be able to purchase alcohol at service stations.

In the past 10 to 15 years we have witnessed the destruction of the local corner store because people shop at convenience locations. You pull up, you get your petrol, milk, paper and convenience groceries—and, under deregulation, you could get your alcohol as well. That is the rub: in such circumstances do the strict provisions of the responsible service of alcohol legislation apply. The training required to serve alcohol in hotels, clubs and alcohol outlets, the insistence on training, and the surveillance and oversight of training by the licensee, could not be applied to corner stores and convenience stores. Therefore the term "convenience store" in the legislation is replaced with "general store". The restriction on the granting of licences to such a store will extend to similar stores, such as mixed business shops, corner shops and milk bars regardless of their operating hours.

Every member who participated in the Alcohol Summit last year, representatives of the liquor industry, the community, and a host of non-government and semi-government organisations that deal with the downside of alcohol use and abuse, would have come to the view that limiting the sale of alcohol via the number of outlets at which it is available would be a positive step in dealing with alcohol use and abuse, particularly among younger people. We are dealing with a very flawed policy that says that the market will make the determination, and that the social responsibility of legislators and the community will be overridden by the absolute end product of the global approach. That is not a responsible approach.

The State Government has taken the only step it could take. It could reject all of this, or it could decide to pay the $15 million each year or whatever it would be for liquor licensing. But we know that this will become an increasingly invasive and antisocial mechanism that impacts on the State Government's responsibility to deliver socially responsible services to the people New South Wales. I listened to the honourable member opposite who mentioned a whole range of pharmacies within his area. All of us understand the importance of the link between the use of pharmaceuticals and the professional advice and oversight of a professional pharmacist. In the mid 1960s and 1970s I lived in Coronation Parade, Enfield, and Mr Purser was the local pharmacist. Financially disadvantaged people would go not to their doctor but to Mr Purser.

Mr David Barr: Pre Medicare.

Mr BRYCE GAUDRY: Of course, which is something else that is being destroyed and invaded by these national competition globalisation policies of the Federal Government. Mr Purser would listen very carefully to people describe their ailments and make sure they were given professional advice and proper access to the pharmaceuticals that were most advantageous to them. The National Competition Council and obviously its agent, the Federal Government, are absolutely determined to break down the availability of this professional advice. In his second reading speech the Premier made it clear that the pharmaceutical associations had gone to Canberra and said to John Howard, "We don't want this to occur. It's your chance to intervene and to remove this principle from the legislation." But that has not been done.

As a result, the New South Wales Government has been forced to introduce amending legislation to provide for the expansion of friendly societies while simultaneously preventing the takeover of pharmaceutical enterprises by major supermarket chains. There is no doubt that if a takeover of the pharmaceutical industry occurred, pharmacists would break away from their professional association. Consequently the professional values, training and approach that for decades has guaranteed the highest standards of pharmaceutical health care would be lost. The Government has taken pains to ensure that those professional values are retained and not replaced by a maximum profit motive that is pursued by pharmaceutical chains, irrespective of its adverse effect upon communities. I am not a strong advocate for unfettered national competition policy and market forces.

Mr Richard Torbay: That is a big understatement.

Mr BRYCE GAUDRY: That is an understatement, and I extend it even to national rail policy that has resulted in the transfer of government rail lines to the Australian Rail Track Corporation [ARTC]. As far as I am concerned the fundamental consideration in such an agreement should be the maintenance of working conditions and the employment tenure of workers in the rail system, and the sustainment of country communities. While national competition policy has its place, its implementation should not be unfettered. [*Time expired.*]

Mr PETER DRAPER (Tamworth) [10.01 p.m.]: The National Competition Policy Amendments (Commonwealth Financial Penalties) Bill has been the subject of much argument from both sides of the House, with accusations flying backwards and forwards between the major parties. If the Government is to be believed, the Prime Minister, John Howard, and the Federal treasurer, Peter Costello, initiated the bill by proposing to penalise the taxpayers of New South Wales more than $50 million per year until the State deregulates the liquor, pharmacy, dental, and poultry industries and amends the Farm Debt Mediation Act. If the Opposition is to be believed, the Premier signed the National Competition Policy Agreement in April 1995 and the Government willingly agreed to the conditions imposed in the agreement, so it should stop whinging and get on with the job. Somewhere in between the two extremes lies the reality of the situation.

When the agreement was signed in 1995, it was with the express intention of overseeing State performance in electricity, gas, water, roads, rail, and ports. I am unable to find any indication that the original intention was to deregulate the liquor, pharmacy, dental, and poultry industries or amend the Farm Debt Mediation Act. If such a suggestion had been made when the agreement was being formulated, I am quite sure that the Prime Minister would not have enjoyed unanimous support for the agreement of the States.

I have spoken strongly against any reduction in constraint on the sale of alcohol within the communities I represent. Community sentiment has been very strongly opposed to any deregulation of alcohol. The recent Alcohol Summit identified that by controlling the number of liquor outlets and their distribution, the effects of alcohol on society can also be controlled. Nobody I have spoken to in my local area supports the idea of more liquor outlets. The Police Accountability Community Team [PACT] in Tamworth strongly opposes any such suggestion, and all other PACT teams throughout New South Wales support the Tamworth team's point of view. I recognise that the bill has addressed many of the concerns raised in my local community.

With regard to the Liquor Act 1982, the bill removes the right of individuals or groups to lodge an objection to an application for a liquor licence on the grounds that the need of local communities for access to alcohol is already being sufficiently catered for. This was referred to as the needs test. Replacement of the needs test with a social impact assessment process seems to indicate that community concerns have been recognised. If anything, this bill seems to strengthen the onus of proving that the grant of a licence will result in no adverse effects upon the community.

Additionally, the legislation will ensure that petrol stations will not be able to sell alcohol. This was one of the strongest concerns expressed by local residents in my electorate. The mix of alcohol and motor vehicles is well documented as a major contributor to the road toll, and any encouragement of drivers to purchase alcohol with fuel was seen as extremely dangerous. The bill also ensures that the existing restrictions on granting licenses to convenience stores will apply to other general stores, including milk bars, corner stores, and convenience stores.

Recently I attended a local meeting of the Australian Hotels Association in Tamworth to discuss the bill and its implications for the industry. Hoteliers in the Tamworth district were generally supportive of the bill but expressed concern about a provision in the bill to introduce a new annual fee regime for hotels and bottle shop owners. They pointed out that such a structure must recognise that small rural and regional hotels must not

be forced into a one size fits all scenario, because they simply cannot afford fee structures that are designed for large metropolitan organisations. They suggested a fee based on turnover rather than the application of one level fee across the State, and I fully support their position.

The possible deregulation of the poultry industry has caused a great deal of concern. I have received regular correspondence from grower representatives in Tamworth pointing to the impact this bill will have on their livelihoods. The problems that deregulation will impose on the three isolated country areas in New South Wales that have large poultry industries—Tamworth, Griffith and Lismore—are quite unique and are worthy of the Government's attention. The Secretary of the Tamworth Meat Chicken Growers Association, Ted Hebblewhite, has made a valuable contribution to the debate. As Mr Hebblewhite pointed out recently, he believes that contract growers should be moved away from the negotiating table. He points out that contractors grow chickens very well but lack basic negotiation skills.

The New South Wales poultry meat industry contributed $425 million to the New South Wales economy through six main processors and approximately 350 contracted growers. The growers point to a significant market power imbalance between growers and processors whereby growers are paid 6 per cent of the retail price yet contribute 40 per cent of the investment in the industry. That is why the Poultry Meats Industry Act was put in place. The Federal Government is penalising New South Wales $12.86 million per year to effect a 1 per cent reduction in the retail price without considering that the 1 per cent decrease will lead to a 24 per cent reduction in growers' incomes, and a $60 million overall impact on growers and their surrounding communities.

It is important to remember that communities will be affected as well as growers. Regional areas of New South Wales simply cannot afford such an impost. In a letter to the Federal Treasurer, Peter Costello, Mr Hebblewhite referred to the many worthwhile changes that have occurred as a result of the original bill, such as improved technology in growers' sheds, and an industry that has changed from a motley array of unkempt derelict sheds built of galvanised iron and bush timber surrounded by long grass and rusty equipment to specifically built sheds made from modern materials using the latest technology that incorporates computer operated feeding, watering and temperature control systems. These improvements have resulted in cheaper chickens, in real terms, and finer-textured meat from younger disease-free animals that have suffered much less stress than was previously the case.

Deregulation will not offer more competition in processing in Tamworth. The processor in Tamworth is very good at what he does, but water restrictions on the Peel River and an insufficient supply of birds would not warrant another processor establishing a business. Tamworth farms are larger than State-average farms. They are also more vulnerable, with growers committed to long-term loans and banks already becoming edgy. The Poultry Meat Industry Committee that was set up under the current legislation appears to be doing a good job. When disputes arise, they are settled quickly, and innovative cost measurement practices were implemented when the chairman visited Tamworth recently. Growers have invested in new sheds, upgrades, insulation, bio-security, and cutting edge technology.

Dismantling the current legislation and introducing competition policy in Tamworth with only one processor will put a great deal of pressure on the industry and may cause banks to examine their exposure levels very closely. It appears that the Government wants all growers who moved out of the Sydney Basin when they were no longer environmentally welcome to consider moving back to an area where there is genuine competition from processors. The Federal Government needs to cease applying financial pressure so that the State Government can leave this industry to basically get on with what it does best—growing chickens.

I have also spoken to a number of pharmacists in my electorate who are concerned about the changes. The Pharmacy Guild of Australia is clearly concerned that the health care model of pharmacy is under threat. One recommendation is to remove the limit on the number of pharmacies a pharmacist may own, and to allow the unlimited expansion of friendly society pharmacies. John Bronger, national President of the Pharmacy Guild of Australia, stated that this change has the potential to fundamentally alter the way the pharmaceutical profession operates in New South Wales and move it away from its current and growing focus on professional health care towards a corporate retail model which emphasises product, turnover and profit—relegating professional health care to the backwaters. Mr Bronger believes, as I do, that the current limit on pharmacy numbers is based on the understanding that the public is best served by a pharmacy that is owned and controlled by a pharmacist who is personally responsible for its conduct and fully accountable to the respective pharmacy boards for the professional and responsible running of the business.

Community pharmacies are much more than a shop where people go to purchase medical supplies. In country communities, the pharmacist often provides services free of charge for the good of the community. How often do mothers go first to their pharmacist for advice when children have minor ailments? Pharmacists take blood pressure readings for customers, they bring in specialists who offer tests for cholesterol or blood pressure, they change dressings, they give support and guidance and they are very much an integral part of the social fabric of smaller communities. Deregulation of the pharmacy sector could prove to be a grave error of judgment because the health needs of our communities will be directly affected as a result.

My electorate has just gone through the worst drought in 100 years and now locusts are decimating farms in the Gunnedah district. Farmers have contacted me to say they have lost their winter grazing oats, their lucerne has been reduced to stalks, and other crops are disappearing before their eyes. Yet it is in this climate that the Federal Government is forcing the removal of the Farm Debt Mediation Bill, which requires that a meeting take place before a creditor can take possession of a property and before any other enforcement action is taken under a farm mortgage. The system works well. It provided a cooling-off period on closures, ensured that banks properly assessed a farmer's personal and financial situation, and put in place a structure that assisted the farmer and the creditor to reach agreement on their current and future financial arrangements. It offered a quick, accessible and inexpensive process that helped farmers when they were most vulnerable.

Why on earth such a positive program should be targeted is beyond me. I am pleased that the Minister for Agriculture and Fisheries has progressed amendments that seem to satisfy the requirements of the National Competition Council, because programs like that need to be retained. Deregulation for deregulation's sake is not a good thing. With my background in the airline industry I know that before deregulation, two airlines operated out of centres such as Tamworth and Armidale. After deregulation, three airlines were operating in regional centres. Today there is one service. Competition has gone out the window, prices are sky high, demand is higher than supply, and the process has not worked. Many rural communities, including Port Macquarie, have suffered under that process. Because of the lack of balance within the diverse and separate areas of the bill, I cannot offer my support for it. Indeed, I strongly oppose it.

Mr KEVIN GREENE (Georges River) [10.12 p.m.]: Although I disagree with the final comments of the honourable member for Tamworth, I certainly understand where he was coming from. I congratulate him on his contribution to the debate; he obviously had done an enormous amount of research, and I agree with many of the points he espoused. The seats of Tamworth and Georges River are very different. Although I have no intention of speaking about the bill's impact on the poultry industry or farm debt mediation, I certainly take on board his comments. In general, his comments on the national competition policy, the liquor industry and pharmacies are as relevant to the constituents of Georges River as they are to constituents throughout New South Wales.

Members on this side of the House support the bill, but we do so reluctantly. There is no doubt that the New South Wales Government has been forced into introducing the bill because of the economic rationalism of the Federal Government. It has been blackmailed into deregulating four areas because otherwise the people of New South Wales will ultimately suffer a large financial penalty. I will not address the areas that the Federal Government is currently belting New South Wales with through its Grants Commission funding, which other members have spoken about, or the funding cutbacks for health and other areas.

No doubt the people of New South Wales could not endure the additional financial burden through penalties that would be imposed on them if the State Government had not introduced this bill. We have been dragged literally kicking and screaming into introducing this bill. I, and many other members, recognise that that is unfortunately the situation. As the honourable member for Tamworth said, there is no doubt that the competition policy, when signed off by the State governments in 1995, applied only to the major infrastructure industries, including communications and airlines. It had nothing to do with the liquor industry, pharmacies, farm debt mediation, or the dairy industry.

Ultimately, the zealots who are involved with the National Competition Council [NCC] have shown that that policy has reduced competition. That was clearly illustrated by the honourable member for Tamworth's reference to the airline industry. The Australian economy can bear only so many competing groups in the marketplace because we have a population of only 20 million, compared with America's almost 300 million. It is a bit like people saying that rugby league would take over the world, because it could do wonderful things with marketing. The Australian economy has a different base, and it cannot compete with the American marketplace or the European marketplace.

However, we need to provide services to the people of Australia, and in this instance the people of New South Wales. We need to be able to provide them with a competitive marketplace. I believe that many of the so-called competition reforms have reduced competition to monopolies, particularly in the airline industry. I am sure that that is of great concern to every member of this House—something we are not able to address at the State level. The Federal Government continues to burden the States with financial penalties, and that is of no great benefit to anyone.

There has been great discussion about the Alcohol Summit and potential problems with a loosening of liquor regulations. Honourable members who have already contributed to the debate outlined them, and I will not repeat them. The Georges River electorate is fortunate to have very responsible servers of alcohol. The Humphreys family have been at the Oatley Hotel for more than 25 years and have built up a great reputation in the community. The Penshurst West Liquor Store is run by Paul Harget, a good family man who obviously does a great job in serving the local community. Local businesses are doing a good job within the current liquor laws. On many occasions it has been said that liquor outlets revolve around the needs test, which provides that there must be shown to be a need in the community for a certain number of liquor outlets. Obviously that is not what is required by the National Competition Council, because it is saying that the needs test has to be removed.

I congratulate the Premier and all those involved as the needs test will now be replaced by a social impact assessment that I believe will satisfactorily fill the void that was left as a result of the removal of the needs test. I am confident that the various provisions in this legislation will address the concerns that were raised with regard to the potential over-availability or over-accessibility of liquor in our community. Other honourable members and I have had discussions with local pharmacists who have great concerns about the potential changes in this legislation. Representatives from the Pharmacy Guild visited Canberra and lobbied the Federal Government in an attempt to remove some of the stupid proposals initiated by the National Competition Council and to reduce the impact that they will have on pharmacies.

Frank Poulos at Penshurst had discussions with me regarding the problems that he is likely to face. In general discussions with people in my community I have established that there is great deal of concern about the introduction of competition into pharmacies. Pharmacists who currently provide a great service for the local community in what is commonly referred to as the strip shopping centre will ultimately disappear. That will be a sad day for the people of New South Wales and the people of Georges River, Tamworth and all other electorates. Those pharmacists provide a much-needed service in the community. Elderly people in the community have only to go up the road to gain access to a pharmacy.

Diana's Pharmacy is located just around the corner from my residence in Peakhurst South. Peakhurst South shopping centre has about six shops—a little general store, a doctor, a pharmacy, a yoga facility, a physiotherapist and a hairdresser. That is the extent of the shopping centre. A pharmacy at that shopping centre provides for the needs of the Peakhurst South community. Mullane's Pharmacy in Mulga Road at Oatley West is a little outlet that has been there for years. Pat Mullane started the pharmacy in the 1960s and it is still serving that community. That pharmacy potentially will be lost because of the zealots involved in this national competition policy. We must protect not only those services but the pharmacists who provide services to the community.

I am sure that no Government member is happy to support this legislation. However, we all recognise that we must do so because we have been blackmailed by the Federal Government. Like the honourable member for Lismore, I have discussed this issue with people in my electorate. Recently I published my newsletter, part of which contains a story about this legislation. I have received enormous support and phone calls, and a number of people in my electorate want to sign petitions. They realise what the Federal Government is forcing on them. The feedback in my electorate has been enormous. As I said earlier, they realise that competition policy will ultimately reduce and destroy competition in these industries. It is a sad day for the people of New South Wales and a sad day for Australia.

The New South Wales Government, when formulating this legislation, did everything possible to reduce its impact on these industries. Earlier the honourable member for Tamworth referred to the Farm Debt Mediation Act and other legislation that was included by the Minister for Agriculture and Fisheries. Additional protection has been provided for the poultry industry. I hope the social impact assessments that were required for liquor stores will get through the NCC. Some of the work that was done in relation to pharmacies might also have an impact. I hope the Premier and his advisers have covered as many as avenues as they can. The people of New South Wales want our budget protected. We cannot afford to have $51 million taken out of our budget every year, even though the Federal Government has taken money from other areas. I speak on behalf of many people in the Georges River electorate when I say that I support this legislation, but I do so reluctantly.

Mr GREG APLIN (Albury) [10.26 p.m.]: In speaking against the National Competition Policy Amendment (Commonwealth Financial Penalties) Bill I will confine my remarks to some salient facts and make a minimum of comment. The first unassailable fact is that in 1995 the Council of Australian Governments established the National Competition Council [NCC]. We have been well informed that the signatories were the Prime Minister at that time, Paul Keating, and Premiers Bob Carr, Jeff Kennett, Wayne Goss, Richard Court, Dean Brown and Ray Groom, with Chief Ministers Kate Carnell and Marshall Perron.

As we have heard from the many contributors to this debate, Premier Carr is the sole surviving signatory of that select group. I quote from the "Legislation Review Digest", a fine document produced by the honourable member for Miranda and the Legislation Review Committee, with the assistance of the honourable member for South Coast, which clearly sets out the facts. I refer, first, to the competition principles that are outlined in that document. The committee states:

> Pursuant to the 1995 national Competition Principles Agreement, the New South Wales Government agreed to put in place a range of structural reforms, including the review and reform of all legislation that restricts competition.
>
> Such reforms are required unless the benefits to the community of restrictions outweigh the costs, and the objectives of the legislation can only be achieved by restricting competition.
>
> In return for complying with the obligations set out in the NCP agreements, including legislation review and reform, the Commonwealth agreed to provide annual competition payments to the States and Territories...
>
> In 2003-2004, New South Wales' maximum competition payment entitlement is $254.4 million.

The next fact relates to the NCC's assessment. I again quote from the "Legislation Review Digest", which states:

> The National Competition Council [NCC] has assessed New South Wales as having fulfilled all of its obligations under the NCP agreements, with the exception of certain legislation review and reform activity. The NCC 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 digest then states:

> The Commonwealth has advised the New South Wales Government that it accepts the NCC's recommendation to impose a penalty of $50.9 million in respect of New South Wales' 2003-04 competition payments.
>
> The aim of this Bill is to ensure that this penalty is not imposed in future years and, subject to the NCC's assessment and recommendation, enable New South Wales to earn back a portion of the $50.9 million penalty.

The Premier has a tongue that is so busy paying homage to his own articulation that he has lost sight of what action his Government should be taking. This high priest of spin, this harpy of hyperbole, this hector of the House has so brainwashed Government speakers that all we hear is blame, whinge and whine. We hear that the Federal Government or, more precisely, the Prime Minister and the Treasurer, are personally to blame for the New South Wales Government's shortcomings. I ask: What action has been taken over the past nine years to identify these issues and to support affected industries?

As the impacts were clearly known, the $50.9 million would not have been taken into account in any responsible budget. These payments are in the form of dividends. If you do not make the right investment, you do not get the dividend. If you disagree with the investment, as a responsible major shareholder, you go to the annual general meeting and demand changes. Obviously you either failed to identify or failed to act. Do not just take my word for it; listen to the President of the National Competition Council, Dr Wendy Craik, who said it was a pity that New South Wales only moved to meet its obligations after the NCC was forced to recommend financial penalties. She continued:

> If NSW had undertaken these reforms before it would likely have avoided penalties. NSW has had nine years to provide an independent review.

I do not intend to go into the nature of the individual amendments. I believe that has been done adequately—one might say copiously—over the past few weeks. Recently the Minister for Gaming and Racing rushed in and out of Albury and praised the liquor accord while attending a youth meeting convened to discuss alcohol. Last weekend one of the young attendees said to me, "Why did I bother to attend? The Government obviously has no intention of limiting liquor outlets." That is a sad and disturbing reaction. I refer not to his reaction to the Minister but to his loss of faith in the Government's position on liquor outlets.

An objective of the bill is to amend the Liquor Act to abolish the needs test and substitute a social impact assessment [SIA] process for future liquor store licence applications. The Opposition has stated clearly that it will vote against legislation that will abolish the needs test. The matter is of such public interest and social

consequence that the responsible service of alcohol principles would be jeopardised by the abolition of the needs test as there would be a proliferation of liquor stores and applications from supermarkets. The SIA process will produce more liquor stores and, as consultants refine the process, ultimately many more liquor stores. The Premier said in his second reading speech that the Government did not want to introduce the bill but that the Commonwealth was holding a shotgun to its head. The Coalition has already indicated that de-restricting liquor outlets is socially irresponsible, will defy all the outcomes of the Alcohol Summit, and will have serious implications for youth alcohol problems and drink driving.

I turn to the pharmacy aspects of the bill. The following comment could well have come from Ben Brndusic or Rod Pike of Albury or from David Dunbar from the Culcairn pharmacy. This week I received from Simon Horsfall of Thurgoona Family Pharmacy a letter about this bill. He states:

> I am writing to you about the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill 2004.
>
> This bill has the capacity to seriously undermine the viability of community pharmacies, such as my own, by allowing large corporate ownership of multiple pharmacies.
>
> You may be aware of a petition organised by the NSW Pharmacy Guild asking the general public to write to oppose the change in ownership provisions of NSW community pharmacies. I just wanted to give you some feedback on this petition … almost everyone who has seen or been made aware of the petition in this pharmacy has signed it … Why is the NSW Government following a path which is so much against the wishes of the public? Maybe it is only popular with people who don't use pharmacies.
>
> As you know, I serve my local community, and in the two years since opening have had many comments from Thurgoona residents on how convenient it is to be able to get pharmaceuticals locally. I could probably earn more working for someone else, and get more weekends off!

We can all identify with that. I hope that the Government will identify with pharmacy operators and work in their favour when considering the National Competition Policy Amendments (Commonwealth Financial Penalties) Bill and oppose the provisions.

Debate adjourned on motion by Ms Reba Meagher.

BILLS RETURNED

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

Fair Trading Amendment Bill
Health Care Complaints Amendment (Special Commission of Inquiry) Bill

LOCAL GOVERNMENT AMENDMENT (COUNCIL AND EMPLOYEE SECURITY) BILL

Bill received and read a first time.

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

SPECIAL ADJOURNMENT

Motion by Ms Reba Meagher agreed to:

That the House at its rising this day do adjourn until Thursday 1 April 2004 at 10.00 a.m.

The House adjourned at 10.36 p.m. until Thursday 1 April 2004 at 10.00 a.m.