

LEGISLATIVE ASSEMBLY

Tuesday 6 May 2008

ABSENCE OF THE SPEAKER

The Clerk announced the absence of the Speaker.

The Deputy-Speaker (The Hon. Anthony Paul Stewart) took the chair at 1.00 p.m.

The Deputy-Speaker read the Prayer and acknowledgement of country.

BUSINESS OF THE HOUSE

Notices of Motions

General Business Notices of Motions (General Notices) given.

PRIVATE MEMBERS' STATEMENTS

Question—That private members' statements be noted—proposed.

SCHOFIELDS RAILWAY STATION RELOCATION

Mr JOHN AQUILINA (Riverstone—Leader of the House) [1.05 p.m.]: I bring to the attention of the House the concern being expressed by hundreds of people residing in the town of Schofields, which is located within my electorate. A proposal has been put forward to relocate Schofields railway station 800 metres closer to Quakers Hill railway station to provide more even spacing between Quakers Hill railway station and Riverstone railway station with the duplication of the railway line. The problem is that Schofields railway station is not centrally located: the gap between Schofields railway station and Quakers Hill railway station is greater than the gap between Riverstone railway station and Schofields railway station.

For the past 20 years the proposal has been to build an additional railway station close to the old railway crossing at Nirimba naval base in recognition of the proposed dramatic development of open space for residential purposes. Over the next 10 to 20 years a large number of homes will be built to cater for an increased population base, so an additional station would best serve the needs of those people. So far as I am aware that option has been proposed for at least 20 years—and certainly the one proposed by the Growth Centres Commission for the past three to five years.

In the past six months planning for this railway station commenced but the Growth Centres Commission now wants to scrub the proposal to build an additional railway station and relocate Schofields railway station, which has been in its existing location since at least 1860. What will that do to the local community? A shopping centre is located close to the residential area in which hundreds of people reside. The Growth Centres Commission now wants to move a railway station that currently is conveniently located close to that residential area and relocate it in an open paddock 800 metres away. At present people are able to walk to the railway station and shopkeepers benefit from the passing trade.

What will happen to people who have lived in Schofields for several decades, many of whom are elderly people, who have been waiting for the duplication and upgrading of the railway line in that area through to Vineyard at a cost of \$440 million over the next few years? This matter concerns an issue of trust. I firmly believe that we have betrayed these people's trust. Last Sunday 250 people and I attended a protest meeting at Schofields Community Hall. The community hall, which is rather small, could not accommodate everyone and people were milling in the courtyard listening to Councillor Leo Kelly, the Mayor of Blacktown, who chaired the meeting, as well as Councillor Alan Pendleton, Councillor Ron Alder and I express concern about the decision of the Growth Centres Commission to change its mind at the end of the process.

The Department of Transport, the Department of Planning and the Growth Centres Commission are now looking at this issue in earnest. All appropriate government departments and the Growth Centres Commission should examine the option that has been proposed for at least 20 years, that is, the proposal to build an additional railway station. Schofields railway station should remain where it is, close to schools, the local community, elderly people and the residential area. People who have put their trust in the planning process over so many years should not be betrayed at the last minute. This is a very vital and important issue. We owe it to these people to make sure that the Government responds to them in the appropriate way.

RIDING FOR THE DISABLED

Mr RAY WILLIAMS (Hawkesbury) [1.10 p.m.]: I take this opportunity to advise the House of an organisation in my local electorate of Hawkesbury that goes largely unnoticed but which provides an important facility for disabled people, particularly disabled youth. Riding for the Disabled Association [RDA] provides people with disabilities the opportunity for rehabilitation through an association with horses. The Riding for the Disabled Association (NSW) was formed after Pearl Batchelor, OAM, visited the Riding for the Disabled Association in England in the early 1970s.

With the combined interest and commitment of Pearl Batchelor and the late Nan Everingham, the inaugural meeting to form a New South Wales Riding for the Disabled Association was held on 23 October 1972. Lessons for people interested in becoming coaches for disabled people in the riding of horses were held at Pearl Batchelor's property known as "Tall Timbers" at West Pennant Hills. Riders from Northcott School, Parramatta, and Crowle Home were the first people to participate in becoming instructors and coaches for disabled people.

In 1976, due to impending development at West Pennant Hills, five acres with a cottage and horse yards were purchased in Kellyville in north-west Sydney. Shortly after arriving in Kellyville, Tall Timbers leased another 25 acres that backed onto the property from the New South Wales State Government. Over the years a further 10 acres were purchased and an amenities block, indoor arena and stable block were added to the already existing yards and outdoor arena. This made a total of 15 acres owned by the Riding for the Disabled Association (NSW) and 25 acres leased from the Government.

At the end of 1999, due to the Rouse Hill development encroaching on Kellyville, Tall Timbers once again moved, this time to Box Hill, where it is hoped that RDA will be able to settle for many, many years and that suburbia will not once again push the centre further out. The centre at Box Hill is owned by the Riding for the Disabled Association (NSW) and is maintained by Tall Timbers. During the years that Tall Timbers has been operating, riders have attended from schools, hospitals, institutions and adult day-care centres from nearly every suburb across Sydney.

On Saturday 26 April, the Riding for the Disabled Association Tall Timbers Centre opened its new facilities and I was very privileged to attend the opening celebrations. The new facilities at Box Hill now include a multipurpose building incorporating a riders room, volunteer room, saddle room, kitchen, office, a massive extended and improved covered arena, a grass arena, horse yards and disabled access. The facility is nothing short of magnificent and provides passive rehabilitation for riding horses in an idealist setting that is loved by all who attend the premises.

The philosophy of using horses for the disabled is not new. The Greeks used horses for rehabilitating wounded soldiers in the fifth century BC, and, indeed, throughout history riding has been prescribed as a means of improving the mental and physical wellbeing of people with disabilities. During Anzac week, the television program *Australian Story* showed the accident that occurred to Anne Skinner. Anne Skinner was an instructor in Victoria for the Riding for the Disabled Association and she was very seriously injured after a horse float backed over her. She suffered a severe break to her backbone and was not expected to walk again. Ironically, after putting some of her own medicine into practice—the wonderful rehabilitation benefits of horse riding as treatment—this amazing woman went on to represent Australia at the Paralympic Games in Sydney in 2000 and she now competes professionally.

For many people with physical disabilities, the benefits of exercise and improved posture from riding are obvious. There is, however, a strong motivational factor that can be used for good purpose: when performed on horseback, exercise that is usually tedious is carried out with renewed vigour and interest. The coach can also work closely with the rider's teacher or carer to reinforce the disabled person's literacy, numeracy or social skills. This is simply using the motivational factor of riding horses in the learning process.

At the 1952 Helsinki Olympic Games, Madame Liz Hartel, a Danish polio victim who was normally confined to a wheelchair, left her chair for her horse's back and then proceeded to win a silver medal in the dressage event. Naturally, this achievement received worldwide attention that focused on the fact that it is ability that counts, not disability. How true that statement is. Liz Hartel's courage and achievement gave encouragement to millions of people around the world and new Riding for the Disabled Association facilities began to spring up in every country.

The Riding for the Disabled Association (NSW) now comprises 38 centres. Riding for the Disabled Association (NSW) is a not-for-profit organisation run predominantly by volunteers. With the assistance of service organisations such as Rotary, combined with constant fundraising and the help of volunteers, the Riding for the Disabled Association Tall Timbers Centre provides horse riding and associated equestrian activities for people with disabilities. All coaches with the Riding for the Disabled Association are qualified. They have skills in horsemastership, safety, medical knowledge, first aid, teaching and the selection and training of horses.

At the official opening of the new facilities on Saturday 26 April, Kerry Souter was deservedly named as a life member of the Riding for the Disabled Association Tall Timbers Centre. Kerry has been with the Riding for the Disabled Association since 1994 and regularly goes above and beyond the call of duty for this centre. I also pay special tribute to the wonderful volunteers of the Riding for the Disabled Association Tall Timbers Centre, Box Hill, many of whom are neighbours of this centre and spend countless hours of their time helping maintain and replenish this amazing centre. These people should be commended.

Mr JOHN AQUILINA (Riverstone—Leader of the House) [1.15 p.m.]: It is not often I do this but on this occasion I congratulate the member for Hawkesbury on his presentation today in support of the Riding for the Disabled Association, a very noble and worthwhile organisation. I am sure all members of this House join him in supporting the association.

CASULA POWERHOUSE ARTS CENTRE

Dr ANDREW McDONALD (Macquarie Fields) [1.16 p.m.]: On 5 April, in the company of the Premier, the Minister for Local Government and the members for Wollondilly and Menai, I attended the relaunch of the Casula Powerhouse Arts Centre. For those of us who choose to live in south-west Sydney, there was a time when the first thing we needed to access quality art, film or music was a train ticket. Those days are now gone forever. The motto "Change your mind" says it all.

The third stage development of the Casula Powerhouse has cost \$13.26 million. The New South Wales Government with \$7.6 million and Liverpool City Council with \$5.6 million have funded this development. This facility complements plans to widen the potential for use of the whole Georges River corridor. The powerhouse now offers a magnificent multipurpose 328-seat theatre, seven galleries, an international standard climate-controlled exhibition and storage space for its collection, and residency and artist studios. The powerhouse provides opportunities for education, lifelong learning, employment and leisure. I quote Kon Gouriotis, OAM, the Executive Director of the Casula Powerhouse, who stated:

The building and program are the realisation of a long vision that goes back to 1976 when it was decided the power station should become a centre for the community. The reopening marks more than 30 years of commitment to the Arts from Liverpool City Council, over sixteen years of work from the architects Tonkin Zulaikha Greer and ten years of planning by our Board.

I pay tribute to Kon Gouriotis, OAM, and his team at Casula Powerhouse for their commitment to this project and for making the arts accessible to the people of south-west Sydney. I also acknowledge the commitment of Gabrielle Kibble, AO, the Administrator of Liverpool Council, General Manager Phil Tolhurst and Director of City Services David Tuxford for seeing this project through. In a time of competing priorities for funding, their determination deserves to be recognised and commended. Aunty Mae Robinson, a well-known Aboriginal elder who gave us an inspiring introduction to the relationship that the Tharawal people have to the land, gave the Welcome to Country. A didgeridoo performance by Adam Hill completed the Welcome to Country and symbolised the new beginning for the centre. All Saints Catholic Girls College Choir—who won the 2007 open high school section of the Macarthur eisteddfod—sang *Panis Angelicus* brilliantly. They also accompanied Wei Zen Ho, a Sydney-based vocalist originally from Malaysia. The choir was led by Julie Aysom, and accompanied by Malcolm Tapscott.

The launch also officially opened the Australian exhibition, which features the work of 14 of Australia's most sought after contemporary artists, curated by Casula Powerhouse Artistic Director Nicholas Tsoutas. The work included in this exhibition transformed the building into a spectacle of colour and movement.

The soon-to-be-opened theatre will be of the same calibre, with its ambitious launch program to be kicked off by Company B's *Keating* on 13 May. I commend it to all Liberal Party members. The theatre program will continue with shows from the Parramatta Riverside Theatre, the Sydney Youth Orchestra, the Melbourne Comedy Festival Roadshow and the Bell Shakespeare Company—as you like it. The World on Women film festival is on 5 and 6 June. The shows have been programmed for the centre by former Company B producer Lyn Wallis, who has come to the centre committed to bringing new audiences into the space and creating new theatre-going opportunities for south-west Sydney residents.

Lisa Havilah, Director of Campbelltown Arts Centre, also was present on the launch day. I expect that both these wonderful art centres will complement each other in providing services to the people of south-west Sydney. The Iemma Government's support of similar centres, such as the Dame Joan Sutherland Centre at Penrith and the Riverside Theatre at Parramatta, demonstrates its commitment to the people of south-west Sydney. As Jim Marsden, Chair of Casula Powerhouse, has said, "As residents of south-west Sydney, we are privileged to live in one of the most culturally diverse and vibrant communities in this country. Now we have the opportunity to see the work of Australian and international artists and theatre companies right in our own backyards. Long known for excellence in sport, south-west Sydney will now be recognised for its contribution to the arts. I commend the relaunched Casula Powerhouse."

SCHOOL STUDENT TRANSPORT SCHEME

Mr STEVE CANSDELL (Clarence) [1.20 p.m.]: I raise concerns about failings of the School Student Transport Scheme. Sandra Gazzard and her husband, constituents in my electorate, have a five-year-old son who has just commenced kindergarten. Because they both need to work in this economic climate—today most parents have to work if they are to pay off a mortgage and maintain their family—their son attends before-school and after-school care for his personal safety. However, because this care is undertaken at a residence different to the child's home residence, the family is not covered through the School Student Transport Scheme and the child receives no free bus travel. The unfairness of the scheme is revealed in that if these parents were separated and resided at different addresses, their son could travel from either address to and from school for free. What Sandra Gazzard and her husband now have to do is pay for their son's school bus travel when, by right, they should not have to. In a letter to me Mrs Gazzard, from Waterview Heights in Grafton, wrote:

Dear Mr Cansdell,

I am writing to you in order to bring to your attention the issue of providing school age students with free school bus travel.

At present free bus travel to and from school is only available to students who catch the bus that goes past their residence. If a student catches the school bus to and from a different destination the parent is required to pay for this service.

My son, who started kindergarten this year at Grafton Public School, catches the bus to and from school as both myself and my husband work full time. Because my son has no older siblings that would be able to supervise him before and after school, we pay for before and after school care to ensure his safety. In the morning before I go to work I drop my son to the carers address and he catches the bus from there and returns in the afternoon until I am able to collect him. This enables my son to be adequately supervised and provides us with peace of mind for his safety.

We have been rejected free bus travel for him to and from this address on the grounds that he is not catching the bus that is provided at our place of residence. I feel that the issuing of bus passes under the current guidelines is unfair for working families. I have enclosed a copy of the current application form which you will note provides for joint custody arrangements. If the parents were separated a child would be entitled to free travel to and from both residences. My question is why not so for working families who pay for out of school hours care? These guidelines need to be reviewed immediately to ensure that all families have equitable access to free bus travel for their children morning and afternoon to an alternate address from their home if it is for the purpose of supervised care.

I am asking you to please table this during question time at the next parliament sitting date to get a response from the Minister of Transport, in order to have the situation reviewed promptly.

She also states that she has written to the Minister for Transport, John Watkins, alerting him to the "inequitable distribution of this state resource". The School Student Transport Scheme guidelines state that besides school excursions, sports events, et cetera, "the scheme does not extend to travel for activities such as attendance at before and after school care or child minding premises". This is unfair and inequitable, and is prejudiced against working families who are unable to take their children to school and also pay for better care and supervision of them. This issue needs to be addressed. This letter will be forwarded to the Minister so that, hopefully, these concerns can be taken into consideration.

PENRITH CANCER COUNCIL COMMUNITY HUB

PENRITH RELAY FOR LIFE

Mrs KARYN PALUZZANO (Penrith) [1.25 p.m.]: Today I honour and support the Cancer Council NSW. Why do I do this? Last week, on 29 April, I had the honour to officially open the very first Cancer Council Community Hub. What is a Cancer Council Community Hub? It is a place where people can drop in for advice and information. The Board of the Cancer Council NSW, through its chief executive officer Dr Andrew Penman and board member Graham Mann, whom I met on 29 April, decided to send the Cancer Council programs out to areas in western Sydney and regional New South Wales. The Cancer Council, from its head office in Woolloomooloo, undertakes extremely good programs raising awareness on cancer, research and co-funding, but this community hub is a place for people in the community who can assist the council's work in the local area.

I am proud that the Cancer Council chose Penrith to be the first place to establish a community hub. As I mentioned, Dr Andrew Penman, Chief Executive Officer of the Cancer Council, attended the opening together with board member Graham Mann, Nic Szafraniec, the manager of the Penrith community hub, and Melinda Blundell, a worker at the hub. More importantly, Kim Zimmerman, the first official volunteer for the Penrith Cancer Council Community Hub, also attended the opening. Kim represents all that is good in Penrith, in assisting contact between the community and organisations like the Cancer Council. The community hub's opening last week was timely because on this coming Mother's Day weekend, 10 to 11 May, the Penrith Relay for Life will take place at Howell Oval.

The Penrith Relay for Life, in its seventh year, is close to achieving \$1 million in fundraising in the Penrith community for the Cancer Council NSW. That fine effort over seven years should be commended. I am the patron of the Relay for Life and will be attending the event. A number of teams have been registered for the relay. The Girl Guides of south Penrith have registered a team for the first time, so my daughter will be camping out overnight on this weekend as part of the Girl Guides team to support Relay for Life. Relay for Life is a fun fundraising 24-hour event in which people get together in teams to walk over a mapped out area of the oval to raise money based on the number of laps of the oval they complete. Of course, as the relay is a fun event at Penrith we also hold the Miss Relay for Life Pageant, which is open to both genders. I will probably be placing the sash on the winner of Miss Relay for Life this weekend.

The Relay for Life is a community event run in conjunction with a range of partner organisations. I particularly commend Rotary of Penrith, which provides the hospitality and food for the 24-hour period, including morning teas, lunches, dinners, afternoon teas, and breakfasts on Mother's Day. It is great that the Penrith Cancer Council Community Hub has been opened. Nic Szafraniec will allow community groups to operate a drop-in centre at the hub. If someone has been newly diagnosed with cancer, this community hub provides a Cancer Council presence in Penrith to offer advice or information on its programs. I am proud to be a member of the Iemma Government and that its State Plan provides a key indicator in efforts to reduce the number of people with cancer in our State.

The Cancer Council of New South Wales is a key partner with the Cancer Institute. The Iemma Government has also supported the Nepean Cancer Care Centre, which has been operating for more than 11 years providing services and extra support. The Government and the Cancer Council have also co-funded extra cancer care nurses who are needed when people are undergoing chemotherapy. The palliative care beds at Nepean Hospital were relocated to provide a better service for those in palliative care and undergoing cancer treatment. The general community and the Rotary community have also helped to establish Hope Cottage on the hospital grounds. I commend the Cancer Council of New South Wales.

PENNANT HILLS BUS SERVICES

Mr GREG SMITH (Epping) [1.30 p.m.]: I speak about the scandalous changes in the bus services in north-west Sydney, and particularly the cancellation of the 626 bus service that has served Victoria Road, Pennant Hills, for more than 50 years. Last week I went to a meeting at the Mawarra Village in Verney Drive, Pennant Hills, which was organised by Ron Hicks and attended by about 70 people. Mr Hicks, the convenor, is a committee member of the Pennant Hills Civic Trust, which safeguards the interests of the people of Pennant Hills. He found out almost by accident that the Ministry of Transport had reviewed bus routes throughout north-west Sydney.

A glossy brochure was published, but it is meaningless to most people because it has only the new routes and does not mention bus services that have been eliminated, particularly the 626 service. Most people at the meeting had not been informed about the changes. If they wish to comment on the changes they are required to respond by Friday. The meeting involved some consultation—Ministry of Transport officers attended—but that occurred well after the services had been changed or cancelled. A private company is running the bus service, but the Ministry of Transport is pulling the strings and providing the buses and the money.

The Pennant Hills area has a number of retirement villages and many of their residents catch the bus on Victoria Road to go to Castle Hill, Pennant Hills and elsewhere to attend medical appointments. They can also catch a train to go to other destinations to see doctors and to do other things such as shopping. They will now have to walk one kilometre to catch a bus. These people, who do not have cars, have served this country in war and in many other ways. They have paid their taxes and provided a good example to their children and grandchildren. They are the foundations of the great culture in which this country revels; they are its backbone. Despite that, only six of the 70 people who attended the meeting received a copy of the proposal, which does not indicate clearly what is going on.

There will be no services along Victoria Road to Pennant Hills station or anywhere else. The new bus service goes down Boundary Road, which at times is almost as busy as nightmarish Pennant Hills Road. They will also have to cross Pennant Hills Road. In addition, no service to Castle Hill will be provided. Stephen Bathgate, a scientist and one of my constituents, made a submission to the review. He is one of the few who saw the proposal and he compared it to the service that has been provided in the past. He states:

The pamphlet also states that alternative services will operate along Boundary Road. This will mean longer travel times for 626 bus commuters forced to catch buses on Boundary Road as traffic jams on that road in the mornings regularly back up to Kitchener Rd, a distance of more than 1.0 kilometres from Pennant Hills Road...

If the bus operators believe that there has been insufficient patronage to justify continuing this service then perhaps a significant reason for the lack of passengers has been the fact that the bus timetables and the train timetables are completely uncoordinated and have been for at least the last 8 years. If the bus operators ran a service that potential passengers could rely upon to get them to the station before trains depart in the morning and a service that would convey them from the station in the evening without long waits at the station then perhaps fare receipts would improve.

The Government should review services to ensure a smooth change from one means of public transport to another. It should not cancel services entirely and force the senior citizens of the Pennant Hills area and everyone else—schoolkids and mothers with prams—to walk a kilometre to catch a bus. That is not providing a service to the people of New South Wales; it is attrition. The people of New South Wales and Pennant Hills deserve better than that. They deserve the service that has operated for 50 years that has worked well. It is still well patronised and it should continue. That is all those people have. What is this Government intending to do? What is the Minister for Transport doing by allowing these revisions that eliminate essential services for the good people of this State and the Pennant Hills area? I have circulated a petition and we will fight this to the end. We will not let these people be trampled upon.

CESSNOCK ELECTORATE UNLICENSED MOTORCYCLING

Mr KERRY HICKEY (Cessnock) [1.35 p.m.]: I bring to the attention of the House unregistered and unlicensed motorcycle riders throughout the Cessnock electorate. The bushland areas are a haven for motorcycle enthusiasts, but that comes at the expense of many residents who live nearby. Cameron Park, Hornesville, Paxton, Pelton and West Wallsend are just some of the communities that are subject to excessive noise. However, pedestrian and motorist safety are the biggest concerns. Motorcycle riders in the Paxton area are regularly—almost weekly—cutting farm fences and knocking them down, and that is causing real problems. The people of Cameron Park using the designated walkways often have to jump off the walkways with their children to avoid being hit by motorcyclists.

This activity is a serious problem across my electorate and throughout the lower Hunter. The problem is that there is no insurance cover if an accident occurs and serious injuries are inflicted. The motorcyclists concerned travel at excessive speeds and regularly flout the traffic laws. They also travel through back lanes and on footpaths. This is a recipe for disaster. When a Cameron Park resident who has a three-year-old son raised the issue with me I decided to examine the situation firsthand. When standing in the backyard of the premise—which is fully clip-locked and has a six-foot-high fence—a motorcyclist went past. We heard the noise of the bike coming, we saw the blur and we heard the noise of the bike thundering off into the distance. People are subjected to this disturbance on a daily or hourly basis. Many residents are tired of this dangerous and irritating activity and they want something done. They want to be able to live in peace and quiet, and to have a safe environment for their children.

I raised this issue at the Lake Macquarie Police and Community Training meeting held at Boolaroo police station. It was the first time I had visited that station and I was struck by the work environment. The facilities need urgent upgrade, and I will raise that issue with the Minister. When first pushed about unregistered and unlicensed motorcycles in the local area command, it became apparent that the problem had grown to plague proportions across the Lake Macquarie command. I told the officers that if it was any comfort to them, it is also a problem across the lower Hunter command. The problem comes down to reluctance to apprehend perpetrators—children and young people alike. The police confront the predicament that if they chase the perpetrators of these crimes and the perpetrators are hurt, an inquiry is held and there is outcry in the media. As a result, they are reluctant to pursue offenders.

I was also amazed to note that the motorcycles at the Boolaroo police station stored in a shed, under the verandah and in other storage areas are not being utilised because of the problems associated with police chases, the provision of sirens and so on. Something must be done about this. I am concerned at the reluctance to catch the perpetrators of these crimes. There is a special need for a task force to deal with the problem across the whole Hunter area. I am also conscious of the need for community education for people who purchase those types of vehicles for their children. The attitude of "my child being happy at the expense of the rest of the community" must be examined and addressed. If children are involved in an accident in a public place, there will be some very expensive bills to pay.

On Monday I went to West Wallsend to attend my regular monthly meet and greet. When I walked across the main street, a motorcycle went flying past me—another blur—on one wheel. An extraordinary person was riding it. It almost collected a car. The driver had to stop in the middle of the road. I assisted the elderly driver, who had turned pale and was shaking, from the car. He was absolutely astounded, as I was, at the way the young motorcycle rider was riding up the main street. The problem must be addressed on a twofold front. I call upon the Minister for Police and the Minister for Fair Trading to examine the issues and address them in a positive manner.

PUBLIC SCHOOL STAFFING TRANSFER SYSTEM

Mr JOHN WILLIAMS (Murray-Darling) [1.40 p.m.]: I draw to the attention of the House and, through the Premier, the Minister for Education and Training the shambles caused by a proposal to change the statewide staffing system currently in place in the New South Wales education sector. The proposal is extremely unpopular among staff, parents and citizens' organisations, and other concerned residents throughout the entire State, not just in non-metropolitan and non-coastal areas. That feeling persists, despite claims being made by both the Minister for Education and Training, Mr Della Bosca, and his departmental employees that it will provide better educational opportunities for all New South Wales students.

Many people in rural and regional New South Wales fail to see how the proposed system could guarantee educational services at the current level and beyond, especially considering little more than 12 months ago the Government could not even convince its former Minister for Education and Training, Carmel Tebbutt, what a good idea it was. Ms Tebbutt, who was Minister for Education and Training from 21 January 2005 to 2 April 2007, said in an address to the New South Wales Teachers Federation Council on 10 March 2007 that the current staffing agreement was one of her proudest achievements as Minister for Education and Training.

At that time Ms Tebbutt publicly opposed deregulating staffing, which is being pushed by the current Minister for Education and Training, Mr Della Bosca. She stated last year that the Federal Coalition had a policy of local hire and fire that was akin to an unfettered market and would result in chaos. She also claimed that the Coalition would destroy the New South Wales staffing agreement and that that would result in schools in favourable locations, such as cities and towns along the coast, being able to take their pick of applicants, while schools in less favoured locations would be forced to accept what they could get, and in many cases they would not have sufficient staffing. According to the former Minister for Education and Training:

A deregulated workforce would change forever public education in New South Wales. We would no longer be a public education system but 2240 schools pitted against each other. This is not the vision for public education that a Labor Government has.

However, that has become the vision of the New South Wales Government for public education, and it is extremely unpopular with people right across the State, not just those in non-metropolitan and non-coastal regions. Many of the teachers who are currently working in the New South Wales public education sector in coastal and metropolitan centres have taught in remote, rural and regional areas with a view to later working in what some may consider more pleasurable surrounds. They understand there is a need to have a balance between newly trained and experienced teachers in all public schools throughout the State. Many are scared that if they do not get a transfer before a modified system is implemented, they will not have the opportunity to obtain a transfer for quite some time.

The number of teachers applying for transfers has dramatically increased in recent weeks. The extraordinary increase in teacher transfer applications is causing major concern for teachers' associations throughout the Murray-Darling electorate. In the six weeks from the beginning of March 2008 to mid April 2008 in New South Wales, 625 transfer applications were lodged compared to just 58 for the same period last year. Late last month the Minister for Education and Training, Mr Della Bosca, stated on Broken Hill radio that he did not see this as a concern. But he is alone in his view.

The dismantling of the current teacher transfer system should be a concern for all New South Wales residents. Following Ms Tebbutt's comments to the Teachers Federation council in March last year, Mr Della Bosca addressed the same forum on 11 August 2007. At that time he emphasised that he understood the way the staffing agreement worked and why it was of value to both public education and to teachers. That no longer appears to be the case; nor does his statement hold that a new agreement would focus on making the system better, "not pulling it apart". To maintain quality public education right across the State, New South Wales needs a statewide staffing system. The staffing system that expired on 27 April ensured teacher supply and curriculum delivery to all parts of the State, effectively balancing the needs of public school communities, teachers and students. The Government's proposal to replace that will make access to equitable educational services in remote, rural and regional New South Wales almost impossible.

LANCE CORPORAL JASON MARKS MEMORIAL SERVICE

Ms ALISON MEGARRITY (Menai) [1.45 p.m.]: With a very heavy heart I inform the House of the death of Lance Corporal Jason Marks in Afghanistan last week. Born on 9 July 1980, this son, brother, husband, father, mate, and soldier was a highly valued commando in the Holsworthy based 4th Battalion of the Royal Australian Regiment. Yesterday I was honoured, but very saddened, to attend a memorial service for Jason at the Holsworthy base. It was fitting that the Prime Minister, Mr Rudd, and his wife, Therese, the Federal Leader of the Opposition, Dr Nelson, the Minister for Defence, Joel Fitzgibbon, and the Minister for Defence Science and Personnel, Warren Snowdon, all attended the service. They joined, in grief, with Defence Force chiefs and all of the 4 RAR members who are still on Australian soil.

Together we sat in silence, as the temperature dropped and the sun set to a crisp clear night, and waited for the service to begin. Our hearts collectively sank as three of the four soldiers who were wounded in the incident emerged from an ambulance to join in the service. Our hearts then broke as Jason's wife, Cassandra Marks, arrived pushing a pram holding five-month-old Ella Marks and surrounded by other family members, one of whom was carrying five-year-old Conner Marks. Cassandra stepped forward to lay a wreath at the 4th Battalion's memorial rock, which now bears the additional inscription, "LCPL J. P. Marks". As the service progressed I thought that it would be hard to imagine a more touching tribute to a fallen comrade than the one we were privileged to share.

Jason, while providing cover fire to protect his mates, was killed instantly by Taliban forces. The glowing tributes from his family and friends spoke volumes about a caring, competent and very courageous man. Jason realised a boyhood dream by joining the Army in 1999 and served first as a medico, then trained as a commando and joined the esteemed 4 RAR. Photographs of every facet of Jason's life were continually displayed behind those who spoke during the service. I also point out that some of the stories shared by his teammates were occasionally peppered with what one could describe as trademark Aussie humour. Despite the moments of humour, however, we remained painfully aware of our nation's great loss.

During the service the wife of a serving member read a prayer for deployed members and their families. Members may be aware that Jason was the fourth Australian soldier and the second commando to be killed while serving in Afghanistan in the past six months. As members may recall, news of Jason's death came through to the general public on the morning of Monday 28 April. During that morning a woman came into my electorate office asking for my services as a Justice of the Peace. She had a 10 week-old baby in her arms. While I was witnessing for her the documents relating to the baby's baptism, she asked me precisely what had happened in Afghanistan, as she had only half heard a news report. As I told her the details of Jason's death and the injuries to the other soldiers, her facial expression changed and she held her baby even tighter. She then told me that her husband had been due to leave in the same contingent to Afghanistan, but had suffered a small injury before the plane flew out. I did not need her to tell me what was in her mind.

While I appreciate that the Prime Minister's warning to steel ourselves for more casualties may have caused an intake of breath in some communities, I can only say that Jason's loss was another tragic realisation of our community's worst fears. Families live with this fear every day that their loved ones are deployed overseas.

On behalf of the entire community I express our sincere condolences to Cassandra Marks, her young children, her extended family and friends. Jason Marks' sacrifice will never be forgotten; nor should it be. He joins the other names on the list on the memorial rock. Sadly, he also joins the names that we remembered recently on Anzac Day. The grief we share is not just for the past; it is for the present and, sadly, it may be for the future. On behalf of the House I say vale Jason Marks.

Mr STEVE WHAN (Monaro—Parliamentary Secretary) [1.49 p.m.]: I thank the member for Menai for bringing this matter to the attention of the House and indicate that the Government, and I am sure every member of this House, pass on their condolences to Lance Corporal Jason Marks' family, especially Cassandra and their children. Also, our thoughts are with all those who are serving overseas—in Afghanistan and other theatres of war—and with the families waiting at home for their loved ones to come home safely.

CENTRAL COAST ROADWORKS BUSINESS DISRUPTION

Mr CHRIS HARTCHER (Terrigal) [1.50 p.m.]: I bring to the attention of the House the plight of several businesses in my electorate along The Entrance Road at Wamberal. Roadworks along The Entrance Road between Ocean View Drive and Tumbi Road began in 2006. I commend the Roads and Traffic Authority and the divisional engineer, Jim Peachman, for doing an excellent job in keeping the road open—it is a major road on the Central Coast—despite the extensive nature of the road widening, which will widen the road from two lanes to four lanes. Nonetheless, the road widening, which has been going on for some two years, has had a considerable impact on businesses along The Entrance Road. Two of these businesses are Jo Jo's Hair and Wigs, located at 708 The Entrance Road Wamberal, and Monsieurdame Beauty. Jo Jo's is owned and operated by Mr Joe Messina, and Michelle Sandri operates Monsieurdame Beauty.

Mr Messina has owned his business for the past 20 years. Apart from providing normal salon services, such as haircuts for local residents, Mr Messina also makes special wigs for cancer sufferers, who make up the bulk of his clientele. For the past 20 years Mr Messina has enjoyed the highs and lows of operating a small business, but over the past two years the roadworks have had a devastating effect on his business and his clients. He has provided me with his financial records, which show that his business takings have been literally cut in half. I will not divulge the exact amount of income and expenditure, but I can inform the House that not only has his income been cut in half but also he has had to accept the great loss of business caused by the roadworks, and his staff of three have lost their jobs. He is alone now in the operation of his business.

In my dealings with him, Mr Messina has shown himself to be a reasonable man who accepts that while upgrading a major road in front of his business would not be without its difficulties, it has caused him enormous business loss. Some of the points he makes to me are that trees were cut down in front of his premises using a crane, causing his driveway to be blocked, and the cessation of all business for that day. When excavation work was done on his property, a water main was burst leaving his premises without running water. Jo Jo's was forced to rinse the treatment used on its client's hair with buckets of water. Electricity to his premises was cut off on several occasions and, in some instances, all day. Access to his property was cut off when protective barriers for traffic flow were placed in front of it.

The accessibility for older clientele was cut off when parking on his premises was made impossible and the nearest parking was located more than 100 metres away. Signs that were promised to be erected showing clients where alternative parking was were either not put up or were not placed where they could be seen each time the parking changed. His clients were forced to walk through mud and incomplete pavement works when approaching the premises for their appointments. On many occasions his clients were late for appointments as they were delayed in traffic gridlock. Finally, a barrier has now been placed in the middle of the road so that cars cannot turn into the business from the other side of the road, and his business can only be accessed on foot by crossing the road. Of course, these problems always occur when there are major roadworks. The roadworks are of enormous importance to the public, but they cause enormous inconvenience to businesses. The other business that has been in contact with me is Monsieurdame Beauty. Michelle Sandri writes:

I started my business in 2006, 3 days per week as a home based business. I increased the days to 6 days per week in Jan 2007. Monsieurdame relocated to the site of Jo Jo's in October 2007.

All of these strategies were initiated in order to trade through these very challenging times over the past 21 months. It has proven to be evidential that the client's ability to access the business and tolerance ceases to exist.

For me on a personal level it has been a financial loss—

Ms Sandri has faxed to me her financial statements, which show that her business has also been cut in half, a 50 per cent reduction—

that has affected me and family on an emotional level as well. I am now in significant financial debt from the refurbishment, loss of current income, as well as any future projected income.

Mr Messina has lost his three employees. His business has massively declined. He now has growing pressure from his bank, as he is unable to service his bank loans. His business survival is in jeopardy. The community benefits from these roadworks, but I appeal to the Minister for Roads, to whom I shall write, to offer compensation to these sorely affected businesses.

PRIVATE NATIVE FORESTRY CODE OF PRACTICE

Mr PETER DRAPER (Tamworth) [1.55 p.m.]: The 2007 Private Native Forestry Code of Practice has proved to be a complete disaster for small hardwood sawmill operators in the electorate of Tamworth. Despite many warnings to the Government, we have seen the closure of long-established businesses and crippling financial hardship, and vital jobs have been lost. Two out of three local sawmillers have either closed, or are in the process of shutting up shop. Despite repeated representations to the Minister there is still no agreement on an acceptable exit package. I ask all Government representatives in the House today how they would feel if their assets were ripped out from under them and they were left with no income, just rapidly rising losses. How would they cope trying to work their way through a nightmare that was not of their own making?

Through four generations, Bendemeer sawmill has conducted small-scale selective harvesting operations, cutting logs exclusively from private property. The total throughput of this mill is no more than 1,500 cubic metres per year. Local landholders who previously supplied the mill with small volumes of logs from their properties have refused to engage under the new code. Because of the new regulations, they are required to sign a private native forestry, property vegetation plan. They have to agree to follow the code's requirements, and also to develop a forest operations plan. Most have formed the view that the complexity of the requirements far exceeds the returns available. What farmer would sign a document making that farmer responsible for basal area retentions, and threatened species prescriptions? When you combine these draconian regulations with the extra scrutiny brought to bear on their farms, it is no wonder they believe the small amounts of income they receive for the timber is no longer worth their participation. As a result, the supply of logs has virtually ceased overnight. To quote from one of Bendemeer mills timber suppliers:

Owing to the complete unacceptability of the Private Native, Property Vegetation Plan, as proposed by the Department of Environment & Climate Change, I must inform you I cannot supply your mill with hardwood sawlogs. Should a complete rewriting of the Act occur I would be happy to again supply your mill ...

This situation has been exacerbated by local harvesting contractors reacting to the reduction in private property access by going to work for Forests New South Wales, or taking on alternative haulage activities. Only one landholder in the Bendemeer sawmill's supply area has signed a property vegetation plan, but now that landholder has no means of getting his logs to the mill. Bendemeer sawmill has no harvesting or haulage expertise or equipment, and to become involved in such an activity would represent a significant safety risk to employees. To again quote in part from one of the mills contract suppliers:

I have been contracted to supply Bendemeer Sawmill with hardwood saw logs for the past eighteen months. We are sorry to advise we can no longer supply quota logs, due to the fact that we have no landholders prepared to enter into PNF PVPs with the Department of Environment and Climate Change. Landholders have indicated that they don't want Big Brother looking over their shoulders for the next 15 years.

Despite Bendemeer sawmill seeking logs through various sources, including State Forests, the lack of supply has meant it has no alternative other than to close its business. People in Sydney have no idea of the impact this decision will have on the economy in Bendemeer. The mill employs six locals who have all grown up in the town. The mill's closure will force these people to move because the only other employment prospects are in the pub, the store or the caravan park. There are no other businesses in this small community. The mill owners showed me documents from their accountant detailing an annual trading profit of \$170,000, yet for some unknown reason this has been "normalised" down to \$88,000 to determine the exit package. After four generations of successful operation, the three families who are partners in the business have been offered a combined exit package of a ridiculous \$250,000, to be shared between all three families, to shut the doors.

The position of J T Frazer & Co, sawmillers in Tamworth, is even worse. Frazers were forced to close their doors on 22 December 2007 after operating since May 1953. Their manager estimates they lost between

\$50,000 and \$60,000 between August and December as logs became unavailable. As a result, four people have found themselves unemployed. They faced a similar situation to Bendemeer, with property owners unwilling to enter property vegetation plans and contractors packing up and leaving the district. They had to shut the mill due to financial constraints before they could apply for an exit package. The owner has since submitted an application, in February 2008, and he has advised me that he has been offered a ridiculous \$14,200 as compensation for his life's work. Naturally, he has refused to accept such a pittance, and he will appeal the decision. Since August 2007 he has lost all his assets. The bank has foreclosed on his home loan, water restrictors have been put on his water supply and the phone has been cut off, all because he has no income. He believes that he has lost at least \$100,000 since August last year. He said to me:

These changes have totally devastated my life. This has been my life's work and we've lost everything!

Nothing has been done to provide a future for small hardwood mill operators. The impacts have been devastating in the Tamworth region. These people, who are being forced out through government regulation, deserve to exit the industry with dignity. The Government must act urgently and provide reasonable compensation packages to give these people a future.

HOUSING NEW SOUTH WALES AND UNCLE JOHN HILL

Mrs DAWN FARDELL (Dubbo) [2.00 p.m.]: There are many hardworking staff in the State's bureaucracy, most of whom I am sure try to fulfil their roles with due diligence, integrity and compassion. They are at once the regimental face and the blunt instrument of government policy. It would appear that a good public servant is able to empathise with their clients while administering to the letter the immovable dictates of their departmental guidelines. A case in point is the situation that currently exists in my home city of Dubbo where Housing New South Wales is in the process of relocating an 80-year-old man from the home he has rented for the past 40 years. Uncle John Hill, who is one of the most respected Aboriginal elders in the Dubbo community, will be 81 this year.

Uncle John wants to remain in the house that has been his family home for the past 40 years. I fully support the Government's policy of disposing of all public housing in the Gordon estate, and the wonderful effects of the downturn in crime have been well noted. Uncle John's home must be sold and he must be moved to a unit in another part of the city. However, no policy should be without some flexibility in special circumstances. I have been fighting hard for Uncle John, Rose and Mr Ryan to remain in their homes. They are elderly, and there is no reason they need to be moved. But the department does not make allowances for sentiment. Due to the inflexibility of the department's policy in this case, there is likely to be a showdown when the time comes for Uncle John's forced removal.

His friends are many and his eviction will not be without protest from his legion of supporters. I am one of those supporters. I have made many representations to the Minister for Housing, and recently I was advised that the department has given until November 2008. If the bulldozers come to remove Uncle John, I will be there in the lounge room with him. Few people outside Dubbo would know of Uncle John, which is unfortunate as his story is one of remarkable achievement in a city that has never fully accepted its Aboriginal heritage. In the hearts and minds of his many friends, Uncle John is a legend. Last year he recorded a CD of songs and poetry documenting his memories of life in Dubbo and his early years on the Talbragar mission.

The recording documents in poetry and song his life as a youngster growing up on the river flats at Dubbo and his later battles with alcohol and loss of family. The fact that he has reached 80 years of age in an era when the life expectancy for Aboriginal men is 20 years below the national average makes him more extraordinary, considering the fact that he spent most of his life in a drunken haze. Although fond of music as a youngster, he was discouraged by his peers whenever he attempted to play anything, and when he was older he was too drunk to learn. It was not until his senior years that he took up the guitar and was taught by the late Gordon Leigh.

Uncle John was born in a terrace house in Gipps Street, North Dubbo, on 22 September 1927. His parents lived at the Talbragar mission prior to his birth, and the family returned there regularly until its closure in the 1960s. John's earliest recollection of life in Dubbo was living in a kerosene tin humpy on the banks of the Macquarie River. He started school at North Dubbo Public at age six. His address in the school register was listed simply as "riverbank Dubbo". He stayed at school until he was 14, and then went to work at a Chinese market garden where he earned seven shillings and sixpence per week. At the age of 20 he had his first taste of alcohol when he met up with some friends in the park one day. As an indigenous person he was not allowed in the pubs, so he drank in the parks and back lanes or on the riverbank.

It was not until the 1967 referendum, which gave Aboriginal people a degree of equal rights, that John ventured into the pubs. For many Aboriginal people it was a licence to drink themselves to death. To get his life back, Uncle John needed specialist rehabilitation care, which he received at the Langton clinic in Sydney and Booth House run by the Salvation Army. It worked and the transformation was astounding. For a man who once drank methylated spirits and scrounged butts out of the gutter, John was so successful in giving up the smokes and alcohol that he was offered a position on the staff of St Vincent's Hospital detoxification unit, Gorman House. He spent more than a decade working at the unit, but eventually his heart drew him back to Dubbo.

When John returned to Dubbo his wife of 40 years, Linda Coombes, had died three years earlier, adding to the loss of three of their children, two girls in childbirth and a son who died from heart failure as a young man. John lost another of his sons in 2006, and is now one of the few survivors of his generation. The worst thing he has discovered about getting old is loneliness; most of his old mates are gone. He is one of the last of his era, which is why he felt a sense of duty to document his memories so that future generations will have some idea of what life was like. But his gentle nature does not entirely suppress some of his more assertive views regarding the way Aboriginal people have fared as a result of European settlement. He often quotes the old saying, "We got religion and they got the land".

Another issue John finds difficult to reconcile is the certificate of exemption system that was in place prior to the 1967 referendum. For John and many of his generation, being forced to carry a piece of paper to allow them to walk unfettered around the country was a degrading and humiliating experience. But Uncle John does not dwell on the hardship and injustices of the past. Instead, he makes the most of what time he has left to enjoy life and song. He is the first to admit that he made a lot of mistakes and that most of his problems were of his own doing. He has a few regrets but the one thing he would never change were those early years growing up at the mission. Nor would he swap the past 40 years he has spent in his little fibro cottage in Spence Street. Spence Street is Uncle John's home. Unfortunately for him, home is not a concept recognised by certain faceless executives of Housing New South Wales.

Question—That private members' statements be noted—put and resolved in the affirmative.

Private members' statements noted.

[The Deputy-Speaker left the chair at 2.05 p.m. The House resumed at 2.15 p.m.]

Mr Speaker (The Hon. George Richard Torbay) took the chair at 2.15 p.m.

DISTINGUISHED VISITORS

The SPEAKER: I acknowledge the presence in the gallery of members of the Assam Legislative Assembly led by Shri Tanka Bahadur Rai, Speaker of the Assembly. I welcome them to the New South Wales Parliament.

ASSENT TO BILLS

Assent to the following bills reported:

Food Amendment (Public Information on Offences) Bill 2008
 Gaming Machines Amendment (Temporary Freeze) Bill 2008
 Housing Amendment (Tenant Fraud) Bill 2008
 State Emergency and Rescue Management Amendment (Botany Emergency Works) Bill 2008
 Totalizator Amendment Bill 2008
 Criminal Case Conferencing Trial Bill 2008

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

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

J. J. SPIGELMAN
 Lieutenant-Governor

Office of the Governor
 Sydney, 20 April 2008

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

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

The SPEAKER: I report the receipt of the following message from the Administrator:

KEITH MASON
Administrator

Office of the Governor
Sydney, 22 April 2008

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

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

The SPEAKER: I report the receipt of the following message from Her Excellency the Governor:

MARIE BASHIR
Governor

Office of the Governor
Sydney, 4 May 2008

Professor Marie Bashir, Governor of New South Wales, has the honour to inform the Legislative Assembly that she re-assumed the administration of the Government of the State on 4 May 2008.

LANCE CORPORAL JASON MARKS MEMORIAL SERVICE**Ministerial Statement**

Mr MORRIS IEMMA (Lakemba—Premier, and Minister for Citizenship) [2.20 p.m.]: This year we commemorate 90 years since the end of the First World War. It was supposed to be the war to end all wars, but nine decades later Australian forces are still serving abroad, still fighting for the same cause of peace and freedom, and still making the ultimate sacrifice that any citizen can be asked to make. In the small Queensland town of Yeppoon another name is being added to the local cenotaph that most residents probably thought would never need amending again. It is the name of Lance Corporal Jason Marks, a young man of exceptional skill and ability who died last Sunday week in a battle with the Taliban insurgents in Oruzgan province in southern Afghanistan.

Last night at Holsworthy barracks I was deeply privileged to join the Prime Minister, the defence Minister, the Leader of the Opposition, Mr Nelson, and other leaders and service chiefs to remember the life of Lance Corporal Marks and to honour his courage and sacrifice. I was joined at the service by our colleague the member for Menai, who was Lance Corporal Marks' local member of Parliament. As we sat at the service, I was sobered by the thought that this young man's life had ended at just 27 years of age, leaving a widow and two young children, who will mourn his loss for years and decades to come.

Also present were his four brave comrades, who were injured in the attack, and we should also recognise their bravery. Our thoughts and prayers are with them. As I sat listening to the service and heard the details of the attack and what had happened, there is no question that Lance Corporal Marks saved the lives of his four colleagues but tragically lost his. This brave man goes to his rest farewelled by a grateful nation whose people he served so well and in whose name he offered the supreme sacrifice—willingly, loyally and bravely. Like the 100,000 Anzacs who went before him and whose ranks he has now joined, Lance Corporal Marks will be remembered forever. Australia does not forget its own.

Mr BARRY O'FARRELL (Ku-ring-gai—Leader of the Opposition) [2.22 p.m.]: On behalf of the Liberal and National parties I join in this expression of condolence for Lance Corporal Marks. I do not believe that any decision by any politician in a State or Federal Parliament is harder than to send young men and women to war in defence of the liberties that we enjoy in this country. Two weeks ago I stood in front of a remarkable memorial at Isurava on the Kokoda Track. There in granite were four words "courage, endurance, mateship and sacrifice". They are four words that have epitomised those who have served this nation in the defence forces since the earliest days. It is a solemn and fitting memorial, not just for the 2,000 young Australians who died on the Kokoda Track but for people like Lance Corporal Marks who continue to give their lives in defence of places like this Parliament, and the liberties and freedoms that it grants to people in this community and across this nation. The greatest legacy for Lance Corporal Marks is a continuation of freedom and liberty through the world. I extend my condolences to his family, wife and friends.

Members and officers of the House stood in their places.

BUSINESS OF THE HOUSE**Notices of Motions****Government Business Notices of Motions (for Bills) given.**

[During notices of motions to be accorded priority.]

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

[Interruption]

The SPEAKER: Order! The House will come to order. Government members will cease interjecting.

QUESTION TIME

ELECTRICITY INDUSTRY PRIVATISATION

Mr BARRY O'FARRELL: My question is directed to the Premier. Given the global credit crisis, the 20 per cent fall on the Standard and Poor's utilities index over the past 12 months, and the Origin takeover, what external advice has the Premier received about the estimated sale price of the State's electricity assets? Does the Premier stand by his claim of \$15 billion?

Mr MORRIS IEMMA: That just about sums up his performance on this issue, doesn't it?

The SPEAKER: Order! Members will cease interjecting.

Mr MORRIS IEMMA: At least he reads the newspapers because that is where the \$15 billion came from. The \$15 billion is the avoided cost from the Owen inquiry, and the newspapers quite accurately report the estimated avoided cost of cleaning up our current power stations, the investment in base load generation, and the \$2 to \$3 billion that would be required to pump into retail businesses. That is the \$15 billion figure that the Leader of the Opposition is quoting; it is the avoided cost to the taxpayer. As with any transaction, experts are employed to go through the valuation of the businesses and determine their worth. That is hardly a surprise, but on this issue there are lots of surprises when it comes to the Opposition.

The SPEAKER: Order! The Leader of The Nationals will cease interjecting.

Mr MORRIS IEMMA: As reported in *Hansard* last year, the Leader of the Opposition simply did not have the courage to state a position. Yet today he has the gall to ask questions and to foreshadow moving a motion on this issue. I will give some facts, raise some issues and pose some questions of the Leader of the Opposition. A year ago in his speech in reply to the budget the Leader of the Opposition devoted about half a dozen lines—

The SPEAKER: Order! Government members will remain silent.

Mr Andrew Stoner: Point of order: I refer to Standing Order 129, relevance. The question specifically asked what external advice—

The SPEAKER: Order! The Leader of The Nationals will resume his seat. The Premier's answer is relevant to the question asked.

Mr MORRIS IEMMA: I will come to the external advice. Professor Owen, assisted by Morgan Stanley, conducted a public inquiry and produced a detailed and very long report—hundreds of pages. That is one external expert. Further assistance was given by external experts in engineering, environmental work and energy—a whole range of external experts. The Leader of the Opposition wants to know about figures—there is one: Morgan Stanley. Another company that has been engaged is Credit Suisse, following a public process. That is two! It is obvious from the question that the Leader of the Opposition has never sighted the Owen report, let alone bothered to read it, because he is too lazy.

Mr Barry O'Farrell: Point of order: I suspect that the Premier is too dumb, because the Treasurer said in December—

The SPEAKER: Order! The Leader of the Opposition will resume his seat. There is no point of order.

Mr MORRIS IEMMA: Two or three weeks ago the Leader of the Opposition had a briefing from Treasury. At that time did he not ask appropriate questions: was he too stupid to ask, too lazy to ask, too dumb to ask or just too gutless to ask? Which one was it?

The SPEAKER: Order! The House will come to order.

Mr MORRIS IEMMA: When it comes to energy, I refer to the dishonest nature of the Leader of the Opposition. A year ago during the budget debate he said:

I remind the House the delivery of electricity to New South Wales households involves, firstly, the generation of the power; transmission of the power along what industry insiders commonly call "wires and poles"; and the selling, or retailing, of the power.

Those were well-researched lines! He further said:

On the basis of the recent sale by the Beattie Labor Government in Queensland ... it has been estimated that this State's retail electricity businesses could realise as much as \$4 billion.

The Leader of the Opposition went on to commit the Coalition to selling retail electricity. For the next 12 months he avoided mentioning retail electricity. Has he walked away from that policy statement? The Leader of the Opposition—

The SPEAKER: Order! Members will cease interjecting. The member for Epping will cease interjecting.

Mr MORRIS IEMMA: He cannot state a position on electricity. A year ago he stated a position when he said that he would sell retail. However, in the following 12 months he has not mentioned the words "retail electricity".

The SPEAKER: Order! The member for Murrumbidgee will cease interjecting.

Mr MORRIS IEMMA: For 12 months he has been saying that the Opposition needs to see the details. A year ago in this Chamber, when he gave three or four lines about selling retail, did he tell us how he would do that? Did he say what advice he had received?

The SPEAKER: Order! The member for South Coast will cease interjecting. I call the member for South Coast to order.

Mr MORRIS IEMMA: Did he tell us what would happen to the workers? Did he explain in his policy of selling retail that he had anything that involved workers' guarantees?

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

Mr MORRIS IEMMA: Did he have anything that involved workplace guarantees? Did anything come up about price regulation? No, nothing. He was looking for a headline in response to a budget that had gone down very well. He pulled that out at the last minute—he saw that Peter Beattie had disposed of retail 12 months previously—and said, "Oh, that sounds like a good idea. It might be a good grab in my reply to the budget speech. I will get up and say that we will sell retail." Did he state in the House what would happen to the workforce? No. Did he give any outline of what would happen with prices? No.

The SPEAKER: Order! The member for Willoughby will cease interjecting.

Mr MORRIS IEMMA: Since then he has tried to create the impression that he never made that statement; that he does not have that policy.

Mr Barry O'Farrell: No.

Mr MORRIS IEMMA: Well, what was it, Barry? Have you lost your marbles as well? You have forgotten that you made that statement. He has tried to create the impression that he cannot respond, he cannot come to a decision regarding the Government's plan because he has not seen the detail. Where was the detail when he stood up a year ago and said that he would sell retail? He had a briefing from Treasury three or four weeks ago; he had a chance then to ask Treasury officials. I made the offer to him—no Minister, no Treasurer, no Premier with him, but for him to go along and take whomever he liked to ask all the questions he wished.

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

Mr MORRIS IEMMA: Today the Leader of the Opposition asked, "Who provided that external advice?"

Mr Barry O'Farrell: No, that was not the question.

Mr MORRIS IEMMA: One of them helped write the Owen report, but probably the Leader of the Opposition never read that. No wonder that this morning Mike Carlton, in an interview—

The SPEAKER: Order! Government members will cease interjecting.

Mr MORRIS IEMMA: Mike Carlton said to Barry, "You are still sitting on the fence", "You're ducking again", "You're not being honest at all. You're going around in circles." And, later, "... you're going to disappear up your own [backside]". No wonder Mike Carlton concluded the interview by saying:

Thanks Barry, that's the Leader of the Opposition, well not Leader of the Opposition—that's not what you would call an opposition.

Sandy Aloisi then said:

Sitting on the fence is not an opposition.

Mike Carlton responded:

It's splinters in the [backside].

I will not be tempted to give the full version of the conclusion to that interview. Mike Carlton concluded:

Look at the ... Opposition—you wouldn't ... on them if they were on fire.

That was an appalling performance this morning.

The SPEAKER: Order! The member for Epping and the member for Willoughby will cease interjecting.

Mr MORRIS IEMMA: The Leader of the Opposition has spent a decade undermining every single previous Leader of the Opposition. After an election result he was always the first man to say, "If only they would give it to me. We could be so much better." That was the man who stood one out, one back, with a knife in the back of every one of his leaders. Finally, he got the job of Leader of the Opposition. He has spent a year steadfastly avoiding taking a position on any issue, except one. A year ago, in a brain snap, he decided that he would sell retail. He spent the next 12 months avoiding giving the Government any detail of what he would do with retail, to the workers, to price regulation. What advice did he get that it would be worth \$4 billion? He just made the assumption.

The SPEAKER: Order! I call the member for Willoughby to order for the second time.

Mr MORRIS IEMMA: In 12 months he has not told us what he would do to secure extra supplies of electricity the New South Wales. As Professor Owen has said, in 2014 the State will face a shortage of supply. The Leader of the Opposition has spent 12 months avoiding taking a position, avoiding coming to the conclusion that the energy experts have come to.

The SPEAKER: Order! I call the member for Epping to order for the second time.

Mr MORRIS IEMMA: All along he has shown that he is simply too weak to state a position. To quote the words of eminent Labor figures in this morning's newspapers, "He wouldn't go two rounds in a revolving door" and as a former Prime Minister said, "He wouldn't make an impression on a cushion."

ENERGY SUPPLY SECURITY

Mr MICHAEL DALEY: My question is addressed to the Premier. Will the Premier update the House on the Government's plans to secure the State's energy needs?

Mr MORRIS IEMMA: I thank the member for his question and for the work that he did on the Unsworth committee. I inform him that the Government is pushing ahead with consultation and discussion.

ELECTRICITY INDUSTRY PRIVATISATION

Mr ANDREW STONER: My question is directed to the Premier. How can the Premier claim to be dealing openly with the sale of this State's electricity assets when there was no mention of it in the State Plan or the State Infrastructure Strategic Plan?

The SPEAKER: Order! Government members will come to order. I call the Minister for Small Business to order.

Mr ANDREW STONER: He kept it secret from the New South Wales public until after the 2007 election and he conspired with Kevin Rudd to keep the sell-off on the backburner until after last year's Federal election.

Mr MORRIS IEMMA: All this from an Opposition whose policies are written by Nick Greiner!

[Interruption]

The State Plan is another document that Opposition members have not read. The State Plan talks about securing the State's energy needs.

The SPEAKER: Order! I call the member for Murray-Darling to order.

Mr MORRIS IEMMA: There were 71 public submissions to the Owen inquiry, an inquiry that ran several months. There was consultation with stakeholders, trade unions, businesses, environmental groups—

Mr Andrew Stoner: Trade unions?

Mr MORRIS IEMMA: Yes, stakeholders. The Leader of The Nationals might laugh, but trade unions are legitimate stakeholders—of course they are. They represent workers, in case he did not notice. What preparation did he make? What advice did he give the public when he stood up in support of Mr O'Farrell on the night he made his speech in reply to the budget? Nothing. Again more dishonesty, more contradictory statements from the Leader of The Nationals.

The SPEAKER: Order! The member for Clarence will cease interjecting.

Mr MORRIS IEMMA: A week ago he had one of his shadow Ministers create the impression that The Nationals would block any moves to reform the electricity industry that came to Parliament. Last week the Leader of the Opposition stood up and said on behalf of the Leader of The Nationals, "Oh no, no, no, there is a clarification. They haven't come to a position yet." On the one hand, yes, on the other hand, no; on the one hand, no, on the other hand, yes. Or, as the Leader of the Opposition so eloquently said last week, "There are some assets you sell and some assets you don't sell." Yes, some days the sky is blue and other days it is not.

The SPEAKER: I call the member for East Hills to order.

NORTH WEST METRO LINK

Ms ANGELA D'AMORE: My question is addressed to the Deputy Premier, Minister for Transport, and Minister for Finance. Will the Minister update the House on the progress of the Iemma Government's commitment to deliver the North West Metro?

The SPEAKER: Order! The House will come to order.

Mr JOHN WATKINS: The Iemma Government is committed to getting on with the job of providing improved transport services for the people of New South Wales. We are undertaking the biggest transport infrastructure program in Australia's history.

The SPEAKER: Order! The member for Terrigal will cease interjecting.

Mr JOHN WATKINS: The North West Metro is the first major transport initiative unveiled under the Sydney Link program. Our Euro-style metro railway to the north-west will be the anchor point for future rapid, ultra-modern, single-deck railways in Australia's only global city.

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

Mr JOHN WATKINS: The planning and design phase of this important project is already well underway. The Minister for Planning has now declared Sydney's \$12 billion North West Metro rail line critical infrastructure under the New South Wales planning regime. This means that the high-speed, European-style metro rail service will be expedited through the planning process. The declaration will help ensure the project will be delivered on time, with trains running between Epping and the Hills centre in 2015 and from Rouse Hill to the city by 2017. This project will deliver rail to the north-west and parts of inner-west Sydney for the first time. This is the first step in making sure construction starts in 2010. The declaration of the project as being critical infrastructure will guarantee that that starts in 2010.

The project is essential to the future of New South Wales for economic, social and environmental reasons. It will allow the continued economic growth of the State, deliver safe and reliable public transport to that part of Sydney and improve air quality throughout the Sydney region. Sydney's population is set to grow by more than a million people by 2031 and we need to put in place the infrastructure to cope with that. The benefits of the North West Metro will flow beyond the commuters using the line. It will greatly reduce congestion on our CityRail network. This critical infrastructure declaration therefore marks an important point in the definition, the planning and the design of the metro rail line. We are about to move into the next phase of the important project—that is, consultation with industry. There is a huge amount of expertise and experience out there that we will tap into now and throughout the life of this project. We are conducting a forum next week to give major contractors and suppliers an overview of the project and an outline of our plans to consult and engage with them through the life of this important project.

The North West Metro is the largest single transport infrastructure project ever undertaken in Australia—it is as large as that—and it is attracting a great deal of interest both at home and internationally. Early industry consultation will ensure that interest is captured across all industries that will be involved in this massive project. The forum is expected to attract widespread industry attention from organisations capable of entering into contracts, including those involving operations and safety, construction, rolling stock and rail systems, and procurement packaging. But, Mr Speaker, I hear you ask, "Whilst all of this is going on, what is the Opposition doing?" The answer is, "Very little", because it does not have a transport plan, does it?

The SPEAKER: Order! A number of members have interjected today. Their behaviour is out of order. I have called a number of members to order. I will not tolerate further interjections. I call the member for Epping to order for the third time. If he interjects again, I will have him removed from the Chamber. I remind members that interjections are disorderly at all times.

Mr JOHN WATKINS: The member for Epping had better watch out. The Opposition went to the last election without a transport policy—we all remember that—and without anything being costed. People may remember that when the member for Willoughby, who was the Opposition transport spokeswoman, was asked, "Why aren't there any costings?" she said, "It is hard to do the costings." That was the excuse: It is hard to do the costings. Therefore, they were not done.

The SPEAKER: Order! I call the member for Willoughby to order for the third time.

Mr JOHN WATKINS: It's an oldie but a goodie, Mr Speaker.

The SPEAKER: Order! I remind the member for Willoughby that she is on three calls to order. I will not tolerate further interjections.

Mr JOHN WATKINS: And we will never forget that non-Speedo defining moment of the campaign. It was at 4.00 p.m. on the Thursday before the election when a very shaky member for Ku-ring-gai walked into a press conference and pulled out, "But, sir, my photocopier has broken" as the excuse for not providing costings. While this Government is spending record amounts on transport projects—second only to health—the Opposition's sole policy announcement is to shuffle chairs in transport bureaucracy. It is hardly surprising that the Opposition does not have a policy in this area because the Leader of the Opposition does not know how to catch a train. Members may have read an article in this morning's *Daily Telegraph* in which the Leader of the Opposition was asked about his views on electricity reform. He said that he was not quite sure whether to get on board. In fact, he tried to explain his inaction and terrible indecision and inability to state a position by comparing it to catching a train home.

Mr Chris Hartcher: Point of order: The question asked about the Metro railway line; it did not ask about electricity privatisation.

The SPEAKER: Order! Government members will cease interjecting. I remind the Deputy Premier of the question before the House.

Mr JOHN WATKINS: In this morning's *Daily Telegraph* the Leader of the Opposition was talking about trains. He is the one who started it. Let me quote what he had to say about trains—

Mr Andrew Fraser: Point of order: Mr Speaker—

The SPEAKER: Order! I have just ruled on a point of order. The Deputy Premier has only just recommenced his answer. What is the member's point of order?

Mr Andrew Fraser: As you quite rightly said—

The SPEAKER: What is the member's point of order?

Mr Andrew Fraser: The Deputy Premier is canvassing your ruling.

The SPEAKER: Order! I am listening carefully to the Minister's answer. The member for Coffs Harbour will resume his seat.

Mr JOHN WATKINS: Mr Speaker, I respect you too much to canvass your rulings. This morning the *Daily Telegraph* quoted the Leader of the Opposition as saying:

I could make an in-principle decision to take the train home this evening, but unless I know which way the train is going, it may not be worth my while.

Does that speak loudest about the Leader of the Opposition's ability to have electricity reform or his understanding of transport? For the record, the Leader of the Opposition lives on the North Shore. If he is going home he should take the North Shore line. Nine stops into his journey he will be in his electorate. He should get off the train, go up the stairs and go home. If that information is not good enough, he should ring the transport information line on 131500 and ask for help or I will provide him with a timetable. With a little bit of research he will get the answer he wants. Opposition members cannot make a decision about transport and they cannot make a decision about electricity. That is the nature of the mob opposite. They are unable to come to a conclusion about any of the important things that the people of this State really care about. We have plans for the North West Metro, and it is coming. It is critical infrastructure. Construction will commence in 2010 and it will be finished by 2017. It will be a new era in public transport for the people of our great city.

NATIONAL EMISSIONS TRADING SCHEME

Ms PRU GOWARD: My question is directed to the Premier. Morgan Stanley made the following statement to the Owen inquiry relating to the absence of an emissions trading scheme:

This policy uncertainty ultimately will come at a higher cost to the community.

Following that statement, what impact will this uncertainty have on the sale price if the sale of the State's electricity infrastructure proceeds before an announcement of the emissions trading scheme?

Mr MORRIS IEMMA: What has been happening since the inquiry? State Treasury, along with treasuries around the country, including the Federal Treasury, has been modelling and devising rules and working out price scenarios. In addition, Professor Garnaut has been doing his work to provide advice to the Commonwealth about a national emissions trading scheme. New South Wales has provided a lot of information about possible rules—the architecture for a national emissions trading scheme. The whole point about the Owen inquiry and advice from people such as Morgan Stanley and Professor Garnaut is that it makes the case more compelling to take action.

The fact that a decision has not been made about the price and rules for a national emissions trading scheme ought not to stand in the way of coming to a landing on what to do. That is the point Opposition members fail to realise in refusing to state what it is that they would do. It does not surprise us because they have looked for every excuse not to state a position. They have looked for every excuse to put it off because it is a hard decision. It is a tough decision but it is an essential decision for the State's future. Opposition members think they can con—

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

Mr MORRIS IEMMA: Opposition members think that they can get by—

The SPEAKER: Order! I call the member for Barwon to order for the second time.

Mr MORRIS IEMMA: Opposition members think that they can get by by not having a policy, by conning the electorate and by turning up six months before an election and rolling out a series of policies in health, transport, electricity or water. They think that they will get by by putting themselves in a position where they can challenge the Government at the next election. In the meantime they simply put off all the hard decisions, including reducing greenhouse gas emissions and tackling climate change. The fact is that those decisions cannot be put off; they have to be tackled. All that Opposition members can do is point to a grab somewhere from some spokesperson from Morgan Stanley and—

Mr Barry O'Farrell: You quoted the same statement two weeks ago. What a hypocrite!

The SPEAKER: Order!

Mr MORRIS IEMMA: Opposition members refuse to do any hard work to come up with a policy. No-one is saying that this ought not to happen, but people are saying, "State a position; craft a position on this." It does not surprise me that the member for Goulburn asked this question because in her time in this Chamber I can count on one hand the number of questions or policies that she has come up with when it comes to climate change. Is it any wonder that since she was elected she is best remembered in this place for this beauty:

Our policy is that there should have been a policy. If we were in government we would have a policy.

ABORIGINAL COMMUNITIES WATER AND SEWERAGE INFRASTRUCTURE

Mr STEVE WHAN: My question is directed to the Minister for Aboriginal Affairs. What is the Iemma Government doing to improve water and sewerage infrastructure for Aboriginal people in remote communities?

Mr PAUL LYNCH: Some members on the Opposition frontbench might want to listen to my answer.

Mr Chris Hartcher: Why should we listen when nothing will happen? You will talk and nothing will happen.

The SPEAKER: Order!

Mr PAUL LYNCH: I would be delighted if the member for Terrigal gave us his plan for a change.

The SPEAKER: Order! The House is not helped by the continual interjections of the member for Terrigal. I place the member for Terrigal on three calls to order.

Mr PAUL LYNCH: The member for Terrigal has never helped this House. Aboriginal communities in this State have Third World water and sewerage standards. Those conditions shame us all. More than that, they are a palpable contribution to indigenous disadvantage and the 17-year life expectancy gap.

[Interruption]

I note the constant interjections of Opposition members who demonstrate their utter contempt for far more serious issues than any issues that they are raising. Inadequate water and sewerage facilities inevitably give rise to greater gastrointestinal disease. Sick kids do not go to school, sick kids do not learn, sick kids do not get educated, and kids who are not educated will be disadvantaged and add to the entrenched disadvantage in indigenous communities.

The SPEAKER: Order! There is too much audible conversation in the Chamber. The Minister is speaking to an important matter.

Mr Andrew Stoner: We read about it in the *Sydney Morning Herald*.

Mr PAUL LYNCH: Does the Leader of The Nationals really want me to tell the House what the Aboriginal community in Kempsey thinks about him? I was there last week. If the Leader of The Nationals thinks I do not like him he ought to talk to his constituents. They have a much more adverse view of him than I do. Despite the best efforts of the Opposition to downplay what I am saying, conditions such as these are unacceptable in twenty-first century Australia. There are more than 60 such discrete communities in this State. I have visited many of them in the 12 months that I have been the Minister.

[Interruption]

The interjections from Opposition members demonstrate their profound racism and contempt for Aboriginal people. As I was saying, I have visited many of the communities in remote New South Wales and I have visited many of the discrete communities that are suffering from inadequate water and sewerage systems. In particular, earlier this year the Premier and I visited the Namoi and Gyngie estates in Walgett. Both of these estates have very significant water and sewerage issues. At one of them what is effectively raw sewerage covers the backyards in which children play—this is particularly noticeable during time of drought.

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

[Interruption]

The SPEAKER: Order! I call the member for Bega to order for the second time.

Mr PAUL LYNCH: At Walgett on one of the estates I have mentioned on a hot summer's day an overpowering stench pervades all surrounding houses. It comes from a broken concrete septic lid that has remained unrepaired for many years. On another estate an elderly woman is required to put her hand down the sewerage system twice a day to manually operate a malfunctioning pump. There are two broad explanations for these conditions. One is that largely we are talking about ex-missions. For decades infrastructure in those areas often was inadequate, largely because they were Aboriginal missions. In 1983 they were handed over to the newly created local Aboriginal land councils. That was a genuinely progressive development and part of the Aboriginal Land Rights Act—the twenty-fifth anniversary of which we celebrate this year. However, whilst undoubtedly being a progressive step, it was only a first step, and the other steps did not come. Significant land was handed over but without adequate resources to maintain it. The entire estates, including roads, were private land. So, public investment in water and sewerage in the estates did not occur adequately, as it would in non-Aboriginal estates.

The second reason is that whilst there certainly has been a substantial injection of public money, both Federal and State, into some of these estates it has not rectified the problem. It is not the case that there has been no attempt to fix it. I believe the weakness in previous attempts is that there has been little or no focus on maintenance—that is, there has been significant capital expenditure but precious little emphasis on ongoing maintenance. The New South Wales Government now has entered into a long-term partnership with the New South Wales Aboriginal Land Council [NSWALC] to bring water and sewerage facilities in New South Wales up to contemporary standards. This will cost approximately \$205 million.

Mr Andrew Fraser: You have done nothing for the last 13 years.

Mr PAUL LYNCH: It would be nice to hear what the Opposition plans as an alternative to this instead of the mindless interjections we have had so far. The importance of partnerships cannot be overstated.

The SPEAKER: Order! The House will come to order.

Mr PAUL LYNCH: Apart from putting out a plan and putting some money with it, the other great difference between this side of the House and the other side of the House is that we are committed to developing partnerships with Aboriginal communities rather than giving them orders as our opponents on the other side are doing. Programs and policies imposed on Aboriginal communities simply will not work. Programs and policies designed and implemented in partnership with Aboriginal communities are likely to be far more successful. The New South Wales Aboriginal Land Council is, of course, the largest, most important and most democratic Aboriginal body in this country. Under the newly elected board and chairperson Bev Manton it has demonstrated a capacity for innovative approaches to problems. That innovative approach and commitment by the New South Wales Aboriginal Land Council in my view will be a significant contribution to combating indigenous disadvantage.

Dealing with these issues is central to achieving the environmental health aims of State Plan priority F1. In his Australia Day speech this year the Premier committed the Government to making substantial inroads into Aboriginal disadvantage over the next three years. This plan delivers on that commitment. The plan has two primary elements. The first is significant capital investment of approximately \$17 million over three years to repair or install new equipment in about 26 communities. The second is an ongoing maintenance program. That has been the missing piece of the puzzle in previous expenditure. It is also the element that ensures the capital expenditure we are making now will not go to waste. The New South Wales Aboriginal Land Council is committed to providing half the service delivery costs associated with the operation, maintenance and monitoring of water and sewerage systems.

[Interruption]

I note the racist interjections from the opposite side. The New South Wales Aboriginal Land Council advises that this represents a recurrent investment of approximately \$100 million over at least the next 25 years. The package will provide water disinfection by replacing pipes and treatment plants, improvements to water quality, repairs to centralised sewerage systems and subsurface irrigation, regular inspections and maintenance of pump stations and water treatment plants, regular maintenance and cleaning of sewer pumps and sewer mains, and the regular collection and testing of water.

The SPEAKER: Order! Members will cease interjecting.

Mr PAUL LYNCH: It is an indication of the contempt that Opposition members have for what are incredibly important health issues that they have persisted with a cacophony of interjections.

The SPEAKER: Order! Members will cease interjecting.

Mr PAUL LYNCH: Members opposite have an extraordinary contempt for Aboriginal people—a classic example of which is their disinterest in the substance of what has been said today. The other significance of these issues is that they are not just for the Aboriginal community; they are issues for all Australians—even the Opposition. They are, in fact, core Australian challenges. Having a significant number of communities without adequate water and sewerage facilities diminishes the entire country, and certainly the entire State. This initiative is a direct attempt to deal with that reality.

BG GROUP ORIGIN ENERGY ACQUISITION

Mr ANDREW FRASER: My question is directed to the Premier. How can the Premier stand by his Treasurer's more than \$15 billion price tag on the sale of New South Wales electricity assets when rating agencies have described the impact of the BG Group Origin Energy acquisition as removing competitive tension and reducing the probability of success, and creating a glut of assets on the market?

Mr MORRIS IEMMA: BG taking over Origin is a matter for it.

The SPEAKER: Order! Government members will cease interjecting.

Mr MORRIS IEMMA: The member for Coffs Harbour wants to know what the position was with regard to Origin. Origin was one of those companies that had already secured its funding and finance to make future investments. It has a choice: it could invest in infrastructure in New South Wales or, because it has

secured it, it could undertake those investments in South Australia, Victoria or Queensland. It would be one of the companies potentially interested in the retail businesses. There is no secret about that; the market knows that. The market knows also that it had acted at some time to get its finance. So, it got the dollars and now it is looking for the projects and opportunities to make those investments. They are the simple facts; it has been on the record for some time. Opposition members might have come to the issue yesterday or this morning while flicking through a newspaper, but anybody who has followed this issue or who has taken an interest in it would have known that for some time.

So what point is the member for Coffs Harbour trying to make? Is he trying to undermine the New South Wales electricity industry, as the previous question attempted? What is it? Is he trying to say that buying it out will somehow jeopardise a list of companies that might be interested in the retail business? If that is the case, has he asked his leader about the implications of the takeover? A year ago the Opposition said that it would dispose of electricity. Before the member for Coffs Harbour asked me about the impact of one company taking over another—shock, horror; as if that does not happen—and before the question was written and given to him, did he lean across to Barry and say, "Before I make a fool of myself and get up and ask this question, what does this mean for our policy? Should I ask this question?"

The member has cottoned on to the fact that one company out there might be a potential buyer. Gee whiz! Wow! That question is about as good as the previous one about the potential value impact on a national emissions trading scheme. Of course, that ignores a simple fact: there has been a report since then. It is called the Garnaut report—I do not know whether those opposite have read it. As to the previous question, the biggest impact will be on the Victorian generators and the Victorian electricity industry, not those in New South Wales. Why? It is because the New South Wales generators have a much higher order of priority on the national grid than Victoria. New South Wales, because it is coal fired, is more efficient than Victoria. So the impact on New South Wales is much less. Those opposite should go back and read the Garnaut report—

The SPEAKER: Order! I call the member for Hawkesbury to order.

[Interruption]

The SPEAKER: Order! I call the member for Hawkesbury to order for the second time.

Mr MORRIS IEMMA: The troglodyte should go back to his cave.

WATER POLICY AND DESALINATION

Ms CHERIE BURTON: My question is addressed to the Minister for Water Utilities. Can the Minister update the House on the latest information on water policy and desalination in New South Wales and around Australia?

Mr NATHAN REES: I thank the member for Kogarah for her question and commend her for her interest in this most important matter. As we have outlined previously, we have in place comprehensive plans for all of New South Wales to drought proof our drinking water supplies. In the city we have the desalination plant, which is under budget and twice the original scale, and we have the largest recycling schemes in Australia and more than 70 stormwater harvesting schemes already in place. In our rural areas we have Ian Armstrong, the former Leader of The Nationals, travelling around New South Wales and coming up with a plan to secure drinking water supplies for rural New South Wales.

In the Hunter and the Central Coast, we are building the \$340 million Tillegra Dam to set up the Hunter and the Central Coast for the next 50 years. Massive expenditure has been undertaken on water resources infrastructure right cross New South Wales through clear, comprehensive plans to underpin the New South Wales \$350 billion economy—the engine room of the nation's economy. The contrast between the New South Wales Government and the Opposition could not be more stark. More than a year into the Opposition's term the member for Ku-ring-gai and so-called Leader of the Opposition does not have a water policy that he has either articulated or put to the public for scrutiny—not that that is hard to do. We have done a bit of research. The other States have managed it. Liberal Oppositions in other States—for example, in South Australia—have said that they will build a desalination plant.

[Interruption]

The Liberals in South Australia said that they will build a desalination plant. That is uncomfortable for the Leader of the Opposition because when he goes to the policy drawer there is nothing in it. In January last year the Liberals in South Australia said that they would build a desalination plant, and even went as far as to suggest two possible sites. In Victoria in May last year the Liberal Opposition had this to say, "... just get on with the job of delivering a desalination plant for Victorians ...". In Queensland in March this year the Liberals said the Government should commit to building another desalination plant. Even the Liberals' Federal colleagues have been very clear on this: former Prime Minister Howard said we should build desalination plants.

Mr David Campbell: Who?

Mr NATHAN REES: Yes, former Prime Minister Howard—he is at Centrelink! Former Prime Minister Howard and former Federal Treasurer Costello backed desalination, as does Malcolm Turnbull. Brendan Nelson also backs desalination, but with a twist—he says that we should have desalination plants, but powered by nuclear plants. The Leader of the Opposition has been well and truly left behind. More than 12 months into the parliamentary term, on a very important public policy issue that is equally as important as is energy, he is nowhere to be seen—nowhere. He cannot even get his team singing from the same song sheet.

In March this year when dam levels rose and the Government announced that it would restore environmental flows to the Hawkesbury-Nepean, the member for Ku-ring-gai had this to say, "Clearly these extra flows aren't needed." It is a pity he did not tell his Opposition spokesperson for water, who said on the same day, "The Hawkesbury has been starved of water for some time." Even on the most basic issues there is dissonance between the Opposition spokesperson and the so-called Leader of the Opposition. The situation is crystal clear. The Opposition is a policy-free zone in relation to water and is an absolute joke when it comes to presenting decent alternative policies for the people of New South Wales to consider. I have a tip for the Leader of the Opposition: People are on to you, Barry!

This morning I was listening to him on the Mike Carlton program and, in ways reminiscent of John Hewson in 1993 during that infamous interview when he was asked to explain how the GST would apply to a birthday cake—members will recall that it was all downhill for Dr Hewson after that—the Leader of the Opposition was asked 14 times to articulate his position, and 14 times he was not able to articulate a position. That was Barry's John Hewson moment! All he could bang on about was a need to see the so-called detail. That did not stop his Coalition colleagues coming up with a clear and unequivocal policy response. Subsequently he pulled them into line, but it did not stop them coming up with a response.

Mr Chris Hartcher: Point of order: The question is about water in New South Wales. It was not about electricity. There seems to be a problem.

The SPEAKER: Order! I uphold the point of order. The Minister will address the leave of the question. I remind Opposition members that constant interjections are disorderly.

Mr NATHAN REES: It is very clear that when the pressure is on to provide policy, the Leader of the Opposition goes to water. That is the issue. This morning we also had a clear and unequivocal comment from Cassius, the lean and hungry member for Manly, to the effect that he did not need to see the details. He drew a very clear and deliberate distinction between himself and his so-called leader.

[Interruption]

The member for Coffs Harbour can fluff about that all he likes, but the reality for the member for Ku-ring-gai is that he has no water policy and no energy policy for New South Wales. If he ever occupies the Treasury benches, in 10 years time we will all be sitting around in the dust and the dark, wondering what happened. His recipe is for certain economic and social collapse. The Government is on to him. The public is on to him. He is a policy blancmange.

ELECTRICITY INDUSTRY PRIVATISATION

Mr MIKE BAIRD: My question is directed to the Premier. Did he or his Ministers seek any advice from New South Wales Treasury or external advisers on the joint venture model for the sale of this State's electricity assets before the compromise was presented to union officials last weekend? If he did, will he release that and any other external advice relating to the transaction?

Mr MORRIS IEMMA: The member for Manly is quoted as saying that he understands the rationale for the Government's energy reform package.

Mr John Watkins: He supports that decision now.

Mr MORRIS IEMMA: The member for Manly has chosen his words carefully. The Deputy Premier says that he supports it. We could interpret that as support, or we could interpret it as positioning.

The SPEAKER: Order! The Deputy Premier will resume his seat.

Mr MORRIS IEMMA: Nevertheless, the member for Manly has stated some sort of position. He understands the rationale. I assume in coming to the conclusion that he understands the rationale he has undertaken some reading and done some thinking. I direct him to the Owen report.

The SPEAKER: Order! All members who have been called to order are now deemed to be on three calls to order.

WORLD YOUTH DAY 2008

Ms VIRGINIA JUDGE: My question is addressed to the Minister for Ageing, and Minister for Disability Services. Will she update the House on planning for World Youth Day 2008 and how this event will compare with the Sydney Olympics?

Ms KRISTINA KENEALLY: I thank the member for Strathfield, who has been assisting the local Maronite youth community in her electorate to prepare for World Youth Day, for her question. World Youth Day 2008 is billed as the largest youth event in the world. It is a huge six-day celebration from 15 to 20 July that will attract some 225,000 people to Sydney for what will be the largest event on the globe this year, outside the Beijing Olympics. Hosting major events is good for New South Wales, good for Sydney, and good for Australia. World Youth Day 2008 again will put Sydney on the map as a premium event host. Like the Olympics, the crowd drawn to Sydney for World Youth Day will create a celebratory and positive atmosphere—distinctly different from that created by the Opposition. The scale of World Youth Day events is comparable to the Sydney Olympics, but these are very different types of events.

A significant difference between the World Youth Day celebrations and the Olympics is the cost. The Iemma Government will spend \$86 million to support World Youth Day being held in Sydney. Compare that figure to what was spent on similar government services for the Sydney Olympics—\$390 million. World Youth Day will cost less than a quarter of the cost of the Sydney Olympics. The New South Wales Government is spending \$86 million on the provision of in-kind support services, which include additional public transport, additional emergency services and security, for an event that is estimated by the Sydney Chamber of Commerce to bring in \$231 million in economic benefits to the State. This event will stand Sydney in good stead when bidding for other major world events—so FIFA World Cup organisers had better tune in. World Youth Day is an event worth hosting. That is recognised by the fact that World Youth Day enjoys bipartisan support. That was until three weeks ago—when Gladys spoke up. I know members of the House will be surprised that the member for Willoughby publicly criticised the Minister for Transport.

Mr John Watkins: I was hurt.

Ms KRISTINA KENEALLY: I know; we were surprised. But three weeks ago Gladys spoke up on radio and said that the Government had not been consulting enough with the private bus industry about World Youth Day. Today she said that it is true. Gladys obviously did not realise that on the same day on the same radio station she was corrected by the same private industry that she sought to be speaking for. What did that private bus industry say?

The SPEAKER: Order! Is the member for Epping rising on a point of order?

Mr Greg Smith: I am just getting a drink of water.

The SPEAKER: Order! I remind all members to address other members by their correct titles.

Ms KRISTINA KENEALLY: In an act of Christian charity, I suspect the member for Epping supports World Youth Day, and I thank him for that. The Ministry of Transport is working with the private bus

industry. That is what the private bus industry had to say; it endorsed the Iemma Government's plans for World Youth Day. Then only two weeks ago the Leader of The Nationals consolidated the Opposition's stance against World Youth Day, coming out in the media and publicly banging on about it all being terribly expensive. As I said, the Iemma Government is spending \$86 million, and we are getting \$231 million of economic benefit. One would have thought that even the Leader of The Nationals could understand those numbers. To be generous, maybe he had a rush of blood to the head; he was the acting Leader of the Opposition. Maybe when he grabbed the reins of power from the Leader of the Opposition—

The SPEAKER: Order! The member for Terrigal is having difficulty hearing the Minister. Members will stop talking to their colleagues while the Minister is answering the question.

Ms KRISTINA KENEALLY: The outburst by the Leader of The Nationals shows that Opposition members will say anything or do anything for a cheap headline or to get their names in the paper. They will even split from their own leader. Let us not forget that the Leader of the Opposition sits on the local organising committee for World Youth Day. Opposition members have both feet in their mouths on the World Youth Day issue. One might even say that they are in World Youth Day disarray. Another major difference between the Olympics and World Youth Day is the scale of the event across the city and the number of international visitors who will attend. Olympic sporting events were held at about 30 event sites. World Youth Day sites include 700 accommodation sites, 300 catechesis or teaching sites, and more than a dozen major event sites plus at least 50 youth festival sites throughout the Sydney area. About 110,000 Games time specific international visitors came for the Sydney Olympics. Event organisers are expecting 125,000 international visitors for World Youth Day. In addition to the overseas element, organisers tell us that 100,000 Australians, including 40,000 Sydneysiders, will register to attend World Youth Day celebrations.

As with the Olympics, World Youth Day is presenting a number of first-time events for Sydney. The Pope's final mass will be the first time that we have catered for a crowd as large as 500,000 people. I am advised that a gathering of this size at the same place and time has never before been held in Australia's history. The World Youth Day opening mass will be the first event ever held at Barangaroo, the old Patrick stevedore site. World Youth Day will see the first papal boat-a-cade on Sydney Harbour, and it will be the first visit by the current Pope, His Holiness Pope Benedict XVI. The New South Wales Government has more expertise than any other government in Australia in organising major global events. We are working closely with the organisers, World Youth Day 2008, to ensure the successful and smooth running of all events and activities that will take place for World Youth Day. We are well placed to put on one of the biggest events this city has ever seen.

Question time concluded.

DISTINGUISHED VISITORS

The SPEAKER: I welcome to the public gallery the Hon. Wal Fife, a former member of the Legislative Assembly and a former member of the Federal Parliament.

UNPROCLAIMED LEGISLATION

The SPEAKER: Pursuant to Standing Order 117, I table a list detailing all legislation unproclaimed 90 calendar days after assent as at 6 May 2008.

AUDITOR-GENERAL'S REPORT

The Clerk announced the receipt, pursuant to section 63C of the Public Finance and Audit Act 1983, of a performance audit report entitled "Working with hotels and clubs to reduce alcohol-related crime: NSW Office of Liquor, Gaming and Racing, NSW Police Force", dated April 2008, received out of session and authorised to be printed on 23 April 2008.

WATERFALL ACCIDENT

Report

The Clerk announced the receipt, pursuant to section 68 of the Rail Safety Act 2002, of the report of the Independent Transport Safety and Reliability Regulator entitled "Implementation of the NSW Government's response to the Final Report of the Special Commission of Inquiry into the Waterfall Accident—Reporting Period January-March 2008", received out of session and authorised to be printed on 5 May 2008.

LEGISLATION REVIEW COMMITTEE**Report**

The Clerk announced the receipt, pursuant to section 10 of the Legislation Review Act 1987, of the report entitled "Legislation Review Digest No. 5 of 2008", dated 5 May 2008, received out of session and authorised to be printed on 5 May 2008.

PETITIONS**Edgecliff Interchange Upgrade**

Petition requesting the upgrading of Edgecliff interchange, received from **Ms Clover Moore**.

Pymont to Town Hall Bus Service

Petition requesting a 10-minute bus service between Pymont foreshore via Broadway to Town Hall, received from **Ms Clover Moore**.

Hawkesbury River Railway Station Access

Petition requesting improved access to Hawkesbury River railway station, received from **Mrs Judy Hopwood**.

Public Library Funding

Petitions requesting increased funding for public libraries, received from **Mr Donald Page** and **Mr John Turner**.

Coffs Harbour Aeromedical Rescue Helicopter Service

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

Tumut Renal Dialysis Service

Petition praying that the House support the establishment of a satellite renal dialysis service in Tumut, received from **Mr Daryl Maguire**.

Lismore Base Hospital

Petition requesting funding for stage 2 of the Lismore Base Hospital redevelopment and for rehabilitation beds to be maintained, received from **Mr Donald Page**.

Hornsby Palliative Care Beds

Petition requesting funding for Hornsby's palliative care beds, received from **Mrs Judy Hopwood**.

Hornsby Area Haemodialysis

Petition asking that a public haemodialysis centre be established in the Hornsby area, received from **Mrs Judy Hopwood**.

Royal North Shore Hospital Hydrotherapy Pool

Petition requesting that the hydrotherapy pool remain open at Royal North Shore Hospital and that a hydrotherapy pool be included in the redevelopment plans for the hospital, received from **Mr Barry O'Farrell**.

Captain Cook Road Noise Abatement

Petition requesting that noise and traffic be monitored and a noise protection wall be installed on Captain Cook Drive between Gannons Road and Fenton Avenue, received from **Mr Malcolm Kerr**.

Pet Shops

Petition opposing the sale of animals in pet shops, received from **Ms Clover Moore**.

Whale Protection

Petition requesting the protection of whales in Australian waters, received from **Mrs Judy Hopwood**.

Queensland Fruit Fly Eradication

Petition requesting funding for local councils to conduct fruit fly eradication programs in the Albury electorate, received from **Mr Greg Aplin**.

Drought Relief Worker Job Protection

Petition requesting that the jobs of drought relief workers be protected, received from **Mr Greg Aplin**.

Electricity Infrastructure

Petition requesting the retention of the infrastructure and systems for generating and retailing electricity as public assets, received from **Mr John Turner**.

CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY

Same-sex Family Law Reform

Ms VERITY FIRTH (Balmain—Minister for Climate Change and the Environment, Minister for Women, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer)) [3.28 p.m.]: Earlier I gave notice of the following motion to be accorded priority:

That this House:

- (1) congratulates the Government for protecting the rights of female de facto couples;
- (2) notes that the Government will adopt a New South Wales Law Reform Commission recommendation to extend parenting rights to a mother's de facto lesbian partner; and
- (3) calls on the Leader of the Opposition to clarify his and his party's position on this issue and reassure the community that they will support the changes.

This motion is urgent because two weeks ago the Iemma Government announced far-reaching reforms guaranteeing the rights of children of same-sex families and further removing discrimination against gay and lesbian couples. The Carr and Iemma governments have led the way in establishing legal equality for gay and lesbian people in this State, beginning with the Property (Relationships) Legislation Amendment Act 1999, which, for the first time, incorporated same-sex couples into the definition of "de facto relationship". The community widely welcomes Labor's latest announcements but after two weeks the Opposition has yet to give any indication to the community about whether it will support the legislation. A crucial element of our job as legislators and policy makers is to make sure that children in all kinds of families are treated the same in the eyes of the law. The community needs and deserves to know where the Opposition is on this issue. It has its chance now. The Government calls on the Opposition to clearly and publicly state its position on these proposed reforms.

Electricity Industry Privatisation

Mr BARRY O'FARRELL (Ku-ring-gai—Leader of the Opposition) [3.30 p.m.]: Before I speak to the priority of my motion, I point out that I have no difficulty with the motion moved by the Minister for Women, but I am waiting for Mr Hatzistergos to introduce legislation in the upper House. Today in question time the Premier failed to answer questions about how much would be received from the sale of the electricity industry, despite comments by the Treasurer in December last year that more than \$15 billion was expected. The Premier failed to apologise or give any explanation for his refusal to take the sale of the State's electricity assets to the State election last year, or to explain his deal with Prime Minister Kevin Rudd about keeping it out of the Federal election campaign.

The Premier gave no answer in relation to the impact upon the price to be received or any indemnities or guarantees to be offered if the sale were to proceed before emissions trading conditions were established. The Premier gave no answer in relation to market analysts' concern about the impact of the Origin takeover or the price that might be received and its impact on the competitive tendering process. Finally, the Premier gave no guarantee that professional advice was being sought to determine that what was being decided in the various options being considered by the Australian Labor Party and the unions—options that exclude the public—was in the best interests of the public and not simply some dark and dirty deal.

No wonder this morning on radio Mike Carlton asked, "You think the bloody Government is hopeless in this State?" and then said, "Yes, the answer is right, it is hopeless." That is language I would not use. The reality is that the public wants to see the details of this deal. I do not apologise for the fact that the Liberal and National parties will wait to see the details because members of the Government cannot be trusted. Time and time again, whether in relation to the Cross City Tunnel or the rebuild of Bathurst Hospital, the public is told all is going to be well, and surprise, surprise, when it finally eventuates there are problems. In relation to the Cross City Tunnel a deal was done by the State Government with the private sector that sold taxpayers and motorists down the drain—tunnel funnels, road closures and high tolls.

In relation to the upgrade of Bathurst Hospital, the promise of the construction of a new hospital should have been good news, but again it was bungled by the State Government's dealings with the private sector. It is appalling that the hospital's emergency department and other facilities are undersized and described as dangerous. The State Government failed to take electricity industry privatisation to the election last March, failed to include any reference to it in the State Infrastructure Plan, and failed to refer to it in the Federal election campaign. The State Government is now backing away at a million miles an hour in relation to the amount that would be received from the pricing levels put on it by the Premier—and the Treasurer—when he announced it last December. No detail has been provided on how the proceeds will be applied if the asset is sold.

We know that over the past 13 years, this Government received \$16 billion in windfall proceeds in tax and other revenues, but it has nothing to show for it to the public of New South Wales. The State does not have improved services or better infrastructure. Given what is happening in capital markets, the takeover and the 20 per cent drop in the Standard and Poor's utilities index, we have received no comment, explanation, advice or tabled documents in relation to the timing of the sale. We are supposed to be satisfied now that Joe Tripodi is involved. The community will be highly concerned that Joe Tripodi is at the centre of the State's electricity industry privatisation, given his role in the Cross City Tunnel privatisation.

Mr Michael Daley: Point of order: My point of order is in respect to the standing order that applies to a member who makes an attack on another member. The Leader of the Opposition is wiping all the egg off his face in respect to electricity—

The SPEAKER: Order! The member will resume his seat. There is no point of order. I remind the Leader of the Opposition to address other members by their correct titles.

Mr BARRY O'FARRELL: Covering the entirety of the Iemma Government is the stench of corruption that started in Wollongong and continues today. We know that donations in exchange for deals are the way in which the Government does business. That is why the Opposition wants to see the detail.

Mr Alan Ashton: Point of order: Mr Speaker, you have already asked the Leader of the Opposition to address the Minister for Small Business correctly. His present comments are out of order.

The SPEAKER: Order! What is the member's point of order?

Mr Alan Ashton: They are just out of order.

The SPEAKER: Order! I have ruled on the matter. I remind the Leader of the Opposition of my earlier ruling.

Mr BARRY O'FARRELL: Taxpayers and the public have learned the hard way: never give the Iemma Government a blank cheque because it will cash it for more than it is worth and the public will end up out of pocket.

Question—That the motion of the member for Balmain be accorded priority—put and resolved in the affirmative.

The House divided.**Ayes, 49**

Mr Amery	Mr Greene	Mr Morris
Ms Andrews	Mr Harris	Mrs Paluzzano
Mr Aquilina	Ms Hay	Mr Pearce
Ms Beamer	Mr Hickey	Mrs Perry
Mr Borger	Ms Hornery	Mr Rees
Mr Brown	Ms Judge	Mr Sartor
Ms Burney	Ms Keneally	Mr Shearan
Ms Burton	Mr Khoshaba	Mr Stewart
Mr Campbell	Mr Koperberg	Ms Tebbutt
Mr Collier	Mr Lynch	Mr Terenzini
Mr Coombs	Mr McBride	Mr Tripodi
Mr Corrigan	Dr McDonald	Mr Watkins
Mr Costa	Ms McKay	Mr Whan
Ms D'Amore	Mr McLeay	
Mr Daley	Ms McMahon	<i>Tellers,</i>
Ms Firth	Ms Meagher	Mr Ashton
Ms Gadiel	Ms Megarrity	Mr Martin

Noes, 36

Mr Aplin	Mrs Hopwood	Mr Smith
Mr Baird	Mr Humphries	Mr Souris
Mr Baumann	Mr Kerr	Mr Stokes
Ms Berejiklian	Mr Merton	Mr Stoner
Mr Cansdell	Mr Oakeshott	Mr J. H. Turner
Mr Constance	Mr O'Dea	Mr R. W. Turner
Mr Draper	Mr O'Farrell	Mr J. D. Williams
Mrs Fardell	Mr Page	Mr R. C. Williams
Mr Fraser	Mr Piccoli	
Ms Goward	Mr Piper	
Mrs Hancock	Mr Provest	<i>Tellers,</i>
Mr Hazzard	Mr Richardson	Mr George
Ms Hodgkinson	Mrs Skinner	Mr Maguire

Pairs

Mr Gibson	Mr Debnam
Mr West	Mr Hartcher

Question resolved in the affirmative.**SAME-SEX FAMILY LAW REFORM****Motion Accorded Priority**

Ms VERITY FIRTH (Balmain—Minister for Climate Change and the Environment, Minister for Women, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer)) [3.45 p.m.]: I move:

That this House:

- (1) congratulates the Government for protecting the rights of female de facto couples;
- (2) notes that the Government will adopt a New South Wales Law Reform Commission recommendation to extend parenting rights to a mother's de facto lesbian partner; and
- (3) calls on the Leader of the Opposition to clarify his and his party's position on this issue and reassure the community they will support the changes.

Two weeks ago the Iemma Government announced far-reaching reforms guaranteeing the rights of children of same-sex families and removing discrimination against gay and lesbian couples. I welcome the announcement, which will ensure protection for the rights of children born into a family with two mothers. As members well know, families these days come in all shapes and sizes. As well as the more traditional family of mum, dad and 2.5 kids, children live in step-parent families, sole parent families, grandparent headed families and families with two mums or two dads. As legislators and policy makers, it is a crucial element of our job to make sure that all children are treated the same in the eyes of the law.

The key element of the new laws being introduced this session will expand the parentage presumptions for children conceived via artificial fertilisation procedures. Currently, in a family with a mother and father there is a presumption in law that the husband or de facto male partner of the mother is the child's parent, including when the child is conceived as a result of sperm donation. These changes will extend this presumption to include the de facto female partner of a woman in a same-sex relationship. So when a child is born as a result of sperm donation or IVF, that child will be presumed to be the child of both parents when two women are in a de facto relationship.

The reforms announced by the Attorney General include also expanding protections for same-sex couples under the Antidiscrimination Act and removing discriminatory terminology from almost 50 other Acts to ensure same-sex couples have the same rights and responsibilities as heterosexual couples. These amendments will affect thousands of families across New South Wales and help ensure that the rights of all children are protected, no matter whom their parents are. These amendments represent some of the most significant changes to the law in this area that have ever been made in this State.

Given their importance, especially to the rights of children, one might expect that the Opposition would have something to say about them. But the reform proposal has been met by near total silence from the Coalition. The Opposition completely failed to respond to the Attorney General's announcement on 22 March 2008. Several days later, the member for Epping, Mr Greg Smith, was asked directly on 2UE for the Opposition's stance on the issue. But all the shadow Attorney General could do was laugh at the question and say, "That's a matter for shadow Cabinet." I am sure the listeners of 2UE would like to thank the member for Epping for that fulsome answer and the detailed policy outlined in his response.

This lack of interest is pretty ironic for someone who was the long-term President of Right to Life New South Wales and supposedly interested in promoting the rights of children. I suppose the shadow Attorney General's views were more clearly articulated when, in his earlier role as Right to Life President, in 2000 he described in the media John Howard's attempts to stop single women and lesbians having babies using IVF as "courageous", and supported that view. Perhaps it is just too difficult for the Coalition to come up with an agreed policy position given that the now shadow Minister for Women went to the High Court in her role as Sex Discrimination Commissioner to challenge those very same discriminatory laws that her now colleague was supporting.

However, the truth is probably simply that, given his method of policy by plagiarism, the member for Epping may not have had time to Google his way to a credible position on the issue. The Leader of the Opposition and the Leader of The Nationals have been similarly silent on the Government's proposal. It has now been two weeks since the announcement was made and the Relationships Report published on the Law Reform Commission website. But still the Opposition is nowhere in sight. When it comes to the rights of children and ending discrimination against same-sex couples, invisible men lead the Coalition. In contrast to the absence of the Opposition in the debate, the voices of the public have been heard loud and strong. Alan of Gosford, one of the contributors on the News Limited website on the *Daily Telegraph* article "Same-sex parenting rights for lesbians", commented:

Surely this is just commonsense. Gay and lesbian people have children, just like anybody else. What's important is that we make sure the children are protected by the law.

Professor Jenni Milbank from the University of Technology Law School, commented on the co-mother reform:

This means a huge amount to people—they sense themselves as a parent, they have the right to make medical decisions for their child and they are recognised as a parent in schools without the need to get orders from the Family Court.

Bruce McDougall headlined his article "Children the winners in same-sex family reform" in the *Daily Telegraph* and stated:

It's hard to disagree with any Government's decision to give greater protections to children—whether they have heterosexual or same sex parents.

The only way of guessing what the Coalition's response to the Government proposal will be is by looking at their history. Will their policy be inspired by Phillip Ruddock, who refused to take up the New South Wales referral of power for same-sex de facto relationships for four years and delayed enacting legislation that would allow the Family Court to settle property disputes for gay and lesbian couples? Or will it be based on the response of Brendan Nelson, who last week declared his opposition to in-vitro fertilisation for same-sex couples? Maybe it will be closer to home. The Hon. David Clarke is an influential member of the Coalition and has stated his beliefs on this issue clearly. When interviewed on the ABC program Stateline on 9 September 2005 he was asked:

What about homosexuality? In one of your speeches, you said that you thought children who were raised by homosexual couples would be more likely to be molested at some time in their lives.

Mr Clarke replied:

Um, I don't believe well, that's what the statistics show. And I think, I think most people in the party would agree with me on that issue.

The Coalition's record speaks for itself on the recognition of the child-parent relationship in same-sex families. And so does, I am pleased to say, the Government's record. In contrast to the Coalition's pathetic record, it has been the Carr and Iemma Labor Governments that have led the way in establishing legal equality for gay and lesbian people in this State. In 1999 the Government enacted the Property (Relationships) Legislation Amendment Act 1999, which for the first time incorporated same-sex couples into the definition of de facto relationships. This was groundbreaking legislation, which gave same-sex couples the same rights and protections in relation to their property as heterosexual de facto couples. It also extended this new definition of de facto to a range of other legislation to achieve equality for people in same-sex relationships.

We have absolutely led the way and the Government has a proud record of law reform for same-sex couples. The Opposition does not, and the public is entitled to be distrustful of its position. Where does the Opposition stand on these issues? What does it intend to do about ending discrimination against same-sex couples and their children? The families of New South Wales need this change and the community is demanding that it be made. The Government calls on the Opposition to clearly and publicly state its position on these proposed reforms.

Mrs JILLIAN SKINNER (North Shore—Deputy Leader of the Opposition) [3.52 p.m.]: I am extremely disappointed that the Minister would make political mileage from children of same-sex couples. I am really disappointed. It is an extraordinary thing to ask this Parliament to consider legislation that has not even been introduced to the Parliament. The Gay and Lesbian Rights Lobby is extremely critical of that fact. They cannot understand why they have not been provided with copies of the legislation. The Attorney's press release in relation to this legislation refers to almost 50 Acts being amended as a result of this package. No list is available. How can we sign-off on something when the Government has not even said which bills are to be amended?

The Gay and Lesbian Rights Lobby points out that, contrary to the comments made by the Minister who was not even in this House at the time, the Coalition did not oppose the legislation in 1999. These were reforms recognising people living in same-sex de facto relationships and further reforms introduced in 2002 to recognise same-sex and opposite sex de facto couples in more than 20 further statutes. So the Minister has misled the House quite deliberately. The Minister has also misled the House in saying that Barry O'Farrell, the Leader of the Opposition, has been silent. If the Minister had listened carefully to the last motion, his first sentence was, "I have no trouble with this motion." So the Leader of the Opposition said that he had no problem with protecting the rights of children. When the issue first arose and I was asked to comment, I said, "In principle, the Coalition always puts the rights of children first."

We will always, in principle, support things that protect the rights of children. But it is not just about legislation to protect the rights of children, it is about services such as Health, the Department of Community Services and other things that have been totally neglected by the Government. For example, the most recent event in the health system that obviously affected children was the closure—which happened this week, I understand—of the Royal North Shore Hospital paediatric emergency department and paediatric ward. Why? Because the Government could not get the upgrading of that building right and there is a fire risk associated with the air-conditioning. We can talk about the rights of children. It is about them having the right to be treated with safety.

Those provisions have been in place for some time and the Government has not acted to make sure that the children, their families and people working in hospitals are safe. It is about explaining 27 child deaths.

I refer to a press release put out by my colleague Andrew Constance, member for Bega, acting as shadow Minister for Disability Services, who pointed out that children with disabilities who are known to the Department of Community Services are five times more likely than children who have no disabilities to be left to die of parental abuse and neglect. If that is not talking about the rights of children to safety and care then I do not know what is. This Government has the nerve to ask this Parliament to support a motion about legislation that we have not seen, yet neglects the obvious responsibility to look after children in the care of the Department of Community Services.

Let me return to the health of children. If I look at the current list of children waiting for surgery in our specialist hospitals, at the Sydney Children's Hospital at Randwick there are currently 641 children waiting for treatment, of which 343 are waiting for ear, nose and throat treatment. I can say, as a parent, that one of the most difficult things for a parent to deal with is a young child with an earache, who is up at night screaming in pain, and this Government refuses to provide the services for children to prevent that ill-health. There are 1,720 children on the waiting list of the Children's Hospital at Westmead, 631 waiting for ear, nose and throat surgery.

Ms Virginia Judge: Point of order: My point of order is relevance. We are debating a priority motion about removal of discrimination. Perhaps Mr Deputy-Speaker, with respect, you would order the member back to the priority motion, which I do not think she is debating.

The DEPUTY-SPEAKER: Order! The member knows the standing orders.

Mrs JILLIAN SKINNER: She does indeed. The Government is talking about the rights of children and I believe the rights of children are to have proper services provided by the Government. A prime responsibility of this Government is to provide children with the services that they have a right to expect, such as hospital care. Let us talk about what is happening in the emergency department of the Children's Hospital at Westmead. From the last figures posted on its website, 32 per cent of children were not seen within the benchmarks for the urgency of their condition. That amounts to over 1,200 patients, many of them waiting with serious and potentially life-threatening conditions. At that hospital a further 135 waited more than eight hours for a hospital bed to be found—17 per cent of the children. At the Children's Hospital at Randwick it is the same story. There we have 17 per cent of children not treated within time and 14 per cent not admitted to wards within the eight-hour benchmark.

We do not have a Government response to our repeated questions about how many of the nearly 160,000 people waiting for public dental care are children. Why not? Because they could not be bothered trying to find out how many are children. We have silence from the Government in response to the "Breaking the Silence" report, something about which Aboriginal communities in remote parts of the State have been very critical. This is a Government that has failed to deliver on safety, health and other matters where children have a right to expect that they will be cared for by this Government. In principle, the Coalition does not reject the legislation that the Minister is foreshadowing, but we need to see the detail. I am sure that every member of this House would want to put the rights of children first, but would want to see the details first.

Ms CARMEL TEBBUTT (Marrickville) [3.59 p.m.]: I support this motion. I am proud that the Iemma Government is committed to introducing legislation to extend parenting rights to lesbian couples in a de facto relationship when they have children. These reforms will guarantee protection for children of lesbian couples. This has been a long-standing issue for lesbian couples who have children. They rightly ask, "Why should one of the women in a committed relationship with children be denied recognition as a parent?" They put in the time, they are there for the good and the bad, and they contribute financially, emotionally and physically, yet until now they have not had legal recognition.

This is something that the Government's proposal will change. Specifically, the new laws will remove a discriminatory provision for children conceived through artificial fertilisation procedures. Currently, in heterosexual couples, the male partner of the birth mother is presumed be the father, while children born to lesbian couples through these methods will not have the birth mother's partner recognised as a parent. The new laws will give these children the greater rights and protections that go with having both their parents recognised. For example, recent media coverage told the story of Nonie Wales and her partner, Janet Irvine, who had their first daughter 20 months ago. After the legislation is passed by this Parliament—I point out that the legislation was given notice of today—Janet will have the same rights as the daughter's birth mother and the family will have the same rights as other families. Nonie was recently quoted as saying:

It is amazing how powerfully the news of these law changes has affected me. When I heard about these law changes I just thought that feels right. It feels solid. It seems really small but just one example of how this is going to change our lives is that it will make signing forms easier.

Nonie Wales' comments give us a feel for what a difference this legislation will make to parents and to children. Another example of current deficiencies in the law that were identified as a problem in the consultations conducted by the Law Reform Commission was in the medical sphere, with visits to doctors being hard to organise for unrecognised co-mothers and Medicare cards being unavailable to them. In an emergency health situation involving a child where a parent might be required to sign consent forms these difficulties can be very serious. Having two parents recognised will overcome these current issues and also give children from these relationships added protections to make them equal to children from heterosexual relationships.

It will assist them in obtaining workers compensation and victims compensation payments in the event of death or injury to one or both parents. It will also enable a child to be recognised under the laws of inheritance relating to his or her non-biological mother. The child will also benefit from recognition of both parents by school authorities and government agencies. Despite these obvious benefits I have no doubt that there will be criticism of this proposal. We need bipartisan support, which is why we are calling on Opposition members to demonstrate their clear support for this proposal.

Ms KATRINA HODGKINSON (Burrinjuck) [4.02 p.m.]: In speaking in debate on this motion I note, as did the shadow Minister for Health, that the Attorney General's press release refers to almost 50 Acts that will have to be amended as a result of this legislative package. Currently no list is available and, if one is available, we certainly have not seen it. It would be totally irresponsible for Opposition members to sign off on something that they had not seen. During 2006-07 there was a total of only 162 adoptions in New South Wales. Of those, 112 were inter-country adoptions, 23 were intra-family adoptions and 15 were adoptions of children from out-of-home care.

I have spoken to many families who are desperate to adopt children. In all these situations the most important consideration should be a child's wellbeing. The importance of that cannot be stressed enough. No other considerations should take primacy over the best interests of the child. I am concerned that this motion is trying to override this prime consideration by appealing to sections of the community that are pushing a certain political agenda. I have no concerns about people seeking equal rights and equal recognition under the law, but this cannot be used as an excuse to erode the importance of the best interests of the child. This matter is not about parents and it is not about who is next on the adoption list. Children, in particular young babies, need stability in their lives. On several occasions recently I referred to the anti-adoption stance of the State Labor Government. This is exemplified in the admission wrung out of the former director general of the Department of Community Services at a recent supplementary estimates hearing. He admitted that the number of local adoptions had halved over the past year.

I refer to the experience of one person who has contacted my office—a former police officer who has been trying to start a family for about nine years. He is in a stable relationship with his wife and they have both been on the in-vitro fertilisation treadmill. Unfortunately, they have lost one baby through miscarriage and it is unlikely that this woman will be able to conceive. However, they are desperate for a family. They turned to the Department of Community Services seeking to adopt a child and suffered what they described as insane discrimination.

Ms Carmel Tebbutt: Point of order—

Ms KATRINA HODGKINSON: I am about to refer to the lesbian issue in this motion.

Ms Carmel Tebbutt: My point of order relates to relevance. We have allowed a fairly wide-ranging debate on this motion but it has nothing to do with adoption. The member should be asked to debate the motion that is before the House.

The DEPUTY-SPEAKER: Order! There is no point of order.

Ms KATRINA HODGKINSON: This motion refers to discrimination against lesbian couples. This Government should seek to put its own house in order and to stop discrimination against former adopted children who had a stable and loving childhood, as is the case in relation to the former police officer about whom I was talking earlier. As I said, this police officer and his wife lost one baby through miscarriage and it is unlikely that his wife will be able to conceive again. They are desperate for a family. They turned to the Department of Community Services seeking to adopt a child and suffered what they described as insane discrimination. This gentleman was adopted as a child and brought up by his adoptive parents in a loving and stable relationship. He did not feel the need to meet his birth parents but Department of Community Services staff stated that— [*Time expired.*]

Ms VIRGINIA JUDGE (Strathfield—Parliamentary Secretary) [4.05 p.m.]: I strongly support this motion and state at the outset that it was outrageous for the Deputy Leader of the Opposition to accuse our hard-working Minister for Women of not consulting with the community in relation to this issue. Let me give Opposition members an example of someone with whom this Government consulted. This Government consulted women who are living in this situation and who are experiencing this sort of discrimination. If the Deputy Leader of the Opposition thinks that discrimination is fine, I feel sorry for any constituents in that situation who are living in her electorate. After hearing what she said in this Chamber today I believe that they would be living under the auspices of a discriminatory member of Parliament. I bring to the attention of members the story of Grace, which was reported in the *Star Observer* on 1 May 2008. That article stated:

Twenty months ago, Nonie Wales and her partner Janet Irvine received the miracle of their first daughter Grace Irvine-Wales and now they have received a second blessing in the form of law reforms to the Status of Children Act in New South Wales.

Nonie and Janet, who had their daughter with the help of a known donor, were always aware of just how precious their ability to start a family was.

Over the last 20 months I've been describing the birth of our daughter as being one of the most joyful things that happened in my life, Wales said.

Grace's story is representative of many children across New South Wales. The Australian Bureau of Statistics lists 1,533 children in same-sex couple families from the 2006 census, but this figure does not include families where the child has moved out or is living with one of the partners without the other. There are, in fact, likely to be many more. The pain and anxiety felt by these mothers due to the lack of legal recognition of the mother-child relationship has been profound and is an important reason why this Government is pushing ahead with these reforms without delay. During its preparation of the "Relationships" report the Law Reform Commission conducted consultation with same-sex families around New South Wales and asked them about the practicalities of raising children without one of the mothers being legally recognised as such. I hope that the Deputy Leader of the Opposition is listening to this debate in her room where she probably scurried away. The comments from one of the focus groups in regional New South Wales include:

- A woman who has been a step-mother for two years commented that she finds it very difficult to work out her practical role in the child's life because she is given no clear guidance about her status from the law.
- There was general consensus that the absence of a legal relationship between a child and the non-biological mother affects the non-biological mother on a daily basis.
- One woman said that her partner (who is a co-mother) is deeply affected by the lack of security and certainty about her status.

Members of another metropolitan focus group commented on the difficulties involved in taking their children to the doctor if they were not the birth mothers. In addition to these, there were difficulties in having the mother-daughter relationship recognised at school. One participant said:

On any form at school we had to cross out "father/guardian" and add "co-parent".

Other participants outlined the procedures that they had to follow by stating:

We made sure at every new school that our daughter started at, that we had a letter from [birth mother] explaining that [co-mother] was a parent and could exercise all parental rights and responsibilities over [child]. Made sure that the letter was in the [child's] file.

I commend this motion to the House. [*Time expired.*]

Ms VERITY FIRTH (Balmain—Minister for Climate Change and the Environment, Minister for Women, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer)) [4.08 p.m.], in reply: I refer to the points raised by the Deputy Leader of the Opposition and state that she appeared to be caught between saying that the Opposition supported the legislation whilst at the same time saying that the Opposition could not possibly support the legislation without having seen its details. It is important to point out that the Government's position was clearly laid out in the report of the Law Reform Commission which has been on the web and publicly available for two weeks. In fact, the Government gave notice today of the fact that the legislation would be introduced in the Parliament. It is disingenuous for Opposition members to claim ignorance of this issue when it has been extensively discussed in the public domain for a fortnight.

The Leader of the Opposition may have said in the House today that he will support the bill. Perhaps it could be said that that was some form of in-principle support. But in-principle support was not even achieved in

the contributions of Opposition members today. In fact, there were totally different opinions. As I said earlier, the Deputy Leader of the Opposition vacillated between saying she would support the bill and that she could not possibly support the bill, whereas the member for Burrinjuck said she had serious concerns about the bill. Yet again there was absolutely no indication from the Opposition about exactly where it stands on this issue. It is incredibly important that the community knows where the Opposition stands on this issue because the bill the Government introduced today will extend the rights and definition of de facto to incorporate same-sex relationships across 50 more bills.

This is a significant reform for gay and lesbian couples in New South Wales. We have a proud record of law reform for same-sex couples. To illustrate the importance of these changes and to make Opposition members aware of the significant impact those changes will have on the lives of children in New South Wales I shall tell members a story of just one of the many families who will be affected by the new legislation. The following story was reported in *SX News* last week in response to the Attorney General's announcement. Deb Gavin is unable to enrol her son Riley in school. If he gets sick and needs to go to hospital she is not allowed to fill out the paperwork. She told *SX News*, "The hospital does not accept me as his mother."

These are just some of the difficulties she and other lesbian non-birth parents face regularly. Ms Gavin has been with her partner, Louise, for 14 years. They have a child together. They love this child. They raise this child together, yet she is not regarded equal in the eyes of the law. The families of New South Wales need this change and the community is demanding that it be made. But the community needs to know also where the Opposition sits on this issue. Already today we can see that it has absolutely no idea where it stands on this issue. The Government calls on the Opposition to clearly and publicly state its position on these proposed reforms. I can tell the House one thing: we are very proud of these reforms. They will make a real difference to the lives of gay and lesbian families in New South Wales. I am proud to be here talking to the House about it today.

Question—That the motion be agreed to—put and resolved in the affirmative.

Motion agreed to.

SPORTING VENUES AUTHORITIES BILL 2008

Bill introduced on motion by Mr Graham West.

Agreement in Principle

Mr GRAHAM WEST (Campbelltown—Minister for Gaming and Racing, and Minister for Sport and Recreation) [4.11 p.m.]: I move:

That this bill be now agreed to in principle.

The Sporting Venues Authorities Bill 2008 will repeal the Sporting Venues Management Act 2002, provide for the establishment of the State Sporting Venues Authority and regional sporting venues authorities as well as dissolve the Newcastle International Sports Centre Trust and the Newcastle Showground and Entertainment Centre Trust. The State Sporting Venues Authority is a New South Wales government agency and the bill provides for the Minister to manage this authority. Some specific venues—such as the Dunc Gray Velodrome, Ryde Aquatic Centre and the Blacktown Olympic Centre—were included in the Sporting Venues Management Act to ensure the ministerial corporation had the functions and powers to manage the contractual arrangements, which were put in place at the conclusion of the Sydney 2000 Olympics.

The new legislation, the Sporting Venues Authorities Bill 2008, will include a broader range of functions for the authority. Parliamentary Counsel has advised that the functions outlined in clause 9 (1) are more than adequate for the Minister to manage the contractual obligations. The original Act included a fourth venue, the Sydney International Shooting Centre. The land at the Sydney International Shooting Authority was transferred to the Western Sydney Parkland Trust in December 2007. Care, control and management of the shooting centre and the Sydney International Equestrian Centre remain with New South Wales Sport and Recreation and is unaffected by the new Act. Ownership of all land listed in the Sporting Venues Management Act will remain the responsibility of the Minister for Sport and Recreation and can be managed in accordance with the functions outlined in the new Act.

This bill provides a mechanism for the merging of Crown Lands Trusts—the Newcastle International Sports Centre Trust and the Newcastle Showground and Exhibition Centre Trust being the example of such

mergers. This bill proposes to consolidate the administration of the Newcastle Showground and Entertainment Centre and the Hunter International Sports Centre through the establishment of a Hunter Region Sporting Venues Authority. Currently these two trusts are very much focused on day-to-day management of their existing sites. Under the bill these trusts will be dissolved and a new, consolidated, precinct-wide entity will be established. It will focus on strategic development initiatives with a 20-year to 30-year vision in recognition of the anticipated growth of Newcastle city and the broader Hunter region. This new authority will pave the way for a better, more streamlined and functional approach to meeting the recreational and sporting needs of the people of Newcastle and the Hunter for decades to come.

The current Hunter International Sports Centre Trust manages lands including Energy Australia Stadium and the Hunter Regional Trotting Track. The Newcastle Showground and Entertainment Centre Trust manages lands including the Newcastle Entertainment Centre and the Newcastle Showground. Having a single authority instead of two separate trusts will make the management of these facilities more coordinated and efficient. It will enable a more strategic long-term planning approach and maximise the effective use of capital investments. This is a more appropriate and efficient use of taxpayers' money. It makes sense for the most significant sport and entertainment venues owned and operated by the Government in Newcastle to be managed together. The establishment of precinct-wide authority to manage these two adjacent venues will ensure a better use of capital invested and help deliver better outcomes for people in Newcastle and the Hunter.

I will now outline some of the principles of the bill and the new framework it establishes. The Sporting Venues Authorities Bill 2008 repeals the Sporting Venues Management Act 2002 and incorporates and updates the remaining provisions of that Act by establishing the State Sporting Venues Authority as a corporation. The bill states that the State Sporting Venues Authority is a New South Wales government agency and is to be managed by the Minister. It enables this authority to delegate its functions to certain people. The bill sets out the key functions of the State Sporting Venues Authority, which include establishing and managing sporting grounds, sporting facilities and recreational facilities. The bill constitutes as bodies corporate the regional sporting venues authorities named in proposed schedule 1. Currently only one regional sporting venues authority is specified in proposed schedule 1: the Hunter Region Sporting Venues Authority.

Each regional sporting venues authority is a New South Wales government agency, and the bill provides for each authority to have a board of management made up of no more than seven members. The board is appointed by the Governor on the recommendation of the Minister and its members are subject to the direction and control of the Minister. The bill enables the Governor by order published in the *Government Gazette* to dissolve, amalgamate or change the name of any regional sporting venues authority, and enables an authority to delegate functions to certain people and establish advisory committees.

The bill sets out the key functions of the Regional Sporting Venues Authority, which include establishing and managing sporting grounds, sporting facilities and recreational facilities. The bill will enable the authority to enter into an arrangement with a State Sporting Venues Authority to manage any land vested in the State Sporting Venues Authority and to perform any function that it has in relation to that land. Land will be transferred to a sporting venues authority subject to any existing trusts, interests, conditions or other restrictions. On transfer, the rights and liabilities of the previous owner of the property become the rights and liabilities of the sporting venues authority to which the land is transferred. Such transfers will not constitute a breach of contract and State taxes will not be payable on land transfers.

The bill also will make it easier for a government agency to transfer land to the relevant sporting venues authority. The bill will make it easier also for parties to give property to an authority as a bequest or a gift. An authority may develop or manage sporting or recreational facilities on land whether or not it owns the land. However, a regional sporting venues authority may exercise those powers only with the consent of the Minister. A sporting venues authority may manage, develop and deal with land despite the terms of any grant, reservation or dedication to which the land is subject. There are also extensive obligations for regional sporting authorities to prepare and make publicly available management plans. The Minister also may direct an authority to review a plan of management.

Other key areas of the bill cover offences under the proposed Act for which penalties may be issued and the appointment of rangers to enforce regulations for the care, control and management of the land. The bill establishes a new Hunter Region Sporting Venues Authority and transfers the land held by the former trusts to the new authority. The land is transferred subject to any existing trusts, interests, conditions or other restrictions. On transfer the rights and liabilities of the previous owner of the property become the rights and liabilities of the sporting venues authority to which the land is transferred.

I will be directing the new authority to honour the existing arrangement with the Newcastle Agricultural, Horticultural and Industrial Association—which is commonly known as the Newcastle show society—for the show society to continue to use the offices and storage bays at the showground. The bill contains a clause that specifically allows the Newcastle show to continue to be held at the showgrounds. A new consolidated entity will be able to focus on a future vision for sports and entertainment in the Newcastle region. That will be to the advantage of the people of Newcastle and the broader Hunter region, whose population is anticipated to grow steadily. The legislation will be reviewed in five years. I commend the bill to the House.

Debate adjourned on motion by Mr Daryl Maguire and set down as an order of the day for a future day.

NATIONAL GAS (NEW SOUTH WALES) BILL 2008

Agreement in Principle

Debate resumed from 11 April 2008.

Mr DARYL MAGUIRE (Wagga Wagga) [4.20 p.m.]: The Coalition will not oppose the National Gas (New South Wales) Bill, which gives effect to the Council of Australian Governments [COAG] commitments under the Australian Energy Market Agreement with cooperative legislation and South Australia as the lead legislator. Other States, Territories and the Commonwealth applied the relevant schedules of the South Australian legislation as laws in their respective jurisdictions through application Acts. The national gas legislation will comprise the National Gas Law [NGL] and the National Gas Rules [NGR] that will be made pursuant to the National Gas Law, as well as each jurisdiction's Act applying to the national gas law in their own jurisdiction.

The bill will transfer the governance of institutional arrangements of the current gas regime to the national framework in which the Australian Energy Regulator [AER] is responsible for economic regulation and enforcement and the Australian Energy Market Commission [AEMC] is responsible for rule making and market development. The national gas legislation also implements reforms developed by the Ministerial Council on Energy [MCE] in response to the Productivity Commission's review of the gas access regime. The national gas legislation refers to the goal of the convenience of gas and electricity regulation. It contains a number of areas in common with National Electricity Law, including governance arrangements, a national gas objective, the information-gathering processes and powers of the Australian Energy Regulator, performance reporting by the Australian Energy Regulator on financial and operational performance of service providers, revenue and pricing principles, and the regime for merits review of significant regulatory decisions.

The national gas legislation also strengthens consummate advocacy arrangements in the national gas sector. The National Gas Law will replace the current Gas Pipelines Access Law as the third party access regime for the gas network infrastructure. The National Gas Rules will replace the Gas Access Code. The Australian Energy Market Agreement commits States and Territories to transferring responsibility for the economic regulation of gas distribution pipelines from the State-based regulators to the Australian Energy Regulator. The bill has the effect of transferring responsibility from the Independent Pricing and Regulatory Tribunal [IPART] to the Australian Energy Regulator. The responsibility for the economic regulation of gas transmission pipelines in New South Wales has already been transferred to the Australian Competition and Consumer Commission. That responsibility will be moved to the Australian Energy Regulator. This bill implements nationally agreed reforms of the gas market.

Mr ROBERT COOMBS (Swansea) [4.23 p.m.]: I am pleased to support the National Gas (New South Wales) Bill 2008 because it will improve and streamline economic regulation in the energy sector. A key commitment of New South Wales in the field of energy has been to improve the governance arrangements for the regulation of natural gas pipeline services for the benefit of New South Wales and all Australians. Under the Australian Energy Market Agreement jurisdictions are committed to establishing and maintaining a new national energy market regulatory framework whereby a single national regulator, the Australian Energy Regulator [AER], will be responsible for economic regulation and rule enforcement and the Australian Energy Market Commission [AEMC] will be responsible for rule making and market development.

Under this regulatory framework the Australian Energy Regulator will become responsible for the economic regulation of pipelines in New South Wales. In other words, it will regulate the revenue and prices of pipeline services. This role is currently undertaken by the New South Wales Independent Pricing and

Regulatory Tribunal in relation to gas distribution pipelines and by the Australian Competition and Consumer Commission for gas transmission pipelines. In other jurisdictions different State and Territory regulators currently undertake economic regulatory functions for gas pipelines. It has been difficult to achieve consistency in the economic regulation of natural gas pipelines across Australia.

Consistent economic regulation of gas pipelines possessing market power will provide benefits to gas users and provide more regulatory certainty to pipeline operators that in turn will encourage efficient investment in gas infrastructure. The promotion of economic efficiency will benefit New South Wales and other Australian economies. Importantly, the bill will streamline regulation of the energy sector by ensuring that the Australian Energy Regulator and the Australian Energy Market Commission will be responsible for both gas and electricity regulation. The reforms implemented by this bill are modelled on previous changes made to electricity regulation in the National Electricity Law and are designed to ensure consistency between gas and electricity regulation, where appropriate.

A further major reform is the gas rule-change process that is embodied in the National Gas Law and that is identical to the rule-change process for electricity. Any person will now be able to submit a gas rule-change application, and the Australian Energy Market Commission may create or amend a rule if it is satisfied that the rule will, or is likely to, contribute to the achievement of the national gas objective. The rule-change process is transparent and involves the opportunity for significant input from all energy stakeholders. The bill also enshrines the policy-making role of State, Territory and Commonwealth Ministers through the Ministerial Council on Energy. Ministers will be able to give high-level policy direction to the Australian Energy Market Commission in relation to the national energy market rather than becoming engaged directly in the day-to-day operation of the energy market or in the conduct of regulators.

It is important to note that the Australian Energy Regulator will be accountable for specified economic regulatory decisions that impact significantly on a range of affected persons, as is now the case in the electricity sector. There will be a form of merits review by the Australian Competition Tribunal of specified the Australian Energy Regulator's regulatory decisions. There also will be the opportunity for affected parties to bring judicial review actions in respect of decisions made by the Australian Energy Regulator, the Australian Energy Market Commission, relevant Ministers, the National Competition Council and the Natural Gas Market Bulletin Board operator. These sorts of accountability mechanisms are important in ensuring that correct and robust regulatory decisions are made. The bill will strengthen and improve the quality, timeliness and national character of the governance and economic regulation of natural gas pipeline services, while increasing consistency between electricity and gas regulation. I commend the bill to the House.

[Business interrupted.]

EXECUTIVE MANAGER, PARLIAMENTARY SERVICES, APPOINTMENT

The SPEAKER: I inform the House that on 30 April 2008 the Administrator, on the advice of Executive Council, appointed Mr Brian Ward to the new position of Executive Manager, Parliamentary Services. The position was advertised nationally. A selection panel—which was convened by the President of the Legislative Council and me, and included the Clerks of both Houses and an external panel member—recommended Mr Ward's appointment. The position will lead and manage a new Department of Parliamentary Services constituted by the current joint services. Mr Ward will commence duty on Monday 2 June 2008.

NATIONAL GAS (NEW SOUTH WALES) BILL 2008

Agreement in Principle

[Business resumed.]

Mr MICHAEL RICHARDSON (Castle Hill) [4.29 p.m.]: The National Gas (New South Wales) Bill is 237 pages long and puts in place a new access regime to natural gas pipelines, as agreed by the Council of Australian Governments Australian Energy Market Agreement. The basis of the legislation is a similar bill introduced into the South Australian Parliament on 8 April, three days ahead of this one. South Australia is a major supplier of natural gas to the eastern States. The objective of the bill is:

... to promote efficient investment in and efficient operation and use of natural gas services for the long-term interests of consumers of natural gas with respect to price, quality, safety, reliability; and security of supply of natural gas ...

And it is those aspects of the bill—particularly the latter ones—that I will address today. The fact is that, regardless of what laws we pass, there is no security of supply of natural gas to this State. The bill may provide for an improved gas access regime but if the gas is not there the bill will not be worth the paper it is written on. New South Wales is the only State that has no significant local gas supply, and our traditional sources of gas are running out. This State has been drawing natural gas from Moomba in South Australia since 1976. Indeed, I visited Moomba some years ago and inspected the facility there. Those fields have been described as "mature" for some years now. The Wood Mackenzie appendix to the Owen report on electricity supply in New South Wales put Cooper Basin reserves at just 1,213 petajoules, compared with total proven and probable reserves in the eastern States of 13,980 petajoules. One would not want to rely on South Australia to fuel one's new baseload power station. Indeed, lest members think that it is just me saying this, I refer to an article by Jamie Freed in the *Sydney Morning Herald* of 1 August 2005, headed "Coal-seam gas natural for NSW". The article stated:

Natural gas reserves in the mature Cooper Basin fields have been declining faster than expected, causing headaches for Australian natural gas producers and customers.

So Santos, which operates Moomba, has been casting around for other companies to buy to shore up its own supplies. Indeed, recently it paid \$612 million for Tipperary, the American owner of a Queensland coal seam gas producer, in recognition of the fact that its home-grown supplies of gas were running out. Most analysts thought that the company overpaid but, regardless of price, the acquisition focused market attention on the fact that, as Cooper Basin reserves decline, coal seam gas is an increasingly viable option to service New South Wales and Queensland more cheaply than the proposed Papua New Guinea pipeline. Members may remember that there was a recent proposal to build a pipeline from Papua New Guinea to service Queensland and New South Wales, and it was simply too expensive to justify.

Indeed, Australia's natural gas industry is at least a decade behind the United States of America, which has a well-developed natural gas pipeline system and uses natural gas sources from coal seams to generate about 8 per cent of the country's electricity. Queensland has done something about securing its long-term energy needs, which is more than can be said for New South Wales at this stage. Queensland's 13 per cent gas law has created a financial environment that is highly conducive to the exploration and exploitation of natural gas reserves. By contrast, New South Wales is doing very little and its dependence on other States leaves us vulnerable to incidents over which we have little or no control. I know members opposite are waiting to hear about these incidents.

Mr Barry Collier: We want to hear your policy.

The SPEAKER: Order! The member for Miranda will have an opportunity to contribute to the debate.

Mr MICHAEL RICHARDSON: In 2004 an explosion ripped through Moomba, cutting gas supplies to this State in half. Fortunately, it was January when most industry was shut down and gas was not needed for home heating. One can imagine how bad things would have been had the blow-out occurred in July. The Department of Primary Industries website talks about this State's dependence on interstate supplies for both oil and natural gas. It states:

NSW remains highly under-explored.

That is one way of putting it. A less charitable view would be that this Government has been grossly negligent in not promoting exploration for natural gas in particular and indeed in the way it has placed obstacles in the way of exploration and exploitation of the resource. I will come to that in a moment. The Government has funded two exploration initiatives—Discovery 2000 and Exploration New South Wales—as a result of which exploration work programs valued at up to \$30 million have commenced. That \$30 million is a drop in the ocean compared with what is needed. Onshore wells cost between \$US1 million and \$US15 million to drill, so that \$30 million might buy five to 10 wells if one is lucky.

The oracle on all this is Tony Owen. He devoted a significant part of his report on electricity supply in New South Wales to the use of gas for baseload power generation. He conceded that "publicly available reports reviewed by the inquiry indicated that there could be significant limitations on the gas available within the eastern seaboard to support baseload generation growth over the next 10 years". However, because other submissions suggested a rosier picture, he asked consultancy Wood Mackenzie to assess the availability of gas reserves and infrastructure.

Wood Mackenzie reckoned that even with a new gas-fired baseload power station constructed there would be enough gas to last until 2020 but said that "production from existing proven plus probable reserves will begin to decline from around 2012-14"—that is just four years away. It talked about the potential for further exploration in the Otway, Bass, Cooper and Gippsland basins—none of which, when I last looked at the map, is in New South Wales. It said that after 2020 additional gas will be required to support existing consumption and additional growth, and this will be sourced either from long-distance pipelines or liquid natural gas, at which point we would be paying just about as much for our gas as Japan does.

The question is: Would New South Wales businesses and households be willing to pay this? Wood Mackenzie noted that "new gas-fired generation under current delivered gas cost of \$4.50/GJ would not be competitive against new coal-fired generation without some form of additional support". It would take a carbon tax of at least \$20 a tonne to compete, and that is with gas supplied at current prices, not with it sourced from the North West Shelf or Gladstone. How high would the carbon tax have to be for a combined cycle gas turbine power station to be cost competitive with coal in these circumstances, and what impact would that have on New South Wales business and families?

If the gas price is too high, the likelihood is that our next baseload power station will be coal fired, with all that that means for greenhouse gas emissions. It is exceedingly unlikely that geosequestration will be available for a power station to be opened by 2013. Indeed, even if it were, the cost of geosequestration would bump up dramatically the price of electricity generated by that power station. Wood Mackenzie did say—and I agree—that there is significant potential for coal seam gas in a number of basins in New South Wales. One of these is the Gunnedah basin, which is being commercially exploited by the Eastern Star Gas-Gastar partnership and is fuelling a 12-megawatt gas-fired power station at Narrabri.

The partnership believes a significant amount of this important gas field underlies the Pilliga. What did this Government do in 2005? It converted much of the Pilliga to community conservation area—a kind of Clayton's national park. And while much of the community conservation area is in zone 3—equivalent to a State conservation area—and permits gas and oil exploration, under the Petroleum (Onshore) Act 1991 the Minister for the Environment must give his or her concurrence to any approval by the Minister for Mineral Resources for exploration. One might say that this would be just a matter of rubber stamping, but I have my doubts—particularly given that the 17-page regulations are so onerous that no company has yet tested them.

In 2005 the Opposition attempted to amend the Brigalow and Nandewar Conservation Area to streamline the approval process for gas exploration in State conservation areas. This amendment was opposed by the Government and defeated. As a result a significant quantity of gas is probably locked away in the Brigalow, when accessing it could play a major part in reducing the State's greenhouse gas emissions in the future. Instead, Wood Mackenzie recommended a continued reliance on interstate transfers of gas, noting that additional pipeline capacity would be required—and hence the bill before Parliament today. It said that three new pipelines had been proposed: the Ballera to Moomba interconnect, for completion in 2009; the Queensland to Hunter pipeline for 2013; and the Wallumbilla, Queensland, to Bulla Park pipeline for 2014.

This bill may facilitate the construction of those pipelines but it does not deal with the central issue facing the New South Wales energy supply to date: the lack of domestic production of gas. This bill should provide incentives for the exploration and production of coal seam gas in this State. No amount of transference of powers from the Independent Pricing and Regulatory Tribunal to the Australian Energy Regulator will help if the gas is not there to be piped. It is good that a new access regime controlled by a single entity, which is not beholden to individual States, should be put in place. No-one can argue against that. The Australian Energy Regulator will arbitrate disputes over access to pipelines, which has to be a fairer system of dealing with those disputes. So I will not argue with the provisions of the bill. However, I want to see a more enthusiastic approach to developing our own gas reserves by this Government in the future that does not include investing a paltry \$30 million in exploration incentives.

Mr BARRY COLLIER (Miranda—Parliamentary Secretary) [4.38 p.m.]: I support the National Gas (New South Wales) Bill 2008 that will provide incentives for gas pipeline operators to invest in vital infrastructure in New South Wales. Encouraging new investment in gas infrastructure is particularly significant given the important role that natural gas is expected to play as we move to a carbon-constrained future and seek new investment in electricity generation to ease demand and supply constraints. The Owen inquiry into electricity supply in New South Wales found that additional baseload energy needs in New South Wales will likely be met by coal-fired and/or gas-fired generation. Gas-fired electricity generators will require large and reliable supplies of natural gas and, as such, there must be encouragement for pipeline operators to undertake efficient investment in the infrastructure needed to support this type of energy generation.

This bill provides that encouragement with a number of incentives that include, firstly, the continuation of the greenfields pipeline incentives added to the current gas access regime in 2006 whereby certain gas pipeline operators can seek an up-front ministerial decision on whether their pipelines will be unregulated or exempt from economic regulation for a period of 15 years. Secondly, there will be a new light-handed regulatory regime under which the National Competition Council decides the form of regulation to apply to a gas pipeline based on the level of market power possessed by that particular pipeline. Thirdly, economic efficiency will be promoted explicitly through the national gas objective and pricing principles replicating the electricity regime that will guide the Australian Energy Regulator when regulating revenue and prices of pipeline services and the Australian Energy Market Commission when making rule changes. Lastly, there are improvements to the rules around cost recovery for investment in expansions and extensions of gas infrastructure.

In response to an increase in electricity demand and higher wholesale electricity prices, three new gas-fired generation investments in New South Wales are currently underway: one at Tallawarra on the shore of Lake Illawarra, one at Uranquinty in the Riverina, and one at Colongra on the shore of Lake Munmorah. Due to its relatively low-carbon emissions, natural gas will continue to become an important source of fuel for electricity generation in New South Wales. This bill will help encourage pipeline operators to undertake efficient investment in vital gas infrastructure to support our future energy needs within a carbon-constrained environment. I take pleasure in commending the bill to the House.

Mr JOHN WILLIAMS (Murray-Darling) [4.41 p.m.]: The debate on the National Gas (New South Wales) Bill 2008 gives me an opportunity to highlight the fact that Deniliquin in my electorate is very frustrated by the lack of availability of natural gas. The national gas objective and pricing principles are about government embracing the rollout of natural gas as an alternative energy supply for communities in New South Wales. The Deniliquin community believes that progressing regional development by connecting a pipeline from the Victorian grid to the town presents a perfect opportunity to take advantage of changes in developing biofuels and ethanol fuel production. The Deniliquin area offers the opportunity of easy access to the materials required to develop alternative fuels. At present the Deniliquin community is frustrated by the lack of a gas pipeline, which is a big problem when promoting regional development through local industries. I support the bill and the fact that the Government has embraced the rollout of natural gas services. A pipeline from the Victorian network some 100 kilometres away could provide an alternative energy supply and meet the needs of Deniliquin.

Mr DAVID HARRIS (Wyang) [4.43 p.m.]: I support the National Gas (New South Wales) Bill 2008 that will allow for the implementation of a Natural Gas Services Bulletin Board, an initiative that is likely to have significant benefits for New South Wales. With input from the gas industry, the bulletin board has been developed to improve transparency and opportunities for trading in the gas market, as well as assist in responding to gas emergencies. The bulletin board will initially be a website on which gas market information relating to natural gas services and the supply and demand of natural gas and processable gas will be entered and made available to market participants, regulators, jurisdictions and, for some information, end users and the general public. The bulletin board is expected to be operational by July 2008 and will be a significant step forward in gas market reforms.

National gas law [NGL] provisions applied in New South Wales through this bill establish the bulletin board operator, define the scope of its functions and allow rules to be made supporting the bulletin board. The bulletin board operator will have power to collect information and protect information from improper use. The law provides civil immunity to the bulletin board operator for the performance of its functions and immunity to persons who provide information in accordance with the national gas law and rules made under that law other than through negligence or bad faith. National gas law provisions also protect information given to the bulletin board operator by restricting what its employees or contractors can do with the information and allow the bulletin board operator to collect fees to fund its operations. The bulletin board operator will initially be the Victorian Energy Networks Corporation but will be transferred to the Australian Energy Market Operator when that body is established.

Certain industry participants—that is, pipeline operators, producers, storage providers, gas retailers and shippers—will be required to provide information to the bulletin board operator. Users will then be able to have access to the online bulletin board, subject to any conditions set out in the national gas rules and the payment of a fee, if any. Other persons will also be able to access information on the bulletin board when required, including participating jurisdictions, the Australian Energy Regulator and the Australian Energy Market Commission as well as members of the National Gas Emergency Response Advisory Committee. Those

jurisdictions and bodies will be able to access confidential information where necessary. The bulletin board will compile information on gas plant ratings, capacity outlooks and actual flow data. The bulletin board will also contain an emergency page that will be used to help market participants and the National Gas Emergency Response Advisory Committee respond to gas emergencies.

New South Wales has strongly supported the introduction of the bulletin board from the outset. The gas market in 2008 is expected to be extremely tight, with two gas retailers recently gaining approval from the Independent Pricing and Regulatory Tribunal to increase gas prices for small customers. Having the bulletin board in place will enable information, such as production, storage, pipeline capacity, loss of reserve and supply offers, to be readily available to industry participants, and assist in delivering available gas supplies to New South Wales to meet peak demand. The establishment and operation of the new gas bulletin board will offer important benefits for New South Wales. It is an excellent use of the Internet, and, as a generation Xer—just—I commend the bill to the House.

Mr STEVE WHAN (Monaro—Parliamentary Secretary) [4.47 p.m.], in reply: I thank the member for Wagga Wagga, who indicated that the Opposition will support the National Gas (New South Wales) Bill 2008, and members representing the electorates of Castle Hill, Murray-Darling, Swansea, Miranda and Wyong for their contributions to the debate. I reiterate that the package to which this bill gives effect will improve the operation of the gas access regime nationally. It will also strengthen the quality, timeliness and national character of the governance and economic regulation of natural gas pipeline services, while increasing consistency between electricity and gas regulation and improving transparency.

Under the terms of the agreement, the national energy legislation operates under a national cooperative legislative scheme in which South Australia is the lead legislator. Other States, Territories and the Commonwealth apply the relevant schedules of the South Australian legislation as laws in their respective jurisdictions through application Acts. The bill will repeal the Gas Pipelines Access (New South Wales) Act 1998, the current New South Wales legislation that applies the National Gas Pipelines Access Law as a law in this State. The bill also confers functions and powers on State Ministers, including the New South Wales Minister for Energy, to do things where powers are conferred by the national gas legislation of other States or Territories.

The national regime exempts parties from the payment of stamp duty and other State taxes for transactions made to comply with requirements to ring fence or legally separate transmission or distribution functions of a business from any competitive upstream, production, and downstream retail functions it may undertake. I note the contribution of the member for Castle Hill. He spoke about the lack of gas resources in New South Wales as he saw it, or exploration. As the points he raised are not dealt with in the bill I will not respond in detail. I note also the contribution of the member for Murray-Darling. He highlighted a town that would like to have a natural gas supply—which, again, is not dealt with directly by the bill. The gas industry is of course run by the private sector and the bill provides for it to be very effectively regulated by government. I commend the bill to the House.

Question—That this bill be now agreed to in principle—put and resolved in the affirmative.

Motion agreed to.

Bill agreed to in principle.

Passing of the Bill

Bill declared passed and transmitted to the Legislative Council with a message seeking its concurrence in the bill.

BUDGET ESTIMATES AND RELATED PAPERS

Financial Year 2007-08

Debate resumed from 7 November 2007.

Mr JOHN AQUILINA (Riverstone—Leader of the House) [4.51 p.m.], in reply: I am sorely tempted to give a detailed response to everyone who has contributed to the debate. However, I merely acknowledge that

a number of members have taken the opportunity over a protracted period to give detailed contributions to the budget debate. Almost every member of the House has contributed in that way. I have much pleasure in commending the motion to the House and, thankfully, putting the budget to rest for this financial year.

Question—That the motion be agreed to—put and resolved in the affirmative.

Motion agreed to.

CLEAN COAL ADMINISTRATION BILL 2008

Agreement in Principle

Debate resumed from 11 April 2008.

Mr JOHN TURNER (Myall Lakes) [4.52 p.m.]: The Opposition will not oppose the Clean Coal Administration Bill 2008, but we do have some concerns about what has not been mentioned in the agreement in principle speech and also some contradictions that appear in the bill itself. In the Parliamentary Secretary's agreement in principle speech only four paragraphs of the 2¼-page speech actually referred to the bill. The remainder was chest beating about global warming, climate change and the Government's each-way bet in relation to seeking alternative energy sources while highlighting the economic need to continue to rely on coal.

It is not clear from the Parliamentary Secretary's speech just what is the commitment of the State Government to clean coal, whether it be through the Clean Coal Fund or the Clean Coal Council or just generally in relation to clean coal. The Parliamentary Secretary referred to the industry committing \$1 billion over 10 years through the COAL21 Fund. The industry certainly needs to be patted on the back and congratulated on this huge commitment. It is noted that \$400 million, I presume over 10 years, will be allocated from the COAL21 Fund to projects in New South Wales. I can only presume that the Clean Coal Council will administer those projects and that the \$400 million of industry money is in fact from the Clean Coal Fund.

If that is the case, instead of the Government patting itself on the back it should have patted the industry on the back. The Government should have at least acknowledged in the agreement in principle speech the coal industry's significant contribution. It appears that the Government is getting a free ride on the industry's back without acknowledging the real benefactors. Perhaps the Minister for Fair Trading, who is at the table, can clarify whether the Iemma Government is contributing to the fund and, if so, what amount New South Wales will pay and how far it will put its hands in its pockets to commit to clean coal, and through it lower carbon emissions, rather than simply repeating the rhetoric we heard in the agreement in principle speech.

I note that part 2, clause 4 of the bill provides for the establishment of a Clean Coal Fund in the Special Deposits Account to be administered by the Minister. Further, clause 7 states that payments of administrative expenses and other payments to be paid from the fund under the proposed Act or any other Act or law are payable by the fund but the payments must be approved by the Minister. Additionally, any money paid into the fund on the condition that it is to be used only for a specified purpose, including any proceeds of the investment of that money in the fund, is payable from the fund only for the specified purpose and a proportionate share of the administrative expenses payable from the fund.

I do not have a difficulty with the second part of clause 7: it is specific and is directed towards specified purposes. However, I do have difficulties with clause 4 and the first part of clause 7 when read in relation to the Clean Coal Council. It makes one wonder about the status of the council from the outset if the Minister's controlling hand is over the fund. I will come back to that point shortly. Part 3 of the bill provides for the establishment of the Clean Coal Council, with the council to consist of five members who are employed in, or by, a government agency, another five members nominated jointly by the Australian Coal Association and the Minerals Council to represent the New South Wales black coal industry, and any other suitable person that the Minister may appoint from time to time.

There we go again! We have the Minister's hand over the top of the Clean Coal Council as well as his hands on the Clean Coal Fund. I note also that, although the nominations from the Australian Coal Association and the Minerals Council are specific in relation to their representing the black coal industry, the five members from government agencies do not have a specific designation. I can presume only that they will have expertise in the black coal industry, but the bill is silent in that regard. I therefore require from the Minister for Fair Trading an absolute assurance that the Clean Coal Council and the fund will be able to operate independently of

the hand of the Minister. On the face of the bill, that is not so. As I mentioned earlier the fund will be administered by the Minister—and money in that fund will be paid by the industry—the payments from the fund will be made by the Minister, and the Minister will appoint the government agency members and other persons whom the Minister so determines from time to time. To me, that does not look like a transparent operation—but that is what one expects from this Government.

I note that COAL21 will fund the Clean Coal Fund and the Clean Coal Council—subject to anything the Minister can tell me about what the Government might contribute. If there were to be contributions by the State Government I would have thought they would have been highlighted in the agreement in principle speech. Therefore, I can surmise only that the industry will be picking up all the costs in relation to the provision of money for the fund and the Government will bask in the reflected glory of any progress made in clean coal technology and subsequent carbon emission reductions by the council.

I note that COAL21 is not an organisation but a partnership between the coal and the electrical industries, unions, Federal and State governments and the research community. However, as I said earlier, the industry is contributing all the money; the Lemna Government is contributing nothing. The objectives of COAL21 recognise the important role that coal plays in sustaining Australia's economic security and economic competitiveness and recognise also the need to reduce greenhouse gas emissions over time. Further objectives were adopted by the participants in 2003 and are intended to create a national plan to scope, develop, demonstrate and implement near zero emissions coal-based electricity generation that would achieve major reductions in greenhouse gas emissions over time while maintaining Australia's low-cost electricity advantage.

Deviating from that objective, I wonder whether we will have low-cost electricity advantages in New South Wales following the Premier's decision to ignore completely his party's rank-and-file members and the unions and proceed with the sale of the electricity industry. Those Australian Labor Party and union members, with their placards waving, know that electricity costs will increase because of the determination of the Premier and the pig-headed Treasurer to go against Labor's philosophies, views and directions and sell electricity. The Government is now taking money from COAL21 to develop clean coal technology, but it is almost certainly thwarting the first objective of COAL21, which is to maintain Australia's low-cost electricity advantage—or, in this case, that of New South Wales. Further objectives of COAL21 are to use the plan to inform governments and industry as an input to policy development, and to facilitate the demonstration, commercialisation and early uptake of technologies identified in the plan.

Other objectives are to promote relevant Australian research, development and demonstration, so that it can build upon and make a unique contribution to international research, development and demonstration in the area. Two further objectives are to foster greater public awareness of the role of coal and the potential for near zero emissions of coal-based electricity generations to significantly reduce or eliminate greenhouse gas emissions and other environmental impacts associated with its use, and to provide a mechanism for effective interaction and integration with other international zero coal emissions initiatives. These are worthy objectives. However, one wonders whether the Government is duplicating the process by creating the Clean Coal Council when clearly COAL21, through its objectives, is already perhaps doing what the Clean Coal Council is going to be legislated to do. The clarification of that aspect would also be appreciated in the reply.

Mr GERARD MARTIN (Bathurst) [5.01 p.m.]: I support the Clean Coal Administration Bill 2008. I represent an area where the outcome of these new and emerging technologies is pretty vital, with two major power stations and a swag of black coal mines. The people in my electorate are watching with interest what happens in the development of clean coal technology. The development of clean coal technology is vital for the future of New South Wales. For most of us, though, the world of clean coal technologies is a great unknown. We do not think about the industry and technology that delivers our electricity, we simply expect the lights to go on when we flick the switch. Whatever we think, these technologies will become a reality in New South Wales in the near future. The Clean Coal Administration Bill plays an important part in this. It establishes a way for the Government to bring the reality of clean coal technology closer by providing a fund for development, demonstration and commercialisation of clean coal technologies. Therefore, it is important to know what sort of technologies there are and how they operate.

Clean coal technologies are designed to reduce greenhouse gas emissions, such as carbon dioxide, when coal is burned to produce energy. Some of the technologies also aim to increase the amount of energy available from each tonne of coal, therefore reducing emissions and waste. Some of these technologies are already operating on a commercial scale. Others have been researched and shown to work in a laboratory. They are ready to advance to pilot stage. Others again have been successful at pilot stage and are ready to move on to

demonstration plants. When shown to be successful, they can be established on a commercial footing. The technologies are often categorised by when they happen in the process of making energy from coal. Some happen during the production of energy; others happen after the energy is produced. I will today highlight some examples of these technologies to show how advanced they are, and the work that still needs to be done on others.

The first technology I would like to consider is ultra-clean coal. This is particularly relevant to New South Wales with its abundant supply of thermal coal. The ultra-clean coal process produces a high purity coal that can be fired directly in gas turbines to generate electricity. This results in a considerably higher thermal efficiency than conventional coal-fired power stations. In electricity generation, thermal efficiency is a measure of how much useful energy can be extracted from coal. Every 1 per cent increase in thermal efficiency results in a 2 to 3 per cent decrease in greenhouse gas emissions. Ultra-clean coal has the potential to achieve efficiencies of 50 to 55 per cent compared to 33 to 37 per cent in existing coal power stations in New South Wales. Because less coal is used to generate the same amount of electricity, it results in a 25 per cent reduction in greenhouse gas emissions. At Cessnock, north of Sydney, a pilot project has already shown that the technical basis of ultra-clean coal is sound. Further, the ultra-clean coal being produced is within the required fuel specifications for gas turbine manufacturers. These are two significant steps on the road to commercialisation. The company developing this technology is seeking to achieve full commercialisation within nine years. The anticipated cost of this project is \$96 million.

The most widely used conventional method of burning coal for power generation is to mill the coal to powder and have it blown into a boiler with air. This provides the heat to produce superheated steam that drives the turbines producing electricity. This brings us to another technology, which has resulted from advances over the years to this conventional means of producing energy. New materials are being developed to improve the process. It is called ultra-supercritical operation and could lead to 55 per cent thermal efficiency, an increase of about 20 percentage points over conventional coal-fired power generation. They are significant advances.

Another technology is coal gasification. In this process coal is brought into contact with steam and oxygen. The resulting gas can be used to produce electricity. This technology is called IGCC or integrated coal gasification combined cycle. These power-generating systems are currently being developed and operated in Europe and the United States. They use less coal and produce much lower emissions of carbon dioxide than conventional power units. They are capable of reaching efficiencies of above 50 per cent and with further developments efficiencies of 60 per cent and above are being targeted. It is of particular interest that carbon dioxide emissions can be captured more easily from integrated coal gasification combined cycle plants than from conventional plants. Australia does not currently have any integrated coal gasification combined cycle plants; however, extensive research on suitable coals has taken place in recent years with work centred on an advanced facility in Queensland.

A further clean coal technology called oxyfuel is being developed at the Callide A power station in Queensland. It has the potential to produce near zero greenhouse gas emissions. It has one outstanding advantage: It has the potential to be installed in existing conventional power plants. Oxyfuel is burning pulverised coal in a mix of oxygen and recirculated waste gases. This creates a high concentration of carbon dioxide. The carbon dioxide is then captured for storage underground. The project has reached demonstration plant stage. It is due to commence operating in 2009 for five years. Funding is being provided by industry and the Queensland and Commonwealth Governments. In New South Wales a pilot project using different technology is due to start in the middle of this year. Rather than focusing on the burning of coal, this technology aims to capture greenhouse gas emissions after coal is burned. It uses ammonia absorption technology and can be fitted to existing or new power stations, making it very useful. The pilot is being run at the Munmorah power station on the central coast. It will be the first time that such technology will be seen in Australia.

Many have heard the name of the final technology being considered today: geosequestration. Developments in this area are being watched with interest because it is considered to be the technology with the greatest potential to deliver near zero greenhouse gas emissions. Geosequestration is the disposal of carbon dioxide into geological structures below 800 metres. As a process, it has four stages. These are the capture of the gases, their transport to the place of geosequestration, injection underground, and ongoing storage. There are already commercial geosequestration projects in operation internationally. For instance, at Sleipner, off the coast of Norway, one million tonnes of carbon dioxide has been securely stored annually for the past 10 years. The site has the capacity to store a further 10 million tonnes over the next 10 years.

The technology is established. Its application to storing greenhouse gases from electricity generation is currently being developed here in Australia. The Cooperative Research Centre for Greenhouse Gas

Technologies [C02CRC] is developing a demonstration geosequestration project in western Victoria. I note that the Chair of the Natural Resource Management (Climate Change) Committee is in the House and I think our Committee is going to visit that plant in the not too distant future. Compressed carbon dioxide will be transported to the site by pipeline and injected about two kilometres underground. The injection of up to 100,000 tonnes of carbon dioxide is due to start in the first half of 2008—in actual fact I believe it has started.

The Cooperative Research Centre for Greenhouse Gas Technologies collaborated with a number of research organisations, industry and government agencies to develop this exciting technology. In New South Wales potential geosequestration sites have been identified. These will be subject to further studies to ensure that they have all the characteristics necessary for secure and long-term storage. A pilot and demonstration plant will then be established for the geosequestration of the carbon dioxide. It is expected that this project will cost in the region of \$150 million. Geosequestration technology has great potential. It is particularly relevant to the stationary energy sector such as our New South Wales power stations.

As I have indicated, a number of clean coal technologies have the potential to reduce greenhouse gas emissions significantly and there are large costs involved in developing low-emission technology. It is therefore important to establish a mechanism like the Clean Coal Council. Earlier other Opposition members spoke about this body. The council will include representatives of the New South Wales Government and the coal industry. The expertise will enable the council to consider a range of technologies, such as those discussed today, and to set funding priorities. It is important to recognise that industry, which is a partner to this, supports the establishment of this organisation. I believe that the Clean Coal Administration Bill is a far-sighted piece of legislation and I commend it to the House. As I said at the outset, this legislation is particularly important for people in my electorate. Local community, industry and council will be watching with great interest the development of technology and the activities of the Clean Coal Council as we tackle the problem of ensuring our energy future.

Ms PRU GOWARD (Goulburn) [5.11 p.m.]: I wish to address some of the issues arising in the Clean Coal Administration Bill 2008. The first question that must be asked is: Why should we do this at all? The COAL21 Fund was set up to take \$400 million out of the coal sector over 10 years. At the same time the Federal Labor Government is in the throes of developing a national emissions trading scheme, which one might have thought would have sent the appropriate investment signal to the coal industry that would have made this unnecessary.

In addition, the fact that we now have to take additional funds from the coal sector suggests that the New South Wales greenhouse gas abatement scheme has not successfully driven a change in investment priorities for the coal industry and, as the result of the greenhouse gas abatement scheme, encouraged the development of clean coal technology. That is a lot of money to take out of this industry. If the Rudd Government stays true to its word it says that it will take \$20 billion a year out of the economy in two years time. Why would we want to have a double hit at an industry that has said that it will be struggling to meet the requirements of the national emissions trading scheme and the cost adjustments that we will all have to make? I think that question should have been asked before the Government proceeded to introduce the COAL21 Fund.

I find problematic the fact that the COAL21 Fund has on it representatives of the union movement. I would have thought that that would have been relevant when it came to questions of occupational health and safety and workers conditions, but I am struggling to see how they can contribute to research and science expertise when it comes to clean coal. I do not think anybody in this room, this Chamber, or this building would not welcome the idea of clean coal. We would all like to think that the technology is there that makes it possible for us to continue to be a coal-powered country, but without the consequences of greenhouse gases and climate change that traditionally have been associated with coal.

I do not believe that anybody in this Chamber would not welcome research initiatives, technological breakthroughs and the adoption of technologies that enhance the capacity of coal-fired power to be low-emissions power. I do not think we should be too optimistic about it. The parliamentary research paper, which I presume members have read in the last 24 hours, is a comprehensive and grim-eyed look at the future of clean coal. At the very best, for example, sequestration is able to deal with only 25 per cent of emissions. As previous speakers have already suggested, significant costs will be associated with sequestration and clean coal. We cannot burn carbon to produce energy without producing CO₂, the basic greenhouse gas emission.

Whilst clean coal can produce less dirty coal it cannot produce clean coal. As the member for Bathurst said, the only way to do that is to sequester it at phenomenal cost. There will be limits on the capacity of the

Australian economy and Australian geology to be able to do that. I hope that in time we are able to explore other sequestration technologies, such as the conversion of carbon dioxide to limestone, but that is presumably some way off. Other than that, I think the Opposition welcomes the encouragement of clean coal. As I said earlier, we would have expected that the national emissions trading scheme and the price signals it sent, and the greenhouse gas abatement scheme in New South Wales and the price signals it sent, would have been sufficient for industry to make some decisions about where it could best invest its research and development dollar.

As it is, council membership does not specify that the Minister for Climate Change and the Environment, or her representative, should be included on that committee, nor does it specify that the Department of Environment and Climate Change be included on that committee. I would have thought that that was a pretty basic requirement for something so closely associated with a reduction in greenhouse gas emissions. The third omission from that council membership is the omission of an independent scientific eye. I suspect it will be a great loss to that council that nobody on it will be a scientist who is properly able to reflect scientific concerns and knowledge, without either being a member of the Government or a member of a government department.

It seems instead that this council membership is entirely under the control of the Minister to spend \$400 million over 10 years. I am pleased to see that the sorts of accountability measures we have called for in other legislation have been introduced in this bill, but the fact remains that if we do not have independent scientific opinion or representatives from the Department of Environment and Climate Change and the Minister on that council the chances are that we will not have a variety and diversity of opinion, information and expertise going into council's decisions. I am sure that the Government will find as it continues along that that is a great shortcoming. As I said earlier, no-one on this side of Parliament would not welcome the development of clean coal initiatives. It is surprising that this Government trusts the coal industry so little that it is not prepared to allow market forces, in the form of a national emissions trading scheme and its own trading scheme, to work to their best effect.

Ms JODI McKAY (Newcastle) [5.18 p.m.]: I support the Clean Coal Administration Bill 2008. It is on the record that the New South Wales Government has supported the reduction of greenhouse gases for the last 11 years. This bill builds on this policy even more strongly. Further, when seen in the context of two very relevant recent inquiries, this legislation is timely and appropriate. The New South Wales Government established the Owen Inquiry into Electricity Supply in New South Wales. The Garnaut Climate Change Review was commissioned by Australia's State and Territory governments and recently the Commonwealth Government confirmed its participation in that review.

The Owen inquiry assessed a future baseload electricity generation requirement in New South Wales and the investment that might be required to ensure adequate baseload power in the future. The inquiry made what Owen described as a "risk averse estimate" and stated that there would be a need for more baseload plant in New South Wales by 2013-14. The inquiry also considered that work needs to start now to have the additional capacity in place. Further, the inquiry recognised the difficulties for existing electricity generation methods to meet the State and Commonwealth governments' targets of a 60 per cent reduction in greenhouse gas emissions by 2050. Owen considered that a rapid penetration of low carbon dioxide emission technologies would be needed to meet this target. He was concerned also that currently these technologies are neither technologically nor financially viable. This concern is being addressed by the bill.

At the same time, Owen believes renewable and low-emission target schemes will help to accelerate the use of technologies to meet long-term emission reduction goals, and will also play an important part in the technologies that are introduced. New South Wales needs to make every effort to develop a range of new and emerging clean coal technologies as soon as possible. These technologies then can be considered for commercial scale application in New South Wales conditions. The provisions of the bill will play an important part in developing such technologies. These technologies are of particular importance in the Hunter region. Our region is built literally as well as figuratively on coal. In fact, coal exports annually are worth around \$5 billion, and rising, to the Hunter region. We have around 15,000 people indirectly employed in the coal industry.

The Hunter region has been leading the way in energy research and clean coal technology. We have the CSIRO energy research facility and the university's priority research centre for energy, which is looking at renewable energy, transportation fuels and energy conversion, energy and the environment, and, of course, clean coal. The Hunter region has seen also a number of initiatives including the Government's pilot project, which was initially to capture greenhouse gases from the Munmorah power station on the Central Coast. We have seen a significant effort on these technologies in the Hunter region, and that is why I am very supportive of this bill.

The Garnaut Climate Change Review has a wider perspective than the Owen inquiry, and it also had a different focus. The review examines the impact of climate change on the Australian economy. Among other things, it is considering climate change mitigation policies. Professor Garnaut released his interim report on 21 February and his Emissions Trading Scheme Discussion Paper on 20 March 2008. In both papers Professor Garnaut acknowledges that carbon capture and storage will play a significant role in greenhouse gas reduction strategies. When completed, the review will make recommendations on medium- to long-term policies, and these policies will aim to improve the prospects for sustainable prosperity in Australia.

Professor Garnaut has released also several issues papers for public comment. One paper, "Research and Development—Low Emissions Energy Technologies", is of particular relevance in light of the Clean Coal Administration Bill. It is well worth looking at more closely. Significantly, Garnaut expects the stationary energy sector to provide the greatest and earliest reductions in emissions through technological transition. Further, low-emission technology is considered to be central to the successful mitigation of emissions. He thinks also that an emissions trading scheme will encourage some research and development activity in lower emissions technology. However, he does not think that just establishing an emissions trading scheme will generate optimal levels of investment in technological change.

He considers it important to create a long-term stable and consistent strategic framework to promote the transition to a low-carbon economy. Policy measures should then join up across the stages of the innovation chain. This means that a successfully performing technology can progress smoothly towards commercialisation. Garnaut suggests also that there is value in creating and keeping open technological options. At the same time, policy to encourage the development of a range of technologies may still require government to select what he calls a range of winning technologies. Garnaut considers that an important element in making decisions on the allocation of public funding for research and development is that institutional arrangements for allocating funding should apply appropriate expertise in a disciplined manner. These principles are clear in this proposed legislation. The approach that Garnaut favours for the development of clean coal technologies is very similar to that of the New South Wales Government under the Clean Coal Administration Bill.

This bill provides for a council made up of government and industry representatives, with the Minister having a capacity to co-opt additional members to provide expertise. This membership constituency will take advantage of industry expertise that has been developed already in this area. At the same time, Garnaut is aware that technological innovation often struggles to attract private capital. This is because the risks are larger and less easily understood than the risks of other available investments. In the language of economists, the market may fail to allocate the optimal level of research and development expenditure. What this Government is doing is important: it is taking steps to ensure that the situation in New South Wales will be different from that. A government fund, in partnership with industry's contribution from its dedicated funding for clean coal technology research, will make the difference. Other members have spoken about that.

This State will be able to overcome the potential difficulties in funding and development of new technologies put forward by Garnaut. This means that New South Wales is providing a sound way forward to meet the critical challenge of developing clean coal technology. From the perspective of the Hunter region, the importance of clean coal technology to our economy, and the development of technologies through research and innovation by the CSIRO and the University of Newcastle, this is an important bill. It is a way forward that provides the best opportunity to develop the best results for this State and its economic and environmental sustainability. I commend the bill to the House.

Mr ROB STOKES (Pittwater) [5.26 p.m.]: The Clean Coal Administration Bill establishes a clean coal fund to provide finance to support so-called clean coal technologies, and constitutes a Clean Coal Council to provide advice and to make recommendations on clean coal technologies. The Coalition does not oppose the bill. So-called clean coal technologies are widely, although by no means universally, recognised as an important way to manage and mitigate coal-related greenhouse gas emissions. The issue of anthropogenic greenhouse gases is perhaps one of the central challenges confronting all governments this century. The Fourth Assessment Report of the Intergovernmental Panel on Climate Change [IPCC], released last year, provides clear and compelling evidence that climate is influenced by human activity, that significant rises in global temperatures can be expected over the coming century, that temperature rises of more than two degrees can devastate the natural systems on which our way of life is predicated, and that substantial reduction in carbon emissions is required to stabilise climate systems.

As the community I represent could be severely compromised by climate change, I have a particular interest in any debate on any issue relating to carbon emissions. Pittwater is surrounded by water on three sides

and the Fourth Assessment Report of the IPCC estimates that sea levels will rise by between 18 centimetres and 59 centimetres by 2100. This projection fails to incorporate the impacts of any positive feedback processes initiated by global temperature increases. I have no desire to represent a rotten borough. So while I do not oppose any legislation that may assist in mitigating greenhouse gas emissions, I am not convinced that so-called clean coal technologies provide a complete answer to our present crisis.

Clause 3 of the bill provides that clean coal technologies means technologies for facilitating reduction of greenhouse gas emissions from the use of coal. That very broad definition includes readily available technology that can make a real difference to old and dirty coal-fired power plants by making more efficient use of coal burned in electricity generation. This includes the development of more thermally efficient power stations and the installation of advanced scrubbers and other new pollution control devices at existing facilities.

However, it also refers to innovative untested technologies, which may or may not be successful in sequestering carbon dioxide from coal over the longer term. While I am very supportive of the application of the former technologies, I have real concerns about the value and efficacy of investing large sums in the development of utopian solutions, such as carbon capture and storage, which will not come into effect for many years—and certainly beyond the date past which current science tells us no action we can take will prevent uncontrollable temperature increases. As Stephanie Baldwin noted in the Parliamentary Library's research paper on carbon capture and storage that was released just yesterday, carbon capture and storage is an immature and unproven technology that is unlikely to be operational on a commercial scale in Australia for a decade or more, and there are serious limitations to the extent to which it can realistically reduce emissions in Australia.

Nonetheless, the bill will provide a boost for so-called clean coal projects, the bulk of which, it must be pointed out, are occurring in other States, not currently in New South Wales. The bill highlights some general concerns I have relating to carbon capture and storage projects and principles. The first concern relates to legal rights to access geological formations, particularly ocean subsurfaces in which carbon is proposed to be stored, according to many of the proposals. Clearly, sequestering carbon dioxide can proceed in the seabed located under territorial seas, and even within the exclusive economic zone. However, it must be remembered that Australia and Australian governments are bound, under the United Nations Convention on the Law of the Sea, to ensure that activities within their jurisdiction or control are so conducted as to not cause damage by pollution to other States and their environment.

The United Nations Convention on the Law of the Sea was further detailed and enhanced by the London Convention and now by the London Protocol and they aim at controlling pollution of the marine environment at an international level. The London Protocol in particular raises some interesting issues relating to the sequestration of carbon dioxide as a form of industrial waste. The definition of "dumping" had to be amended by the insertion of annexure 1 to import contemplation of carbon capture and storage projects without contravening the objectives of the London Protocol. I note that the London Protocol adopts and enshrines the precautionary principle, which sits awkwardly with projects for the long-term storage of carbon when we do not know the impact that that may have on the environment in the longer term.

Even the limited experience associated with the London Protocol points to the types of issues that the practice of carbon capture and storage is likely to face before it can be properly tested in New South Wales. Other concerns I have relate to the need to regulate the processes of capturing, transporting and storing carbon dioxide. Currently those processes fall within dangerous goods regulations, planning and environmental laws. However, as Nicola Durrant noted in her excellent article on this subject, "Emissions trading, offsets and other mitigation options for the Australian coal industry" in the *Environment, Planning and Law Journal*—a reference I have quoted properly because I know that is important to academics—those technologies will inevitably require the passage of new legislation to address the potential risks and liabilities of carbon capture and storage projects.

Ms Durrant notes that some jurisdictions in Australia have taken steps to introduce legislation that contemplates the establishment of carbon sequestration projects. For example, she cites legislation such as amendments to the Victorian Petroleum Act 1998, the South Australian Petroleum Act 2000, the Queensland Petroleum and Gas (Production and Safety) Act 2004 and the Western Australian Petroleum Pipelines Act 1969. She also specifically mentioned the Carbon Dioxide Capture and Geological Storage Regulation, which relates to the Gorgon gas project in Western Australia. But Ms Durrant makes no mention of any legislative preparations for carbon capture and storage projects in New South Wales. I believe the Government must

address that matter. Another concern with carbon capture and storage technologies is the liability associated with the storage of carbon dioxide. I cannot put the position better than does Nicola Durrant in her article. She states:

CCS activities encompass long timeframes for storage, and potentially indefinite storage, of gases. This gives rise to the need for stringent, regular and ongoing monitoring programs to minimise the risk of leakage of these substances from the storage site. Such programs should be mandatory and compliance with these monitoring obligations must be strictly enforced by the relevant authority. Given that these storage sites could be operative for thousands of years, it is arguable that rights and liabilities in the management of the stored carbon dioxide should be assigned to government entities which would legally exist in the longer term. This could be done in the form of bonds or guarantees to the State to protect it against any costs and liabilities incurred from management of the project.

Those are the types of matters to which I believe the Government needs to direct its attention. The long-term storage associated with carbon capture highlights a troubling ethical issue that relates to the inequity of leaving our mess for future generations to deal with. Carbon capture and storage projects directly offend the principle of intergenerational equity that has been enshrined in New South Wales law since the Greiner Government passed the Protection of the Environment Administration Act in 1991.

Although the bill does not involve any cost to the New South Wales taxpayer and no New South Wales Government funds are being directed to the fund established under this bill, I take issue with the title of the bill. I have been careful in my comments to refer to clean coal, or so-called clean coal, because the reality is that coal is not clean. That point was made very clearly by Dr Tim Flannery when he commented that there is no such thing as clean coal. Inherently, coal is a dirty substance. There is nothing wrong with admitting that. Perhaps the title of the bill should at least be the "Potentially Less Damaging Coal Administration Bill" because, in effect, that is what we are debating. Admittedly, my suggested title does not have the same alliterative ring to it as has the current title, but I believe it is more descriptive.

Public funds should be directed to developing renewable technologies and to programs that address the escalating demand for coal-generated electricity. This is where the main focus of government should be directed. I draw the attention of members opposite to an excellent program in my electorate. Pittwater High School, under the leadership of the school's principal, Ross Cusworth, has developed a solar power project on the rooftops of Pittwater High School that already is meeting with considerable success. More than 70 photovoltaic cells have been installed on the rooftop, and the school's goal is to have up to 1,000 of them. This is the type of innovative project that should be supported. We should also take into account the demand equation. Initiatives such as smart meters are a good way of encouraging people to concentrate on mitigating energy consumption. At best, clean coal is a very small part of a solution to carbon emission control. While I do not oppose the bill, I very much doubt whether the Government's programs and funds will rescue us from our current crisis.

Mr FRANK TERENCEZINI (Maitland) [5.37 p.m.]: I support the Clean Coal Administration Bill. The New South Wales Government proactively has supported measures to reduce greenhouse gas emissions for more than 11 years. Several of its actions to reduce emissions have been world firsts. New South Wales therefore rightly can be called a world and national leader on combating climate change. As we introduce another significant measure, the Clean Coal Administration Bill, the existing measures should be acknowledged. The Carr Government established the Greenhouse Gas Abatement Scheme in 1997 that in 2003 became the world's first mandatory emission trading scheme. The scheme aims to reduce greenhouse gas emissions associated with the production and use of electricity. Under the scheme, electricity retailers must meet mandatory annual greenhouse emission reduction targets. Since 2003 that has led to savings of approximately 16 million tonnes in greenhouse gas emission. By 2012 greenhouse gas savings will be approximately 120 million tonnes.

A second world-leading action by the New South Wales Government began in 1998—the introduction of the world's first carbon rights legislation. The legislation recognised carbon sequestration in forests, and allowed the separate ownership, sale and management of those carbon rights. In 1999 the New South Wales Government initiated the Building Greenhouse Rating Scheme that became an Australia-wide voluntary rating scheme. It enables commercial building owners and tenants across Australia to benchmark and improve their building's greenhouse performance. The New South Wales Native Vegetation Act was passed in 2003 and provides for the management of native vegetation across the State. It does that by prohibiting broad-scale land clearing. It is well known that land clearing contributes significantly to greenhouse gas emissions. That Act led to both a reduction in land clearing rates and to an increase in vegetation restoration activities. These actions by the Government have been important in reducing greenhouse gas emissions. But the Government's actions have not stopped there.

In 2004 New South Wales introduced the building sustainability index, known as BASIX. Its aim was to improve energy and water efficiency in the design of new homes. The first stage of the scheme required all new single dwellings in metropolitan areas to reduce energy consumption by 25 per cent and water consumption by 40 per cent. The scheme was amended in 2005 to require BASIX certificates to be lodged with development applications. In the same year BASIX was extended to apply to new multiunit developments throughout New South Wales. BASIX now requires that new homes reduce the use of potable water by up to 40 per cent and greenhouse gas emissions by up to 40 per cent when compared with the average home. The BASIX program clearly builds in significant savings in energy usage as well as water savings in housing development. This makes substantial contributions to greenhouse savings.

Another important event took place in 2005, with the New South Wales Government releasing the Greenhouse Plan. The plan recognises that immediate and sustainable action to limit greenhouse gas emissions is necessary. It therefore outlines new and ongoing strategic action to limit greenhouse gas emissions in New South Wales. Under the Greenhouse Plan, New South Wales was the first jurisdiction in Australia to commit to a target for a reduction in greenhouse gases. This target is to cut greenhouse gas emissions by 60 per cent by 2050 and to return to 2000 levels by 2025. The roll call of greenhouse reduction initiatives continues. Late in 2006 the Government set mandatory targets for renewable energy that will increase over time. The increased use of renewable energy will directly help to reduce greenhouse gas emissions.

In 2007 the Government announced a \$200 million clean energy fund to support new energy-savings measures. From this fund \$100 million will go directly into the clean coal fund to be established by the bill currently before the House. The fund will contribute substantially to the development and commercialisation of clean coal technologies. The Clean Coal Administration Bill is the most recent action by the Government to contribute to greenhouse gas reduction. It is a most significant action. As I said, the bill will establish a clean coal fund, and it will establish a clean coal council to provide advice to the Minister about priorities for the funding of clean coal technologies. The impact of this bill will be far reaching as it will ultimately lead to significant reductions in greenhouse gas emissions from the stationary energy production sector. I have outlined many of the Government's initiatives in reducing greenhouse gas emissions. The bill, however, provides for one of the most important commitments the Government has made in its efforts to reduce greenhouse gas emissions. For all those reasons I commend the bill to the House.

Mr ANDREW FRASER (Coffs Harbour—Deputy Leader of The Nationals) [5.42 p.m.]: The Opposition will not oppose the Clean Coal Administration Bill. However, in supporting the bill, I shall give a brief history lesson with regard to carbon and the job it does in our society. In this Chamber the table, the Speaker's chair and the pedestal in front of it are actively stored carbon. This bill talks about clean coal or cleaning carbon emissions from coal and, as illustrated by the member for Bathurst, geosequestration techniques. I think we need to be a little smarter than that. If we are to present legislation and accept the global warming argument and carbon's contribution to it, we need to return the carbon back not to geosequestration but to our soil and trees. We need to proactively reduce carbon from the atmosphere by storing it in a way that we can utilise the product of that carbon.

If we have a policy of drawing carbon from the atmosphere and putting it into soil, forests and farm produce, we will be storing carbon for a useful purpose. If we wash coal, as it is termed in the bill, and store the carbon by geosequestration we are potentially creating a problem for future generations. We have no guarantees that the carbon that is geosequestered will remain there forever and a day. So to some extent I do not think the Government is approaching this in the right manner. It should probably be using the money that it will get from this fund for research for other forms of carbon sequestration, not simply for capping emissions. By capping emissions, we are not solving the problem. We need to have a proactive carbon policy.

One policy the Government could adopt—it is out there; we took the policy to the last State election—is a soil carbon policy. I have said this previously, and I say it again: I urge Government members and Ministers to read Peter Andrews' book. While I have issues with some of his statements, I think generally the book is well researched and researched on the basis of practicalities. Increasing the carbon content of soil will increase the ability of that soil to produce crops, rather than using chemical fertiliser. If we increase the ability of soil to hold water, that is a much better way of doing good things for the environment; then we can look at returning the soil to what it was like probably before white settlement and to some extent before Aborigines settled in Australia, when carbon levels in soil were much higher.

I would like the fund to be used to investigate the proper establishment of a soil carbon market. We need to look at a way of measuring soil carbon to ensure that once a soil carbon market is established—soil

carbon can be measured by crop production, which is one proposal put forward by some industry bodies—there is a scale of payments to farmers who increase crop production. Indeed, many regional and rural economies could be reinvigorated as a result. These days, farmers in the Western Division are struggling to make a bob. Increased carbon and humus levels in soil—about 75 per cent to 80 per cent of humus in soil is carbon—mean that the soil will hold water, which will regenerate the soil into productive soil. Not only will farmers have greater production from the land but their ability to sell the carbon they have sequestered in the soil through natural processes in the market will encourage more employment and more investment back into regional communities.

So it is a win-win: production is increased and farms have increased incomes. So rather than farmers walking off the land, they will be employing more people. And rather than building Western Sydney into a concrete jungle, which is carbon negative, the people of Western Sydney could move to regional New South Wales, and indeed regional Australia, and establish themselves because the economies will be strong enough to hold them there. Obviously, taking the pressure off Western Sydney would boost regional economies. The Parliamentary Secretary, in his agreement in principle speech, said:

The bill establishes a fund for research into, and development of, clean coal technologies, including demonstration projects.

I commend that. However, what worries me is this statement:

The fund will also be able to be used to increase public awareness of clean coal technologies and for the commercialisation of clean coal technologies.

I can envisage at the next State election a large advertising campaign by the council formulated under this bill telling everyone in New South Wales what a great job the Iemma Government has done in looking at clean coal technologies. The legislation does not provide any guarantees. There is no statement as to how much the Government will contribute to the fund. All we get is a bland contribution that the Iemma Government will contribute substantially to the fund. How? I note that the bill refers to a Treasurer's Advance, but at what level will that be? From what I can see, the coal industry will be contributing \$1 billion, but the legislation provides that the Minister will say how the money is spent.

Also anyone who voluntarily commits to the fund, such as New South Wales Mineral Council members, may dictate to the council how that money will be spent and how the interest on that money will be spent. The Minister will be so obliged. I am not so naïve to believe that there will not be ongoing discussions with the Minister and the people in the coal industry. They will say, "I will forgive you some emissions here if you direct money into these fields." I think it is far too autocratic and this legislation gives far too much power to the Minister in a discretionary sense in relation to how that money will be spent.

I have travelled around New South Wales and looked at carbon sequestration techniques being practised by farmers. For example, Hamish Mackay from Bellingen, an organic farmer, has developed techniques to increase the soil carbon content on farms across New South Wales and has proactively shown the benefits of it. Cam McKellar from Spring Ridge in the Western Districts has been a carbon farmer for five years and has improved his farm in a different way. He has ignored the advertising blurb we have had for generations from chemical companies that sell fertilisers and has regenerated his soils by putting in more humus and building up its carbon levels. As a consequence, the soil stores more water, it has more microbiological activity and earthworms have come back to it. No-till farming techniques used by him and others work.

I would have thought that would have been more incentive for the Government to turn some of this money not into geosequestration techniques but into farming techniques that actively reduce carbon from the atmosphere. In a productivity sense it is far better for the farming sector to be encouraged rather than to clean the coal in the first place—I am not saying do not do that, but it is preferable for carbon to be drawn out of the atmosphere and put back into food. Humans are made up of carbon and if we do not have carbon we do not get food, grass or trees. At the end of the day, the more carbon that can be sequestered into crops, other vegetable matter or timber, the better it is for the environment and across the board.

Recently I visited Robert Quirk's farm in the Tweed, where no-till techniques are practised. His farm, relative to others, was basically untouched by the recent floods in the Tweed because he had rebuilt the structure of his soil; he had stored carbon in his soil by way of humus. When the flood went across his land it did not gouge out the soil; it stayed almost untouched. It was incredible to see. Robert Quirk has not been approached by an Australian government of any political colour to educate farmers on his techniques and to talk about the great results he is achieving. Robert Quirk has been invited to world councils to talk about the carbon sequestration that sugarcane provides in a unique way. He believes that carbon can be stored in granules for up to 500 years, yet the Government has not approached him.

The Opposition does not oppose this legislation. However, instead of using it as an opportunity to spend money on advertising in the future to say what a good job it is doing, the Government should be far more proactive and look at the policy that the Coalition took to the last election. Our policy referred to carbon sequestration in soil and giving people the opportunity to invest in it. I conclude by quoting correspondence from the New South Wales Minerals Council Limited to the shadow Minister, which states:

The Australian coal industry is the only industry in the world to voluntarily levy itself to fund research, development and demonstration of low emission coal technologies. The industry will contribute \$1 billion over the next decade to the COAL21 Fund. The NSWMC welcomes the establishment of the Clean Coal Fund and urges the Government to contribute substantially and promptly to the Fund. This will enable the Clean Coal Council to begin its crucial work of progressing the development and deployment of low emission coal technologies in NSW.

That is what it is all about. It is not about removing all the carbon, but about using low-emission coal technologies and utilising the carbon that is being emitted in a proactive way in agriculture and supporting farmers instead of belting them up. Today I read an article that said that farming produces 16 per cent of carbon emissions. It does not tell us how much carbon farming draws out of the atmosphere. Cattle produce methane gas and all the other nasties, but the dung is carbon that fertilises the soil and increases the quality of the soil. Dung stores carbon within the soil. Rather than gloss over the surface and look at things such as geosequestration, we should look at a far broader range of sequestration of carbon from seaweeds to soils to ensure that we leave this place better than what it has been and debunk some of the myths spread in the past by chemical companies that sell fertiliser. We should return to old-fashioned farming that requires soils to be mulched, increase production and reduce carbon emissions into the atmosphere.

Mrs KARYN PALUZZANO (Penrith) [5.56 p.m.]: I support the Clean Coal Administration Bill 2008. The object of the bill is to establish a Clean Coal Fund and the Clean Coal Council. The fund will provide for research into, and demonstration of, clean coal technologies in New South Wales. The Government will contribute significant amounts towards the development of these technologies. The bill also provides for voluntary contributions. This will allow for contributions from sources such as the Commonwealth Government and the private sector. It also takes into account the commitment to funding clean coal technology by the coalmining and electricity generation industries.

The Clean Coal Council will have 10 representatives. Five representatives will come from government agencies and five will be jointly nominated by the Australian Coal Association and the New South Wales Minerals Council. The responsible Minister may also appoint additional members to the council who have appropriate qualifications or experience. The bill ensures that the council is made up of people with a good understanding of the challenges facing New South Wales in developing clean coal technologies. At the same time, the industry nominations recognise the financial contribution that industry is prepared to make towards developing clean coal technologies.

The bill also makes clear the functions of the council. First, the council can make recommendations to the Minister about activities and projects suitable for funding. The council can also provide advice to the Minister on policies to encourage the development and implementation of clean coal technologies. As well, it can provide advice on opportunities for collaboration on interstate, national or international projects. Another council role will be to establish committees, where appropriate, specifically to help the council in the exercise of its functions. Such committees could be set up, for example, to provide specific technical advice to the council. Given the technical nature of the work the council will fund, committees will assist the council to do its work effectively.

The bill defines "clean coal technologies" as technologies for facilitating the reduction of greenhouse gas emissions from the use of coal. "Clean coal technologies" cover a range of emerging technologies that are proposed for the pre-combustion, combustion and/or post-combustion stages of energy generation. I note that the member for Bathurst outlined those clean coal technologies. Significant reductions in greenhouse emissions from coal combustion, through the successful implementation of clean coal technologies, are both exciting and vital for New South Wales. Clean coal technologies will enable more efficient combustion of coal, resulting in fewer emissions. They can also provide for the capture and storage of carbon dioxide produced by burning coal, which may lead to zero emissions.

The technology for carbon capture and underground storage has already been developed as a means of improving the extraction of oil and gas. As a result, there is a good understanding of how stored carbon dioxide behaves in the underground reservoirs, or geological formations, where it can be stored. However, the challenges posed in the development of these technologies are still significant. For instance, the technology

combining the capture and storage of waste gases outside the oil and gas industries is now being established. The Cooperative Research Centre for Greenhouse Gas Technologies, known as CO2CRC, has just launched the first Australian demonstration plant for this technology in the Otway Basin in Victoria.

I note that on the day the plant was launched the Minerals Council of New South Wales held a joint function at the Mitchell Library, which is next to Parliament House, at which a representative from CO2CRC outlined the project and the benefits of the research to the research community and those interested in clean coal technology. Importantly, CO2CRC is a collaborative research organisation that focuses on carbon dioxide capture and geological sequestration. In the Otway Basin, the CO2CRC carbon capture and storage project includes four stages. The first two stages are the capture and compression of the carbon dioxide. The third stage is the transport of the compressed carbon dioxide by pipe over two to three kilometres. The fourth is its sequestration in a depleted natural gas reservoir two kilometres below the Earth's surface. It is planned to sequester 100,000 tonnes of carbon dioxide during the demonstration project.

The New South Wales Department of Primary Industries is a core government participant in CO2CRC. The University of New South Wales and a number of coalmining companies are also participants. Currently CO2CRC is undertaking a research project in New South Wales to identify suitable storage sites for carbon dioxide. This is a key challenge for the capture and storage of carbon dioxide in this State. In States that have well-developed oil and gas industries this information is more readily available. It has been developed from an understanding of the geology gained from extensive exploration for oil and gas.

The CO2CRC research into suitable storage sites for carbon dioxide storage in New South Wales focuses on coal seams in the Sydney and Gunnedah basins. Coal seam storage is being considered because close technical and economic relationships exist between methane gas field development and operations on one hand, and carbon dioxide storage on the other. However, there is still much research to be done on coal seam storage of carbon dioxide. One advantage of identifying suitable storage sites in the Sydney Basin and Gunnedah Basin areas is that they would be relatively close to major power stations. This would make it easier to transport captured carbon dioxide to the sites.

The work on carbon capture and storage is one technology. Significant advances are being made in the research and demonstration of other clean coal technologies across Australia and internationally. The Government has outlined some of those during debate on this bill. For New South Wales, it is vital to continue supporting research into the development of clean coal technologies—for the economic, social and environmental benefit of our future generations. The bill is an important step towards ensuring research support for New South Wales. I commend the bill to the House.

Mr MICHAEL RICHARDSON (Castle Hill) [6.02 p.m.]: The Clean Coal Administration Bill 2008 establishes a Clean Coal Fund as well as a Clean Coal Council to advise the Minister for Mineral Resources on the expenditure of moneys from that fund. The Parliamentary Secretary, the member for Miranda, in his agreement in principle speech did not say how much money would be put into the fund—the Premier hinted at \$100 million, but that is a drop in the ocean compared with what is needed. The industry has committed \$400 million over 10 years to projects in New South Wales through COAL21. It is rare for an industry to be so altruistic: it has committed to spend \$400 million out of \$1 billion across Australia. COAL21 started in 2003, so why has it taken the Carr and Iemma governments five years to get on board? It was always the case that coal would be a major source of baseload electricity for New South Wales for decades to come.

Carbon capture and storage offers a way of reducing emissions not just from new plants but, equally importantly, from existing power stations. Of course, the Government could have done a great deal more to reduce our carbon footprint by investing in renewables over the past 13 years. I do not want to hear any more about the wonders of the New South Wales Greenhouse Gas Abatement Scheme, now known as GGAS and previously known as NGAS. GGAS is an abject failure, with about three-quarters of the projects funded being pre-existing according to the University of New South Wales Centre for Energy and Environmental Markets. I am sick and tired of hearing the Premier and Ministers telling us how wonderful the scheme is—it is comparable to the Deputy Premier boasting about the public transport system when everyone knows it is of Third World standard. The Parliamentary Secretary Assisting the Premier on Community and Veterans Affairs, who is at the table, will know what I am talking about, particularly in relation to the Carlingford line.

On 8 April 2008 the Minister for Climate Change and the Environment said that GGAS has cut emissions by more than 60 million tonnes. Knock 45 million tonnes off that and it might be getting closer to the mark. However, the Minister was so earnest about what she was saying I came to the conclusion that she

actually believed it. What she did not say was that GGAS is costing electricity consumers about \$300 million a year. There should be a great deal more in the way of greenhouse gas abatement for \$300 million than this scheme is providing. One of the great problems with the scheme is that 40 per cent of the registered certificates are from outside New South Wales. Therefore, greenhouse gases are not cut at the source in this State. Obviously all States produce greenhouse gas emissions; we are all part of the problem and we all need to be part of the solution.

The member for Miranda mentioned the Government's renewable energy target of 10 per cent by 2010 and 15 per cent by 2020. He failed to mention that that energy can be generated anywhere in the national electricity market. The Liberal-Nationals Coalition, on other hand, took to the last election a policy of generating a 15 per cent renewable energy target by 2020 in New South Wales. The member for Miranda also mentioned the Rudd Government's target of 20 per cent renewable energy by 2020. That will have to be generated in New South Wales as Victoria, South Australia and Queensland will be flat out meeting their own 20 per cent targets. So there is nowhere for the Government to run, nowhere to hide. The Coalition's policy would have been infinitely superior from an environmental standpoint and would have dovetailed much better with Federal policy.

Our climate change policy also included significant investment in clean coal technology, in particular in proving up the reservoirs that will be needed to store carbon dioxide. The best prospect is the Sydney Basin, and the Government should have been concentrating on that. However, the Government is also looking at a number of other areas, including the Darling Basin. It is hard to imagine how emissions from power stations in the Hunter Valley could be pumped economically to Wilcannia or Cobar. It is already expensive enough to capture greenhouse gases—by how much would that increase the cost of electricity? The \$28 a year additional pensioner rebate that the Premier announced recently will be a drop in the ocean compared with what is needed.

The member for Penrith was correct in saying that the Government should be looking much more closely at the Sydney Basin and the Gunnedah Basin than the Darling Basin. Money spent on transporting greenhouse gases to areas such as the Darling Basin would be better spent on improving combustion efficiency—an issue that other members have discussed during this debate. The Government is investing in carbon capture at Munmorah, the State's least efficient power station, using ammonia absorption technology. That is a good thing—we must capture emissions from existing power stations to make a difference. The CSIRO has invested a great deal of time and effort in that proposal. However, the Munmorah project is a pilot plant with a cost of \$5 million, and the demonstration phase is estimated to cost \$150 million.

Currently that project is being funded entirely by the New South Wales Government and industry, not by the Federal Government. Currently five projects are being funded by the Federal Government's Low Emissions Technology Development Fund—but none of them is in New South Wales. We have missed out again because of this Government's neglect. There is no doubt that carbon capture storage is needed. On 14 April 2008 the Climate Group released a report showing that New South Wales greenhouse gas emissions for the first three months of 2008 were 8 per cent up on the figures for last year. The Government prides itself—indeed, it praises itself although self-praise is no praise at all—on what it is doing to reduce greenhouse gas emissions but the reality is that so far this year greenhouse gas emissions in this State were 8 per cent higher than last year. The target is a 50 per cent to 60 per cent reduction by 2050 in 1990 levels. So that 8 per cent increase is 8 per cent that New South Wales will have to cut just to get back to 2007 levels.

Coal-fired power stations produce almost 40 per cent of New South Wales greenhouse gas emissions. Greenhouse gas emissions from power generation are up almost 40 per cent since Labor was first elected in 1995. The Government also wants to build a new baseload power station. There are only two technologies that it is considering—coal and natural gas—and both create large quantities of greenhouse gas emissions. One of the great fallacies in the whole climate change debate is that natural gas is a clean fuel. It is cleaner than coal but it is not a clean fuel; it is still a fossil fuel and large quantities of carbon dioxide equivalent are created when it is burned. Stephanie Baldwin in her briefing paper "Carbon Capture and Storage" says:

Research suggests that Australia can realistically store a maximum of 25% of our total annual net emissions through geological storage of CO₂ (geosequestration). CCS should therefore be considered as a promising but still somewhat unproven option. However, it is likely to come at a significant cost, and is unlikely to make a meaningful contribution for well over a decade. No single technology provides the solution to economically cutting carbon-dioxide emissions from fossil fuel combustion. There are many ways in which CO₂ emissions can be reduced, such as improving energy efficiency and switching to renewable and low-carbon methods of electricity generation. However, most scenarios suggest that these steps alone will not achieve the required reductions in CO₂ emissions. Carbon capture and storage (CCS) will therefore be only one of a suite of solutions needed to reduce Australia's greenhouse gas emissions.

In other words, it is a long way from being a magic bullet. I agreed with the member for Bathurst when he spoke about the potential of CSIRO's ultra-clean coal process. This would remove virtually all the mineral impurities and increase the efficiency of power stations from a current 33 per cent to 35 per cent of energy locked up in coal to 50 per cent to 55 per cent. An ultra-clean coal-fired gas turbine combined cycle system could produce 25 per cent less greenhouse gas emissions than current best practice. One of the great problems, of course, is that it cannot be substituted for an existing conventional coal power station, so if we are talking about any sort of retrofitting we are talking about virtually rebuilding the power station at enormous cost.

Another exciting new technology under development is the use of solar heating to warm water to 60 degrees Celsius or 70 degrees Celsius before it enters a gas turbine. This would significantly reduce the amount of coal required to produce a given quantity of electricity. The integrated gasification combined cycle gasifies coal and runs a gas turbine as well as a steam turbine and that increases efficiencies to greater than 45 per cent compared with the 33 per cent to 35 per cent that is currently industry best practice. There is, as Stephanie Baldwin said, a suite of options available—all of which need to have money spent on them, all of which need to be developed and all of which should be exportable and so should benefit our coal industry, which is our major export earner, both inside and outside this country.

I have met people who would like to see the burning of coal to produce electricity stopped, and that is completely impractical. All humankind relies on energy and electricity. It is as important to us as water these days, and the burning of fossil fuels is going to be an important part of the mix for at least the next 50 years. So technologies such as carbon capture and storage will be of increasing importance as we enter a carbon-constrained future. It is the same with renewables. The member for Miranda spoke about renewables but he did not say that, if we take Snowy Hydro out of the equation, only 1 per cent of electricity in New South Wales is produced by renewable energy. That is the worst result of any State. Essentially Ben Chifley was responsible for the building of the Snowy Hydro scheme, which benefits Victoria as well as New South Wales. It is most unlikely that something like it will get up in the future. There was at one time a visionary Labor leader: Ben Chifley. We certainly do not have one in this State at the moment.

I turn now to some specific issues arising from the bill. The member for Miranda said that members of the Clean Coal Council would be drawn equally from government and from the coal industry. However, proposed clause 10 allows the Minister to appoint any other suitable person to the Clean Coal Council. So the council could be stacked with political appointees if the Government did not like the work that it was doing. Given that the Australian Coal Association and the Minerals Council are providing—or are likely to provide—a large amount of the funds, they should always have proportional representation regarding how the money is spent.

The size of the council should be capped to prevent it becoming overly cumbersome. In this regard schedule 1 (6) allows for a person to be appointed to a casual vacancy. If a member appointed by the Minerals Council and the Australian Coal Association leaves the board that person should be replaced only by another member appointed by the Minerals Council and the Australian Coal Association—and ditto if a Government member leaves—so that proportional representation is maintained. Part 3, clause 11 allows the council to give recommendations to the Minister. Those final council recommendations should be included in the annual report so that they can be compared with the Minister's final allocation of funds. In that way we will get transparency in the process—something that has been sorely lacking from most of the activities that this Government has been involved in and most of the legislation that has been passed in this place over the past 13 years.

The urgency of this work seems to have escaped the Government. The world is hotting up—the temperature is estimated to have increased by one degree last century—and the consequences, as we know, could be particularly dire for Australia and for New South Wales. The Victorian Government is spending \$83 million on geosequestration, and this Government is still playing catch-up. A little less grandstanding and a little more action is needed. A little less talk about the wonders of the Greenhouse Gas Abatement Scheme and more practical initiatives to reduce greenhouse gas emissions at source would go a long way towards restoring some credibility.

In that regard, I think the Government should be investing some money in hot dry rock technology. Members may be aware that a company called Geodynamics has invested a considerable amount of money in proving the technology at Moomba in South Australia. The idea is to drill down into the hot rocks underlying the surface—maybe three kilometres down—that can be at temperatures of up to 260 degrees Celsius. Two holes are drilled and water is pumped down one, it becomes super-heated and returns to the surface as super-heated steam and then it is put through a heat exchanger to generate electricity in a continuous loop. The technology has the potential to produce electricity at a competitive price to baseload coal.

I would have thought that with technology like that and the fact that the second most prospective area for hot dry rocks in Australia is underneath the Hunter Valley, which is where the infrastructure is, the Government would have been falling over itself to invest money in hot dry rocks and geothermal power. The fact that it is not is a clear indication that it is not fair dinkum about reducing greenhouse emissions. The Government wants to continue paying lip service to that reduction, as it has done ever since it introduced the Greenhouse Gas Abatement Scheme. Therefore, I wonder how committed it is to carbon capture and storage.

Mr DONALD PAGE (Ballina) [6.18 p.m.]: I welcome the opportunity to make a brief contribution to debate on the Clean Coal Administration Bill 2008. The purpose of the legislation is to put in place a strategy to reduce New South Wales greenhouse gas emissions. It seeks to do this through the establishment of a fund for research into, and development of, clean coal technologies. We heard from the member for Bathurst quite a long and detailed expose of the technologies that are potentially available. The legislation also proposes the establishment of the Clean Coal Council. As has been said, the Opposition will not oppose the legislation.

I note that in the Parliamentary Secretary's agreement in principle speech he mentions the need for alternative energy sources and I believe it is extremely important that we look harder at such sources. He mentioned hydropower, biomass, landfill methane, and wind and solar energy but to my amazement he did not mention geothermal power. I believe the Government needs to look more urgently at geothermal energy production. This energy source produces low-cost baseload power without the greenhouse pollution liability.

Importantly, it is the only alternative energy source that has the capacity to replace the baseload energy of coal. It is also strongly supported by Tim Flannery, a former Australian of the Year and an environmental guru. Geothermal energy is produced by drilling down into granite rocks located around five kilometres below the Earth's surface and which are between 200 degrees Celsius and 300 degrees Celsius. Power is produced by pumping high-pressure water into the drilled wells that then splits the rocks allowing the water to circulate through the rocks, where it is heated and returned to the surface to be converted into electricity.

One cubic kilometre of hot granite at 250 degrees Celsius has the stored equivalent of 40 million barrels of oil. It is estimated that there are up to 20 cubic kilometres of hot granite in the Hunter Valley—that is, the equivalent of 800 million barrels of oil. More than 9,000 megawatts of geothermal plant are already installed throughout the world. Australia has the largest hot rock resource in the world. One of the most promising locations is in the Hunter Valley, south of Muswellbrook. The benefit is that it is located at the centre of the New South Wales electricity grid. I note that the Queensland, South Australian and Victorian governments have all legislated for an enabling framework for the exploration and extraction of geothermal energy resources.

The Victorian legislation creates a licence to explore, a licence to retain the rights to explore, and a licence to exploit the hot dry rocks reserve. The consequences for New South Wales of not legislating to encourage the exploitation of geothermal power may mean that investment in this important new technology will continue to go to other States. Clean coal technology is certainly to be supported but it is not the long-term solution to climate change. I believe much greater attention must be paid to bring geothermal power on line as quickly as possible. As I said earlier, it does not emit greenhouse gases and it has the capacity to replace baseload currently made available by coal-fired power stations. I urge the New South Wales Government to give geothermal power a much higher priority when supporting alternative energy sources.

Mr BRAD HAZZARD (Wakehurst) [6.22 p.m.]: Earlier speakers said that the Opposition does not oppose the Clean Coal Administration Bill 2008, but they expressed a number of concerns about it. Over a number of years this Government has failed to address greenhouse gas issues and has instead focused its efforts on substantive public relations exercises. I have not exactly enjoyed some of the years that I have spent in opposition but I have had an opportunity to act as shadow Minister for the Environment and shadow Minister for Energy. As a science teacher I obtained an environmental science qualification from Macquarie University at a time when environmental science was not popular, and it has remained an area of interest for many years.

On the face of it this Government has taken some steps forward, but all too often those steps related more to spin and to public relations. When I was shadow Minister for Energy the New South Wales Greenhouse Gas Abatement Scheme was a particularly hot topic. In consultation with industry and with environmentalists, the more I looked at that scheme the more I realised that it had major shortcomings—which has been shown to be the case. I acknowledge that over the years the Government is purported to have enacted a number of schemes. Some members referred in particular to the Building Sustainability Index or BASIX scheme, which has not translated into any clear outcome at this point. In fact, its implementation has been slipshod, to say the least. It often varies from council to council and it increases costs to consumers in the construction of houses. But it is still for the jury to determine whether it is producing real outcomes.

I concur with the member for Ballina, who said that there must be a far greater focus on alternative energy sources than is currently occurring under this Government. Clearly, there is a massive challenge ahead of us to promote and develop alternative energy sources. At present and for the foreseeable future—in fact, by my recollection for the next 20 to 25 years—there will be no crossover in the cost of energy production from sustainable sources with energy from coal-based sources, which should be a matter of concern to us all. Yet, as I said, very little appears to have been done.

As the shadow Minister for Energy, I met with a number of groups that were promoting alternative energy sources. Obviously there is enthusiasm and energy within those industries to support renewable energy sources, but there is also a recognition that the Government must do far more to make those opportunities more realistic. I am concerned that this bill is a public relations exercise. Those concerns were in no way minimised when I looked at the detail of the bill. On the face of it the Clean Coal Administration Bill appears to be a bill of good intent. The question that has to be asked is whether it is feasible to develop clean coal to the point where we achieve a satisfactory environmental outcome. That is the challenge. After examining the bill I have to ask whether it was necessary at all. Industry has committed more than \$1 billion over 10 years to the COAL21 Fund. As far as I can see, the enactment of this bill would achieve very little.

I would be interested to hear from the Minister—I do not expect that I will—how the establishment of this fund and the various administrative measures in the bill will guarantee a new and energetic focus on the development of clean coal. I do not wish to take up too much of the time of the House but I note that that the Clean Coal Fund referred to in part 2 of the bill is completely at the mercy of the Minister. Clause 5 is entitled "Purposes of Fund", and that clause refers to a number of purposes. However, clause 5 (c) caught my attention, as it states:

- (c) to provide funding to increase public awareness and acceptance of the importance of reducing greenhouse gas emissions through the use of clean coal technologies.

We are aware of the stench of corruption surrounding this Government in relation to developer donations. In this formalised process millions of dollars will be paid into a fund that can be used for an advertising campaign in the same way as—

[*Interruption*]

Call me cynical!

Ms Tanya Gadiel: So young and so cynical.

Mr BRAD HAZZARD: I thank the member on both counts.

ACTING-SPEAKER (Mr Wayne Merton): Order! The member for Wakehurst has the call. He does not need any encouragement from Government members.

Mr BRAD HAZZARD: The member for Parramatta has in her office window a picture of the Minister for Planning and her in some hospital and the Minister for Planning looks utterly bored. If she had invited the shadow Minister at least I would have looked interested in what she was saying.

ACTING-SPEAKER (Mr Wayne Merton): The member for Wakehurst should be boring back to the subject!

Mr BRAD HAZZARD: Government members all woke up when I canvassed the possibility of them using millions of dollars for an advertising campaign to re-elect another Labor government. I am sure that the good doctor, the member for Macquarie Fields, who is in the Chamber, would not support such a campaign, but I am not sure about the rest of those opposite. I am concerned because there does not appear to be any limitation on this fund. I tried to establish whether there was any possible way to guarantee that the fund would not be used for that purpose.

But when trying to determine for what purpose payments from the fund could be used, I noticed that they could be approved by the Minister for the purpose of the fund. That circuitous language imposes no particular limitation. Then I thought perhaps there were limitations on the council membership, which would guarantee it. Contrary to what the member for Penrith said, the council would comprise five persons employed by a government agency, which means the council would be a wholly owned subsidiary. Five persons were to

be nominated jointly by the Australian Coal Association and the Minerals Council to represent the New South Wales black coal industry. I have faith that they certainly would make the right decisions, but they do not carry the membership numbers because clause 10 (c) of the bill's provisions for membership of the council states:

Such other persons as the Minister may appoint from time to time, being persons whom the Minister considers have qualifications or experience relevant to the functions of the Council.

The council's functions are rather circuitous. It seems that the Clean Coal Administration Bill—what a great title for a bill!—will provide an opportunity for the Labor Government to get millions of dollars to run its campaigns, just as in at least the last three elections it has run public information campaigns using taxpayers' money. However, in this case there will be direct donations from various sources, including the industry. That is a major concern because the stench of corruption hangs around this Government quite heavily. I am concerned that this may be just another public relations bill. The bill should contain specific benchmarks and a requirement that those benchmarks be reported upon. Whilst the bill makes some reference to reporting on progress, it does not set any benchmarks or require the reporting of performance in relation to set benchmarks. That confirms that this bill may be, yet again, just a public relations exercise by this State Labor Government.

Ms TANYA GADIEL (Parramatta—Parliamentary Secretary) [6.31 p.m.], in reply: I thank all members, including the members representing the electorates of Bathurst, Penrith, Newcastle, Maitland, Pittwater, Goulburn, Myall Lakes, Ballina, Castle Hill and Wakehurst for their contributions to the debate. The Clean Coal Administration Bill establishes a fund for research into and development of clean coal technologies. The fund will also be able to be used to increase public awareness of these technologies and to commercialise them. The Government will contribute substantially to this fund. The bill also establishes a Clean Coal Council. The council will have both industry and government members. It will make recommendations to the Minister for Mineral Resources on the allocation of funding for clean coal projects. Government and industry will work together to allocate funds from both sectors for the best research into these important technologies.

In answer to the member for Myall Lakes, the New South Wales Government is more than happy to acknowledge the contribution of the coal industry in relation to the new council and the projects it will oversee. The Government is looking forward to working with representatives of the coal industry in a joint effort to reduce greenhouse gas emissions. I am advised that COAL21 also is committed to the opportunities that this new partnership will foster. In response to the member for Coffs Harbour, the New South Wales Government is undertaking several research projects to establish the viability of carbon and sequestration in soils, forestry and storage of carbon in wood products. In relation to the points raised by the member for Goulburn, the COAL21 fund is a voluntary fund.

The member appears to be confused about this and also about the membership of the council. I refer the member to clause 10 of the bill on how the council will be constituted. The bill provides for scientific experts to be appointed to the committee to assist the council in its deliberations. I also refer the member to clause 13 of the bill. In conclusion, this forward-looking legislation will build on this State's commitment to reducing greenhouse gas emissions. It will play an important role in securing our energy needs, our economy and our environment. I commend the bill to the House.

Question—That this bill be now agreed to in principle—put and resolved in the affirmative.

Motion agreed to.

Bill agreed to in principle.

Passing of the Bill

Bill declared passed and transmitted to the Legislative Council with a message seeking its concurrence in the bill.

BOARD OF ADULT AND COMMUNITY EDUCATION REPEAL BILL 2008

Bill received from the Legislative Council and introduced.

Agreement in Principle

Ms TANYA GADIEL (Parramatta—Parliamentary Secretary) [6.35 p.m.], on behalf of Mr John Watkins: I move:

That this bill be now agreed to in principle.

This bill was introduced in the other place on Wednesday 9 April 2008. The second reading speech on that day appears at page 6600 in the *Hansard* for that day. The bill is in the same form as introduced in the other place. I commend the bill to the House.

Debate adjourned on motion by Mr Andrew Constance and set down as an order of the day for a future day.

EDUCATION AMENDMENT BILL 2008

Bill received from the Legislative Council and introduced.

Agreement in Principle

Ms TANYA GADIEL (Parramatta—Parliamentary Secretary) [6.37 p.m.], on behalf of Mr John Watkins: I move:

That this bill be now agreed to in principle.

This bill was introduced in the other place on Wednesday 2 April 2008. The second reading speech on that day appears at page 6210 in the *Hansard* for that day. The bill is in the same form as introduced in the other place. I commend the bill to the House.

Debate adjourned on motion by Mr Andrew Constance and set down as an order of the day for a future day.

CONSUMER, TRADER AND TENANCY TRIBUNAL AMENDMENT BILL 2008

Agreement in Principle

Debate resumed from 11 April 2008.

Mr ANDREW CONSTANCE (Bega) [6.38 p.m.]: The Consumer, Trader and Tenancy Tribunal was established in 2002 by merging three tribunals: the Consumer Claims Tribunal, the Fair Trading Tribunal and the Residential Tenancies Tribunal. The 2001 Act required a three-year statutory review after proclamation, which was completed in 2005. The 2005 review recommended a further operational review, which was completed at the end of 2006 by Jan McClelland. On 13 July 2007 the Minister for Fair Trading, Linda Burney, announced reforms to the tribunal. At last, three years after the statutory review, we have the long-awaited amendments, and what a disappointment they have proven to be. Section 3 of the Consumer, Trader and Tenancy Tribunal Act 2001 sets out the objectives of the tribunal.

It is to be accessible, efficient and inexpensive to use, and should deliver decisions that are fair and consistent. The key issue to be considered by the review was whether the tribunal and its members are meeting the objectives of the Act. The Government contends that the tribunal is substantially meeting those obligations. However, the Opposition has consulted extensively with user groups and has reviewed the 2007 Ipsos research on the experience of first-time users, and they tell a very different story. It is very clear that the tribunal is failing to meet any of its objectives under the Act, especially those relating to efficiency, fairness, consistency and cost.

The failures were highlighted to the Government in submissions to the 2005 statutory review and in the findings of the 2006 operational review. It will also be clear to the Minister for Fair Trading, from submissions and from the report of the Legislative Council's inquiry into home building—in addition to the avalanche of complaints she and indeed all of us have received—that there is huge anger and dissatisfaction with the operation of the Consumer, Trader and Tenancy Tribunal concerning, in particular, the mismanagement of cases by the home building division. The bill before the House is supposed to respond to those problems, yet it does not do so. It is tepid when it comes to tribunal members' performance and fails to address many recommendations and suggestions put to the Government aimed at improving it.

I will deal in detail with the bill's more significant provisions as set out in schedule 1 to place on the public record the view of Liberals and Nationals. Items [2] and [3] of schedule 1 require the Deputy Chairperson (Determinations) to be legally qualified. The Opposition supports that, but believes that the registrar also should be legally qualified. We note that schedule 1 [6] provides that the registrar may exercise any prescribed function

of a member of the tribunal, or of the tribunal, if the registrar is authorised by the chairperson to perform that function. Given that several of the functions require legal qualifications, it is essential that the registrar be legally qualified.

The Opposition believes senior members of the tribunal also should be legally qualified and that only senior members should be allowed to hear home building matters. We have arrived at that position having reviewed, with a growing sense of alarm, the number of errors of law being made by tribunal members with the result that the matters have been the subject of appeals to the Supreme Court. Last year, of the 57 decisions of the tribunal that were referred to the Supreme Court on appeal, a substantial number were overturned. An appeal to the Supreme Court represents an extraordinary step for anyone to take in a matter considered sufficiently minor to warrant being managed by the Consumer, Trader and Tenancy Tribunal.

A review of the rulings by the Supreme Court involving matters in which tribunal members' decisions have been overturned makes mind-boggling reading. Members failed to give coherent reasons for decisions, as required by the Act. Members failed to give reasons at all when awarding costs. Members did not understand their jurisdiction, especially in home building matters. Members criticised a party during the hearing in inappropriate terms. One senior member whose ruling was overturned by the Supreme Court attempted to rehear the same matter and refused to recuse himself, with the result that the parties had to apply to the Supreme Court to have the member removed from the rehearing—creating huge cost and delay to the progress of the issue for determination. Surely the Minister cannot seriously suggest that this is efficient, cost-effective or fair to the parties.

Ms Linda Burney: It is incredibly efficient and cost-effective.

Mr ANDREW CONSTANCE: I acknowledge the entrance of the Minister to the Chamber. The Minister is now leaving the Chamber—or perhaps the Minister is now leaving the building. In the Law Society's 2005 submission to the statutory review, it argued that members' qualifications should be commensurate with the complexity of the matters before them. The President of the Law Society, John McIntyre, argued that despite the similarity of the work of the Consumer, Trader and Tenancy Tribunal to the work of the Administrative Decisions Tribunal, which is headed by a judge or magistrate, the Consumer, Trader and Tenancy Tribunal is headed by a legal practitioner. He stated:

The qualification of members of the CTTT should accord with the responsibilities carried out. The decisions of the CTTT affect persons in their businesses and ordinary lives. They are therefore entitled to have matters considered according to the objectives of the Act and feel that their matters have been dealt with fairly within the law. Members of the CTTT need to be sufficiently qualified to provide this assurance and confidence to persons appearing before them for dispute resolution. In most instances the issues raised in matters before the CTTT involve legal issues in addition to commercial issues. An understanding of the legal issues is necessary together with knowledge of the commercial issues involved. The commercial issues themselves derive from legislation that should be known by members in considering the matters in dispute. Members should be required to hold a range of qualifications including relevant experience in commercial matters. This would give persons appearing before the CTTT the confidence that their matters are being dealt with properly and within the law.

It is very clear to the Opposition that members of the tribunal are struggling and, in many home building matters, are completely out of their depth. Schedule 1 [4] deals with procedural directions and is not opposed by the Opposition. Schedule 1 [8] proposes to delete the power of the chairperson of the tribunal to issue a warrant for apprehending a witness. It is argued by the Minister that the power has not been used and that it should be deleted. The Opposition notes the tribunal lacks facilities for detaining witnesses. Nevertheless, the Opposition opposes the deletion of the power of the chairperson to issue a warrant for the apprehension of a witness. The Opposition believes that the tribunal has an obligation to parties who are engaged in a dispute to have sufficient strength and credibility so that its orders and subpoenas will be taken seriously. I cite correspondence received from Mr Rob Harvey, who is an advocate for retirement village residents. He states:

I am a member of a consultative forum to the Chairperson of the CTTT in relation to the Retirement Villages side of the Tribunal. At a meeting I asked the question "how many persons have been charged with contempt"? The answer I received was 'none'. I am still not certain as to whether this part of the Act was a deterrent or whether no one had ever been charged. Because of my cynical nature I believe the latter clause was the answer. I asked again another question "what is the sense in having an Act or a part of an Act that is never enforced"?

It is a good question that Mr Harvey asked—one that the Minister should answer.

Schedule 1 [11] extends the period for providing a statement of reasons for a decision from seven days to 28 days. The Opposition dislikes this provision in principle. The tribunal is supposed to be delivering swift

decisions on relatively minor matters. The longer the gap between a decision and the writing of the reasons, the greater is the scope for getting things wrong. One party complained to the Minister as follows:

The decisions were issued four months after the final hearing [against a projected decision time by the Member of three weeks] and whilst I am the first to properly understand the time that can sometimes pass before a decision can be rendered, I note that the decisions are not even rendered contemporaneously but were decided more than three weeks apart. I do not have the slightest embarrassment in postulating (for these and reasons which follow) that the Member had lost whatever slim grasp he had of the facts and failed utterly to comprehend the ways in which the matters were one and had properly connected issues unburdened by time limits.

The Opposition has heard many stories of the tardiness of tribunal members in delivering written reasons. Of course tardiness frustrates and angers the parties and gives the impression of sloppiness as well as a lack of professionalism. One complex case in which the parties had gone to the great expense of retaining legal counsel had to be completely redone because a member who delayed his decision and reasons later retired from the tribunal without bothering to make a decision at all, thus leaving everybody in the lurch. That should not have happened. That is a management issue for the chairperson and the registrar. Apart from the cost, it reinforces a sense of injustice that parties feel when important matters are not dealt with professionally in accordance with legislated time frames.

To test the anecdotal evidence, the shadow Minister, the Hon. Catherine Cusack—who I might add is doing a professional job in her role in the other place—reviewed the most recent 50 decisions of the tribunal in which reasons have been published. The Opposition wanted to see how many cases complied with the seven-day deadline for providing written reasons. Of those decisions, only three complied with the seven-day requirement, and three of the written reasons took more than 200 days to deliver. The average time was 77 days. That is a disgrace.

Mr Thomas George: But that should have taken seven days.

Mr ANDREW CONSTANCE: The member for Lismore is quite correct. Only 10 of the decisions would have complied with the 28-day deadline proposed by the bill before the House. This indicates what is really going on at the Consumer, Trader and Tenancy Tribunal. How arrogant and out of touch! On this point, the Tenants' Union has stated:

The Tenants Union supports the proposed extension of the period in which the Tribunal is to provide a written statement of its reasons for a decision to 28 days. The current period – seven days – is unrealistic and rarely complied with. We hope that the Tribunal will take greater care to comply with the proposed more realistic period.

The members of the State Opposition hope so too. We suggest that there needs to be greater accountability for tribunal members' adherence to that legal requirement. Schedule 1 [12] deals with second applications for rehearing. The Opposition has received representations from the New South Wales Tenants' Union on this issue that explain the background to the matter. The union states:

Currently the Chairperson does not allow second applications for rehearing. This means, for example, that where a tenant makes an application for a rehearing, makes a mess of it (that is, they fail to properly address the criteria for a rehearing set out at s 68(2) (a), (b) and (c)) and the application is declined, and the tenant subsequently gets assistance from a Tenants Advice and Advocacy Service as to how properly to apply for a rehearing, the tenant's second, properly drafted application will be declined by the Chairperson.

The Chairperson has adopted this practice because, as the TU understand it, the Tribunal considers that such an application constitutes an application for review of the Chairperson's decision on the first application, and the Act provides that the Chairperson's decisions in relation to rehearing applications are not subject to review (s 68(8)(c)).

The Tenants' Union respectfully disagrees with this interpretation. We contend that a second application is not an application for review of the chairperson's decision in relation to the first application; it is an application for a rehearing, no more nor less. We submit that it should be considered according to its merits in light of the criteria at section 68 (2) (a), (b) and (c). That is to say, if it shows that the decision was not fair and equitable, or that the decision was against the weight of evidence, or that significant new evidence has arisen that was not available at the time of the original decision, the tribunal should consider granting a rehearing.

The TU has discussed these different interpretations with the Chairperson, but the issue has yet to be the subject of an appeal and so remains controversial.

The proposed new s68(9A) would expressly allow second applications for rehearing—which, on interpretation, the Act already allows—but only where significant new evidence has arisen after the first application. This is narrower than the grounds set out at s68(2)(a), (b) and (c) and, we submit, is too restrictive. It would deny the possibility of a rehearing where a rehearing is

appropriate because the original decision was not fair and equitable, or it was against the weight of evidence, or significant new evidence arose between the original decision on the first application.

We submit that the Bill should instead make clear that a second application for a rehearing, provided that it is not in effect an application for review of the Chairperson's decision on the first application, is to be considered according to s 68(2).

The Opposition will pursue this matter in the other place. Schedule 1 [14] concerning sound recordings is sensible and should occur, with or without legislative action. Schedule 1 [18] seeks to split the residential tenancy division in two with a new social housing division. Chris Martin of the New South Wales Tenants' Union wrote:

The TU does not support this proposal. It wrongly suggests that the law in relation to social housing tenancies is very different from the law in relation to other tenancies. For most purposes the law is not so very different. Those differences that do exist do not warrant a separate Division.

The Opposition agrees, and will seek to delete those provisions of the bill in another place. If allowed to remain, the effect of these provisions will be that the Government will create a whole new division for just one landlord—itself. Importantly, it goes against the principle of the law applying equally to all. The bill proposes changes to arrangements for determining the remuneration of members and part-time members. The Opposition supports this if only because it will result in greater transparency in setting remuneration. At present remuneration is determined by the Minister, who keeps it a secret, together with the qualifications of those she has appointed to these positions.

This arrangement is most unsatisfactory and adds greatly to our unease about the tribunal and its integrity, which should be above reproach but is compromised by its political relationships with the Government. For the information of the House, I can advise members of what is generally known about remuneration. As at 30 June 2007 the tribunal had one chairperson, two deputy chairpersons, six senior members, 13 full-time members and 60 part-time members. We all know that one of the more famous part-time members, Mr George Newhouse, has since resigned from the tribunal. Exactly when he resigned is a matter for argument, but he has certainly gone and the membership continues to trend down.

The Statutory and Other Officers Remuneration Tribunal sets the salaries for the most senior tribunal positions and, unlike the Minister who keeps her decisions secret, seeks reports on these determinations annually. The chairperson of the Consumer, Trader and Tenancy Tribunal receives \$240,735; the deputy chairpersons of the tribunal each receive \$222,650; and the senior members, of which there are six, receive \$181,720. The tribunal's annual report reveals that in 2006-07 total payments to tribunal members were \$5,717,000. Salary costs were \$4,760,000 in 2005. So in the past 12 months there has been a substantial boost in remuneration. The Opposition notes that from 2006 to 2007 the number of part-time members decreased from 71 to 60, while the number of full-time members also decreased from 16 to 13. There was an increase of just one senior member. The annual report shows that the number of applications to the tribunal increased by 5 per cent but salaries for members increased by 20 per cent.

We would appreciate an explanation of this from the Government and the Minister. Schedule 1 [23], which deals with the Professional Practice and Review Committee, is not opposed by the Opposition. However, we would argue the statement that the two independents will be appointed by the Minister is an oxymoron. The Minister is not interested in genuine independence and, far from acting responsibly to promote the independence of the tribunal, she and her colleagues have rorted and compromised it, particularly with the notorious appointment of George Newhouse and other Labor mates. Again, I refer to ongoing media coverage in relation to the Consumer, Trader and Tenancy Tribunal [CTTT]. In an article dated 25 January 2008 Alex Mitchell refers to the Consumer, Trader and Tenancy Tribunal as the ALP lolly shop. It is worth reflecting on what Alex Mitchell had to say on this because it is quite telling about the Opposition's concern. The article stated:

FOI details emerge on George Newhouse's dodgy nomination for Wentworth. Anyway, what was he doing on the Consumer, Trader and Tenancy Tribunal in the first place? When questions were raised about whether solicitor George Newhouse had met the constitution requirements to be Labor's candidate in the Federal seat of Wentworth at the November election, he looked down the barrel of the TV cameras and vowed that his nomination was in order and then accused the Liberals of dirty tricks.

Mr Michael Daley: Point of order: The member for Bega is smiling as if he is going to get away with it. He is totally off the track. Mr Assistant-Speaker, under Standing Order 76, relevance, I ask you to draw him back to the leave of the bill. This has nothing to do with George Newhouse's candidacy for the seat of Wentworth.

ASSISTANT-SPEAKER (Mr Grant McBride): Order! I uphold the point of order.

Mr ANDREW CONSTANCE: Alex Mitchell further said:

Now that the documents relating to Mr Newhouse's nomination have been made public under freedom of information, they tell a more unsettling story. Under section 44 (4) of the Constitution, candidates for Parliament cannot hold any office of profit under the Crown at the time of nomination.

Mr Michael Daley: Point of order: The member for Bega is clearly flouting your ruling. He is not talking about the bill before the House; he is talking about the legitimacy of the candidacy of Mr Newhouse at the last Federal election. Once again I ask you to draw him back to the leave of the bill.

ASSISTANT-SPEAKER (Mr Grant McBride): Order! I uphold the point of order. The member for Bega has been a member of this place long enough to know the standing orders. I ask him to obey the rules of debate and to return to the leave of the bill.

Mr ANDREW CONSTANCE: I am referring to the Professional Practice and Review Committee and the Minister's statement that two independents will be appointed by the Minister. We are entitled to talk about the independence of the Government's appointments in relation to the Consumer, Trader and Tenancy Tribunal and this legislation. I am making it clear that the Opposition is concerned—obviously this issue has been flagged in the public domain through media sources—that the Government has not been undertaking an appropriate appointment process for the Consumer, Trader and Tenancy Tribunal. I am highlighting one of the high profile cases involving a Consumer, Trader and Tenancy Tribunal member, and I hope to make reference to that appointment in the context of this debate.

As I said, the appointment of George Newhouse was aired in the public domain and questions were raised about not only his appointment but also the process of his resignation. The Opposition does not have faith in the Government's appointment process, which shows a lack of transparency and independence, in particular, to the CTTT. I have cited a high-profile example of a Labor candidate who sat on the CTTT. The Opposition submitted a freedom of information application in relation to the resignation of George Newhouse. The reply was incredibly dodgy because it did not show the date of resignation.

Mr Michael Daley: Point of order: I have taken a point of order, which you have twice upheld. The member for Bega is flouting your ruling for the third time. I ask you once again to draw him back to the leave of the bill.

ASSISTANT-SPEAKER (Mr Grant McBride): Order! I have upheld the point of order twice. I uphold it for a third time. The member for Bega will address the leave of the bill. If he does not do so, I will take further action.

Mr ANDREW CONSTANCE: I will elevate the concern in the context of this legislation. The Opposition has no faith in the Minister making appointments in a transparent and independent fashion. One needs only look at some of the appointments that have been made, which includes not only George Newhouse—who is obviously very close and dear to the heart of the member for Maroubra, given his constant points of order—but other appointments to the CTTT who have close affiliations.

Pursuant to sessional orders business interrupted and set down as an order of the day for a future day.

ISOLATED PATIENTS TRAVEL AND ACCOMMODATION ASSISTANCE SCHEME

Matter of Public Importance

Mr JOHN WILLIAMS (Murray-Darling) [7.00 p.m.]: I ask members to note as a matter of public importance the Isolated Patients Travel and Accommodation Assistance Scheme [IPTAAS]. I acknowledge the contributions of members representing the electorates of Murrumbidgee, Lismore, Upper Hunter and Myall Lakes to a dissatisfaction survey conducted into the high level of complaints about the Isolated Patients Travel and Accommodation Assistance Scheme. Today the member for Myall Lakes told me that he faces a 10-week turnaround in the claims process with IPTAAS. Those members have submitted information to me relating to issues surrounding the administration of IPTAAS. Geographically isolated residents across New South Wales often have to make do with reduced access to services while their metropolitan counterparts take them for granted. However, State governments are charged with the responsibility of making sure that essential services such as health, education and justice are provided to all.

One of the policies that has been put in place to supposedly assure isolated people of adequate access to medical services is the patient assisted travel scheme. In New South Wales the Isolated Patients Travel and Accommodation Assistance Scheme was set up to provide financial assistance to people who needed to travel some distance in order to receive specialist medical treatment. That scheme is failing to provide adequate services to those who need it most. Last year the Commonwealth Government held a Senate Standing Committee on Community Affairs inquiry into the operation and effectiveness of patient assisted travel schemes. The Senate inquiry received wide and varied submissions from all States in Australia. Submissions from peak organisations in New South Wales were damning of the IPTAAS program in this State. To highlight the complete lack of financial support for patients in rural and remote New South Wales one has only to look at the payout from the previous year. An amount of \$8.2 million was paid out for 40,082 claims, with the average benefit per claim at \$141.26. Those are the types of figures new vehicle manufacturers aim to achieve with new vehicle warranty claims.

The administration of IPTAAS in New South Wales can be described only as sinister. Sick and disadvantaged people believe they have a lifeline to help with expenses. However, they face a cruel reality: after filling out a complicated form, enduring the referring general practitioners' and specialists' groans at their responsibilities to fill out their parts of the claim form, jumping the administrative hurdles and having either \$40 or \$20 removed from their claim, they might receive slightly better than \$141.26. That is nothing short of false and misleading advertising on this Government's behalf.

In New South Wales IPTAAS is currently only a token offering to let people believe this Government is supporting people in rural and remote areas in relation to their health needs. This State needs a commitment closer to the Queensland model, which spends \$28 million per annum. It provides its citizens with a realistic commitment to support travel and accommodation needs. The inquiry report, released in September 2007, listed 16 recommendations relating to better access to health services for rural, regional and remote patients. It is my belief that many of those recommendations may be of benefit to the lives of Murray-Darling constituents who access the New South Wales IPTAAS service.

On a weekly basis I receive requests from constituents for assistance with claims they lodged through IPTAAS, primarily relating to a sense of being unfairly assessed in their application for payment. As such, I draw the attention of the House to a letter I wrote to the Minister for Health on 16 January 2008 requesting that she address the recommendations of that Senate standing committee. In that letter I pointed to a number of recommendations to enable rural, regional and remote patients more fair and adequate compensation for the costs incurred in accessing medical treatment. Recommendation one states that the next Australian Health Care Agreement recognise the fundamental importance of patient assisted travel schemes and include a clear commitment to improvement of services, a clear allocation of funding for the schemes, a clear articulation of the services and supports that people using transport schemes can access, and a commitment to regular monitoring of access and service provision.

Recommendation two states that as a matter of urgency the Australian Health Ministers' Advisory Council establish a task force comprised of government, consumer and practitioner representatives to develop a set of national standards for patient assisted travel schemes that ensure equity of access to medical services for people living in rural, regional and remote Australia. Recommendation five states that the Australian Health Ministers' Advisory Council should establish a mechanism to monitor performance, identify areas for improvement and review the standards as required. Recommendation six states that the task force review existing administrative arrangements to make them less complex, including development of a simplified generic application form, consideration of an on-line application process and revision of the authorisation processes.

Recommendation seven states that the Australian Health Ministers' Advisory Council should determine transport and accommodation subsidy rates that better reflect a reasonable proportion of actual travel costs and encourage people to access treatment early. Recommendation nine states that all States and Territories adopt a prepayment system—whether by vouchers, tickets or advance bookings—for patients experiencing financial difficulty with the initial outlay. Recommendation 12 states that State and Territory governments expand travel schemes to cover items on the Medical Benefits Schedule—enhanced primary care and live organ donor transplants, with assistance to the donor and recipient, and access to clinical trials. Recommendation 14 states that appropriate, on-site or nearby accommodation facilities should be incorporated into the planning and design of new hospitals/treatment centres. The wider community feels that the current schemes do not work to their full potential and changes are required to ensure that that occurs. [*Time expired.*]

Mr GERARD MARTIN (Bathurst) [7.07 p.m.]: I speak on the matter of public importance raised by the member for Murray-Darling. NSW Health implements a number of strategies to help residents of New South

Wales who are disadvantaged by distance or lack of transport options to access the health services they need. In this year's budget the Government has allocated \$16.4 million to the New South Wales Transport for Health program, which will provide for, or subsidise, about 60,000 trips for transport-disadvantaged patients across the State.

The Transport for Health program integrates all non-emergency health-related transport services into one assistance program accessible across the State and includes, but not exclusively, the Isolated Patients Travel and Accommodation Assistance Scheme, commonly referred to as IPTAAS. Through the Transport for Health program a range of transport services is available to assist rural and regional people access appropriate health care services. The most significant Transport for Health services include the Isolated Patients Travel and Accommodation Assistance Scheme, which provides eligible patients and their carers with travel and accommodation assistance, and the Statewide Infant Screening for Hearing program, known as SWISH, which specifically assists families to take babies who have been identified with severe hearing loss to a specialist audiologist for assessment and treatment.

Members will remember that the Carr Government introduced the mandatory hearing tests for all babies born in New South Wales hospitals. That has been a great preventative strategy for hearing problems in babies. Another Transport for Health service is the Community Transport program, which funds community transport organisations to provide transport for people who need to attend medical appointments and other health-related services. A number of those groups operate in my electorate. Another service is the Inter-facility Transport Service, which provides transport for patients who have been admitted to a particular hospital or health facility and need to be transferred to another more suitable facility. That is a comprehensive range of services, all tailored to different circumstances.

The Transport for Health service is just one of the many commitments of the Government to meeting the health needs of people living in regional and rural New South Wales. The Transport for Health program is administered by each area health service through specialised Health Transport Units so that consumers across New South Wales have access to a one-stop shop for accessing non-emergency health-related transport. All area health services have developed health transport networks in order to achieve better collaboration between those area health services and other transport stakeholders such as community transport organisations funded through the Department of Ageing, Disability and Home Care.

To further assist regional patients, in March 2006 the Government announced new eligibility criteria to provide even more help to people in rural and isolated areas to access the specialist medical treatment they need. The changes to eligibility included a reduction in the distance criteria for eligibility from 200 kilometres to 100 kilometres one way, an eligibility distance that is nationally endorsed by the Australian Health Ministers' Advisory Council. In addition, the vehicle allowance was increased from 12.7¢ to 15.0¢ per kilometre. Through those reforms an extra 11,500 patients and their carers benefit every year.

Community transport is another way that the Government is assisting transport-disadvantaged patients across the State, by subsidising travel arrangements organised through local community transport providers. Community-based passenger transport services provide door-to-door transport for people who do not have access to private or public transport or for people who, because of age or illness, would find it difficult to use other transport options. The Department of Health, the Department of Ageing, Disability and Home Care and the Ministry of Transport provide funding for community transport in New South Wales. That is a demonstration of the Government's commitment to ensuring that all residents, regardless of where they choose to live, have access to the health services they need.

In 2007 the Cancer Council of New South Wales, the Council of Social Service of New South Wales and the Community Transport Organisation published a report that examined the impact of non-emergency health-related transport demand on community transport providers. The report contained five key findings, which included that there is increasing demand for transport to health services in New South Wales; there is inadequate funding for transport to health services; both metropolitan and rural areas have health transport problems; indigenous groups are disadvantaged regarding health transport; and cancer patients are also disadvantaged regarding health transport. Community Transport is just one of a range of transport assistance programs funded by NSW Health.

The New South Wales Government recognises that it is important that health transport plans are flexible and responsive to local demand. The area health services are encouraged to develop plans that take local needs into account. In some areas there is high demand for community transport, in others demand is much

higher for programs such as the Isolated Patients Travel and Accommodation Assistance Scheme. For that reason a single Transport for Health budget is allocated to each area health service each year and allocation within that budget is at the discretion of the area health services based on their local needs and service availability. The member for Murray-Darling mentioned the Senate Standing Committee on Community Affairs inquiry into this matter. NSW Health provided a comprehensive submission to the Senate inquiry.

The committee's report, entitled "Highway to Health: Better Access for Rural, Regional and Remote Patients", was tabled on 20 September 2007. The key recommendations include the establishment of a task force to develop a set of national standards, the introduction of national transport and accommodation subsidy rates to be determined by the Australian Health Ministers' Advisory Council and the establishment of a memorandum of understanding between States and Territories concerning reciprocal agreements for cross-border travel. A recent meeting of the Australian Health Ministers' Conference agreed to progress the recommendations from that Senate inquiry through the establishment of an inter-jurisdictional taskforce. The Government is confident that there will be further enhancement to the schemes that are helping people in this important area.

Mr THOMAS GEORGE (Lismore) [7.14 p.m.]: I thank the member for Murray-Darling for raising the Isolated Patients Travel and Accommodation Assistance Scheme as a matter of public importance. He ably put the case for people in the western areas, but I will highlight my concerns for people in the Lismore electorate. Lismore does not have enough services to treat people with cancer or some other illnesses. Patients have to travel from Lismore or Kyogle, for example, to the Gold Coast or Brisbane for treatment, a distance of only 100 or 125 kilometres one way. A travel allowance of 15¢ per kilometre for 100 kilometres results in a claim of \$15 per one-way trip or \$30 for a return trip. However, the management fee charged on each claim is \$40.

A lady from Kyogle needed to make 21 trips for treatment. She put the trips into one claim for approximately \$680, but was told that the 21 trips involved \$800 in management fees. Assistance is available and the Government has made a big noise about increasing the kilometre rate from 12.7¢ to 15¢, and that is appreciated. However, with a management fee of \$40 charged on each claim, the patient gets nothing. It is unfair that people cannot get the health services they need within their community and are forced to travel. Furthermore, I have raised the issue of community transport. I believe that it is means tested to a certain degree. Again, people in country and regional areas are being discriminated against. They have to rely on transport services, something that is not available to everyone. I again pay tribute to the member for Murray-Darling for highlighting this as a matter of public importance. It is an issue in country and regional New South Wales. To me the biggest issue is the \$40 management fee per claim. That is very unfair and, as a result, many people do not receive any assistance whatsoever.

Mr JOHN WILLIAMS (Murray-Darling) [7.17 p.m.], in reply: I thank the member for Lismore and the member for Bathurst for their contributions. From my investigation of the patient assisted travel schemes in place throughout Australia I have noted that there appears to be scope for a great deal of improvement to make the schemes more equitable and efficient. Additionally, the schemes need to be set to a minimum standard, allowing patients across all of Australia the benefit of knowing that they can expect a guaranteed level of assistance. The absence of national minimum standards and a national framework has led to an inequitable, fragmented and inefficiently administered collection of schemes operating in isolation within jurisdictions. A national framework would ensure that administration of the scheme is more efficient and leads to a less fragmented and equitable scheme.

Many constituents who have contacted me believe the system is unfair and inequitable. They do not receive the same benefits as those they are aware of in other States. It may be quite difficult for administrators to assess accurately within the rules and regulations the entitlements of people under patient assisted travel schemes so they are not receiving the full benefits that are available to them. Minimum standards would level out the eligibility of individuals for assistance under these schemes. When people who have been suffering from an illness for some time or who are suffering a serious illness present for specialist treatment they often have more than one ailment to contend with and require complex and integrated care from a number of allied medical services. The current set-up of the scheme does not allow for this treatment, and this needs to be addressed so that patients can receive the full benefits they deserve.

It is my belief that those who utilise patient assisted travel schemes do so in good conscience and do not wish to take advantage of a scheme implemented to benefit them. From the inquiries that have been brought to my attention, the majority of people utilising the scheme are in the lower socioeconomic demographic and cannot afford private health insurance to meet the costs of treatment. In order to travel, patients need help with

costs, and the assistance scheme, because of the complexity of the application process, inconsistency of provision or insufficient funding, should not create a barrier or disincentive to accessing medical care. The essential nature of the Isolated Patients Travel and Accommodation Assistance Scheme [IPTAAS] is brought home to me constantly through constituent inquiries. It is one of the major issues raised with me. As such, I ask the Minister to act swiftly to make the changes necessary to give rural, regional and remote patients access to a more fair and equitable scheme.

Discussion concluded.

The House adjourned at 7.20 p.m. until Wednesday 7 May 2008 at 10.00 a.m.
