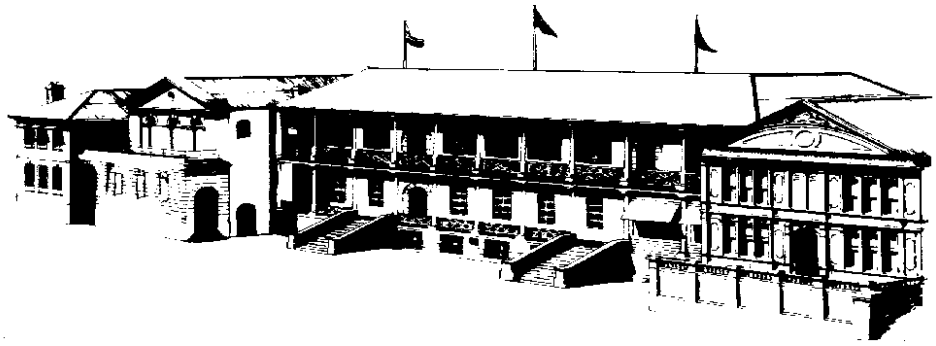
NEW SOUTH WALES



Legislative Council

PARLIAMENTARY DEBATES

(HANSARD)

FIFTY-FIRST PARLIAMENT
THIRD SESSION

OFFICIAL HANSARD

Thursday, 21 May 1998

AUTHORISED BY
THE PARLIAMENT OF NEW SOUTH WALES

LEGISLATIVE COUNCIL

Thursday, 21 May 1998

The President (The Hon. Max Frederick Willis) took the chair at 11.00 a.m.

The President offered the Prayers.

TIBETAN PATRIOTS

Motion by the Hon. Janelle Saffin agreed to:

That this House expresses concern and sympathy for the Tibetan patriots who were on a hunger strike and facing death in India to draw international attention to the plight of their homeland.

PETITIONS

Marijuana Prohibition

Petition expressing concern about legal changes that could increase or encourage the distribution or availability of soft drugs such as marijuana, and praying that the House take no measures that could extend the social problem of drug use, and oblige those who are promoting marijuana or similar drugs to prove without doubt that such drugs are harmless before any legislation or decriminalisation of their use is introduced, received from **Reverend the Hon. F. J. Nile**.

Central Coast Crime

Petition praying that, because of the increase in the incidence of crime on the central coast, courts impose tougher penalties and that adequate policing be made available to the region, received from the **Hon. M. J. Gallacher**.

FEDERAL CHILD-CARE FUNDING

The Hon. JAN BURNSWOODS [11.10 a.m.]: I move:

That this House reasserts its conviction that access to quality, affordable child-care is a basic right for families and a vital service for children, and condemns the Federal Government for its savage cuts to child-care funding.

This is an important debate. Today I am delighted to have a chance to place on the record some of the terrible effects of the savage cuts that have been made to child-care funding by the Howard Government. Opposition members have been yelling ever since debate on this motion commenced. I guess that demonstrates just how uncomfortable this debate is making them feel. It will be interesting to see whether later in debate the Hon. Patricia Forsythe and others try to justify what the Federal Government has been doing. I have quite a lot of documentation about general cuts and about the effects that they are having on individual families in the area in which I live and in other areas.

I will quote later in this debate from statements made by Jenny Macklin, a woman for whom I have the highest respect—a woman who has done an enormous amount to bring to the attention of women throughout Australia, in particular in New South Wales, and to families, grandparents and the community, the effects of the Federal Government's child-care cuts. Child care is an important issue for women and for the whole community. It is a fundamental service that has been built up in this country over many years. It started, I believe, in a major way with the efforts of the Whitlam Government 25 years ago. The Federal Government's cuts to important child-care services will deprive children of care, make it harder for women to go to work, and place the burden of child care on other family members, and on grandparents, which is a new phenomenon. In particular, low- and middle-income earners have suffered tremendous cuts in their incomes under the last three Howard Government budgets, because they are paying higher fees for child care or because women, in particular, have been driven out of the work force as they are unable to obtain reasonably priced child care.

I pay particular tribute to the work that Jenny Macklin has done over a long period to draw attention to this issue. I agree with her that this issue has to be tied to other issues, such as aged care, that have been debated in this House as well as in the Federal Parliament. Amongst the absolutely disgusting attacks that have been made on Australian families by the Howard Government—it has not only attacked women and young family members through its child-care cuts—is the cut to aged care and the nursing home fuss that was so embarrassing for the Prime Minister last year. When Jenny Macklin asked the Prime Minister last year where an elderly person would get the money to go into a

nursing home his response was that the family could pay. The Prime Minister has given the same response in relation to child care: it does not matter what happens to the children; it does not matter what happens to women driven out of the work force—the family can pay.

The third issue, which relates to the Prime Minister's frame of mind and that of his mean-spirited Government, is the cuts in income support for young adults—the attempt by the Federal Government to take away dole payments and other support for young adults and to force them to go back to school or to have their families support them for a much longer period. I moved a motion in relation to that issue in this House. In all these respects the Howard Government has proved that, contrary to all the rhetoric heard prior to the 1996 election, it is an antifamily, mean-spirited government that has devoted its last three budgets to removing and cutting so many of the critical supports that families need when they are caring for children, supporting young adults or caring for elderly relatives.

As Opposition members, who are making a lot of noise, seem to find this topic difficult to understand, I will go through a summary of the changes that the Federal Government has made to child care. I will not take up too much time debating these issues, but I point out that I have a list of the 16 deleterious changes that the Federal Government has already made to child care. I will refer also to the commencement date of these changes. The abolition on 1 July 1997 of the operational subsidy to community-based long day care meant that the subsidy reduction translated into fee increases for parents. Those increased fees meant one of two things: a lower disposable income for families struggling to pay higher fees; or one family member, almost always the woman, leaving the full-time work force for part-time or casual work, or ceasing work altogether, which has an even more dramatic effect on the income of the family unit.

The abolition of this subsidy has had an enormous effect on the network of community-based long day care centres which have been built up after considerable struggle and after input from many Labor women, particularly in this House. I mention in that connection the role of Ann Symonds, other members of the New South Wales women's Labor committee, and me in the mid-1970s. For very many years women fought hard for child care in general and for community-based long day care centres. Those services are being lost because of the tragic changes introduced by the Howard Government. The Howard Government has made yet another attack on community-based long day care centres. Within the overall framework of cuts, the few increases or small grants that are made—which are trumpeted by the Federal Government—are going to private-for-profit centres. I am sure that to make up for earlier cuts by the Howard Government we will hear about odd bits of money being bandied around for child-care services. I place on the record that there is a huge difference between the work of community-based long day care centres and private-for-profit centres, which are being advantaged by the Howard Government's policy on child care.

The second major change is the abolition of the operational subsidy to out-of-school-hours services. The abolition of that subsidy, which occurred less than a month ago, on 27 April, has perhaps been the principal cause of recent publicity about child-care services. Removal of the subsidy has greatly affected an enormous number of children and working parents who have relied upon these services, which were generally organised by local government and located in local schools, for their post-school hours care and vacation care arrangements during school holidays. In that regard, I refer to its impact in the Ryde area, where I live. An article in the *Northern District Times* on 25 March dealt with an attempt by Ryde City Council to cushion the blow for families who would be stung by the Federal Government's withdrawal of vacation care funding.

The councillors at the committee meeting decided to try to provide extra funds to make up for the cuts. I point out that the Mayor of Ryde City, Peter Graham, is the New South Wales State Branch Treasurer of the Liberal Party and the majority of Ryde councillors are active members of the Liberal Party or conservative Independents. I have no hesitation in saying that I am delighted that they have shown an awareness of the impact of cuts to out-of-school-hours care on local families. The article states that for almost 10 years Ryde council has provided a vacation care program for children aged five to 12 years and that the program is run on public school premises, as are most vacation care programs.

In addition to fees paid by parents, the program has previously been funded equally by State and Commonwealth grants, but, as was pointed out in the article, last year the Commonwealth slashed its grant by 50 per cent. The Ryde child-care task force estimated that the impact of that funding cut would be particularly hard on families with three or more children, which sits oddly with the Prime Minister's espousal of the rights of families. Ryde council was looking at ways to cushion the blow

from its own resources for all the families hit by the Federal Government's withdrawal of vacation care funding, and particularly to help families with three or more children.

The third cut in the list of 16 is a reduction in work-related child-care assistance, which was limited to 50 hours per week as at 1 April 1997. That cut has impacted particularly on women who travel long distances to work and, therefore, need extended hours of child care, especially if they need to drop off children at more than one location. It also impacted on women who work casual hours, split shifts or overtime. It is important to recognise that 85 per cent of all long day care centres in Australia are open for more than 10 hours a day. But, 10 hours a day totals 50 hours based on a five-day week. So that cut has impacted on working women—and overwhelmingly on working women in poor families who are struggling to make ends meet.

The fourth cut, a reduction in child-care assistance for non-work-related care to only 20 hours per week, was introduced in April and has also caused hostile reaction over the past few weeks to the Federal Government's child-care funding cuts. The reduction has affected fees—as did the 50-hour limit on work-related care—because many centres rely heavily on non-work-related enrolments. This cut may result in the closure of a number of centres which have given valuable service over many years. Cut number five is the abolition of Commonwealth block operational funding for vacation care, which I referred to earlier. That cut will come into effect this year and will mean a difference to New South Wales of approximately $1.5 million in recurrent funding. School holiday child-care services will be hit particularly hard.

The change in the payment arrangements by paying child-care assistance to families instead of to centres is part of an overall ideological shift by the Federal Government towards individual assistance and away from community development and service provision. We could argue that issue for a long time. Rather than debating it at great length, I point out that the change makes financial planning by centres very difficult and particularly hurts community-based centres. The notion that a child should be taken away from a child-care centre as an exercise of market choice is totally unsuitable. Young children need stability and parents need to know the standard of care.

To treat child-care provision like a voucher system in which informed parents rush around New South Wales inspecting child-care centres to make individual, informed choices is an unrealistic expectation when one considers the multitude of factors that affect the decision made by parents to use a child-care centre. That is why for many years parents have largely relied on government at all levels to regulate licensing and to conduct quality assurance schemes to ensure that appropriate care is given. Cut number eight relates to the non-indexing of the fee ceiling for child-care assistance for two years. That cut has been made worse because the recent Federal budget extended that non-indexing for another year. The increase of the period of non-indexing of the fee ceiling for child-care assistance will have a major effect.

Cut number nine is the reduction in assistance for second and subsequent children, which again came into effect last year and had the impact of reducing the number of families eligible for child-care assistance. Large families were hit hard by this cut. Cut No. 10 saw the abolition of the $30 disregard factor per child in the assessment of eligibility for child-care assistance. That came into effect in April 1997 and has affected 60 per cent of families who use child-care services. It means that many families have become ineligible for that assistance or receive less assistance.

Another change, which comes into effect this financial year, is the national cap of 7,000 child-care assistance places for each of the years 1998 and 1999. This will restrict the growth in commercial child-care places in New South Wales. It is estimated that the annual growth figure will be about 2,000, in contrast with 4,500 in the previous three years. It has been claimed that the change will result in better targeting of resources, but that is a moot point. As I said, the Opposition appears unable to recognise the need for planning in the child-care sector. Change No. 11 is another of the really mean-spirited changes by our Prime Minister, who despite all his protestations, appears to hate families and to hate children.

The Hon. Patricia Forsythe: That is a shocking thing to say.

The Hon. JAN BURNSWOODS: You might be shocked by my saying that, but do you not think that changing from paying child-care assistance fortnightly in advance to fortnightly in arrears is a small, mean-spirited, nasty indication of the Prime Minister's real attitude to women and to families? I have a lot of material about my local area, Ryde, including comments from people active in child care. In case any members wonder about our knowledge of the Prime Minister's real attitude to children and families they should know that people in the Ryde area have the misfortune to live in the

Prime Minister's electorate. We see the impacts of his decisions nationally and locally, and his complete failure to answer local people with concerns. Change No. 12 is the reduction in the child-care cash rebate from 30 per cent to 20 per cent of claimable care costs for families with income of more than $70,000 a year—in other words, the means testing of the cut.

The Hon. Dr B. P. V. Pezzutti: Seventy thousand dollars.

The Hon. JAN BURNSWOODS: I would like to know what your family income is. Do you think $70,000 is a high income for a family? I would like to hear a bit more about your income as a member of Parliament and a practising doctor as well. A lot of hypocrisy is spoken in this debate, and more of it comes from Brian Pezzutti than from most people. Cut No. 13 relates to the failure to index the child-care cash rebate for two years. Change No. 14 involves an area about which I am sure the Opposition will speak at length because it is one of the few areas of growth in child care—but it is growth in family day care, not in community-based centres or even in for-profit centres. The whole point about family day care from the Federal Government's point of view is that it is cheap and it is very difficult to regulate and ensure quality. With the growing lack of affordability of centre-based care there is essentially a two-tiered system of child care. Poorer families—those without the income of people such as Brian Pezzutti—opt for the more affordable family day care, while better off families can continue to afford centre-based care.

Change No. 15 relates to the proposed introduction of a child-care smart card. That is supposed to happen next year but it is unclear whether it will happen and, if it does, whether the Commonwealth will cover the cost associated with introducing the new technology. The last change in the summary of Federal changes to child care, No. 16, concerns the fringe benefits tax exemptions for child care which came into effect in 1996. They had an impact in relation to work-based child care. I could probably speak for a couple of hours on the detail of the numerous cuts to child care but I need not do so, because most members are aware of what has happened. People in the community know about the massive effect the cuts are having on ordinary families, and on women in particular.

The cuts are budget driven: cutting $820 million out of the Federal child-care budget over two years fits in with the Howard-Costello agenda to cut the role of government. But more than that, the cuts reflect the Prime Minister's determination to go back to his little white picket fence and rose-coloured glasses dream of the 1950s that he still lives in. He thinks women are in their place at home with their children. The effect of the cuts in child care, contrary to the rhetoric, has been to reduce choices for women. They can choose to pay more for child care. Fewer centres and far less satisfactory family care mean that women face a horrible choice. Essentially, women on lower incomes have to pay higher fees. Recently it was pointed out that the net effect for many women is that effectively they are working for about $2 an hour. Women can choose to stay at home, but paying off a mortgage and bringing up children is difficult on a single income. A third choice—many of my colleagues have been talking about it recently—is using grandparents for child care. Grandmothers in particular are feeling increasing pressure to provide child care for their grandchildren.

For most families—particularly low-income families—and women workers in this country the rhetoric of choice is no real choice at all. I have heard of a choice between the devil and the deep blue sea, but I am not sure of a metaphor for a bad three-way choice, which is what we are facing here. I have outlined the changes and I should like now to outline the funding effects of the Commonwealth cuts. The 1998 budget papers show that the Federal Government has reduced child-care spending by $126.1 million per year. This is in addition to the estimated $800 million—although many people say it is $820 million—that the Government withdrew from child-care services in the 1996-97 budget. As a direct result of the Howard Government's three budget cuts, at least 25,000 children nationally and up to 9,000 in New South Wales have been withdrawn from, or are not attending, child care.

I reiterate the statistics that indicate small increases in certain areas. One is the 7,000 additional long day care places that will be eligible for assistance payments nationally during 1998-99. The Federal local member, the Prime Minister, has issued many press statements about this but it is a drop in the bucket following cuts of almost $1 billion. And that increase will be available only to the private sector. The community-based centres and local government-based services that have served the community well over many years will not be able to increase existing services or establish new ones.

Community-based centres and local government-based services are the only services available in regional, rural and poorer urban areas, so this increase will not benefit those areas. It is an indication of the Howard Government's attitude towards child care. Its real agenda in the child-care

cuts is to have more women leave the work force and to destroy the network of community-based centres. However, the Federal Government is moderately happy to keep the private sector going, because it is answerable to lobby groups, and to provide extra money for family-based care, because that is cheap. That is a service that is out of sight, out of mind and hard to regulate. It will therefore become residual in the too-cheap child-care system that is rapidly being developed.

For many years Ryde has had an active child-care task force, and I refer to a story published in yesterday's *Northern District Times* under the heading "Child care chaos", which reported that members of the task force are reeling over further cuts to child care in last week's Federal budget and the extension on the freeze on fee relief for yet another year. One task force member, Susan Lister, said that many people had been given the expectation that the freeze would be lifted as it was imposed for only two years. However, the opposite occurred, leaving parents and service providers in no doubt that the Howard Government intends to continue to dismantle our internationally acclaimed child-care system. Ms Lister said:

> With many working women abandoning the workforce and study because of high costs, the government has had a windfall of $117 million in unspent fee relief. This is on top of the $820 million already saved in the last two Budgets.

The task force pointed out that in the past 18 months many services in the Ryde area had to increase their fees by more than 33 per cent because of government cuts. This has proved yet again that child care is less affordable for families in the Ryde district. The effect is not only to make child care less affordable but to close or cut centres. The honourable member for Gladesville, John Watkins, and I have the misfortune to live in the Prime Minister's electorate. John Watkins pointed out recently that in 1975 the Prime Minister opened a nought to five years child-care centre in North Ryde and that over the years it has been popular. The child-care centre was full prior to the last Federal election but now has only a 60 per cent occupancy rate. And that is typical of what is happening throughout the area.

I turn now to the good news, about which I have said little: the enormous efforts of the New South Wales Labor Government to make up much of the loss suffered at the hands of the Federal Government. At the end of last year, with the assistance of the State Government, the child-care centre in North Ryde moved to the grounds of a local high school. This will enable it to expand its nought to two years component to cater for the growing number of young families in the area, contrary to the rubbish spouted by the Hon. Patricia Forsythe. Hopefully, that will allow the centre to survive.

A Senate inquiry has conducted meetings throughout New South Wales and elsewhere. It has taken evidence about the effect of Federal Government cuts to child-care funding, and honourable members will recall the recent hearing in Penrith. I was particularly taken with the evidence of Catherine Cusak, whom many members of this House know well. She was a former Young Liberals president and staffer with the Leader of the Opposition in this House, and she currently works for the Leader of the Opposition, Peter Collins. She told the Senate inquiry that the $800 million savings in child-care cuts had to be weighed against lost taxation revenue from working mothers. These are the savings that the Hon. Patricia Forsythe says do not exist, but Catherine Cusak is so convinced they exist that she was prepared to quote them to the Senate inquiry.

Catherine Cusak has two children aged under four years in child care. She told the Senate inquiry that she had to reduce her hours of work for Peter Collins—I am sure honourable members are sad to learn this—from five days a week to three days a week after her child-care fees rose last year by $93.55 a week. For the first time in about 45 minutes there is silence on the Opposition side of the House. I thought honourable members who had not read of this in the *Daily Telegraph* would enjoy my telling them about Catherine Cusak's experiences. Catherine said that she lost child-care subsidies totalling $3,800 a year and as a result she had to cut her working days for Peter Collins from five to three. It was, I suppose, an economic rationalist point that Catherine was making, so perhaps she really does belong in the Liberal Party despite her good views on women in work and child care.

Catherine Cusak pointed out to the Senate inquiry and the Howard Government that one result of the child care cuts is that she is now paying $11,000 less a year in income tax, and that the net result of the child-care changes for Catherine Cusak is a loss to the Federal Government of $7,200. I must admit to having a wry smile when I noted the economic rationalist argument in relation to child care. I was particularly pleased that the consequences were put so well by Catherine Cusak, a staffer for Peter Collins, the Leader of the Opposition.

I have dealt only a little with the excellent efforts of the New South Wales Government in trying to make up for the massive funding cuts by the Federal Government. Total State Government funding for child care has increased by 50 per cent, and is now running at close to $100 million a year. I pay tribute to the State Government for addressing the needs of children, women and families in that respect—not only in suffering the losses in Federal Government cuts but in trying to meet those shortfalls and continue to put money into child care. That has been an incredible effort on the part of the State Government.

Since April 1995 the State Government's initiatives have included the allocation of $5.5 million to create 700 greatly needed places for children under the age of three years; nearly $10 million to create more than 1,500 new preschool and occasional care places; $3 million to establish innovative services in rural New South Wales; more than $2 million to improve access to child care for children at risk, children with a disability, children from a non-English speaking background, and Aboriginal children; $2.4 million to reduce the cost of fees for families on low incomes using preschools; $5.5 million to meet the costs of inflationary pressures; more than $1.5 million to rehouse services so that communities retain that important community service in quality premises; $4 million to upgrade health and safety standards in preschools, long day care and occasional care services; and $1.5 million to introduce standards for vacation care services. The State Government has of course done other things; I have merely related the major initiatives.

As the Minister for Public Works and Services, the Hon. Ron Dyer, would vividly recall, almost immediately upon Labor coming to office he came to Ryde and signed the expanded national child-care strategy. The coalition Government had kept issuing press releases and making statements that it agreed with that strategy, but despite about three years of saying it was going to do something about the matter, it never did. It was a delight to have the Premier and the Hon. Ron Dyer come to Ryde with John Watkins in April 1995 and implement that strategy as one of the early initiatives of the Labor Government. This Government has put its money where its mouth is with child care and the need to maintain these important services for women, children and families.

An article in the *Sydney Morning Herald* some two weeks ago referred to an unequivocal promise by Kim Beazley, the Federal Opposition Leader, that Labor will restore the $820 million that the Howard Government has cut from child care. Mr Beazley made that statement when he was launching Labor's working party on child care. He pointed out what a critical issue child care is. He said that Labor's policy included not only the restoration of the $820 million cut by the Howard Government but the restoration of a proper and planned framework for child care, a framework that the Howard Government has been in the process of destroying.

As Kim Beazley said, a Labor government would not be able to allocate the full amount of those cutbacks immediately, but he promised to build it back in as part of a properly costed package. So a Federal Labor government will do something to stop the collapse in the standards of living of low and middle income earners that has resulted from the many mean acts by the Federal coalition Government. Certainly the cuts in child care have made it much more difficult for many families to make ends meet while maintaining a standard of living and quality of life that most honourable members would think is their right.

The Hon. PATRICIA FORSYTHE [11.55 a.m.]: What a disappointing, mean-spirited speech. This motion has been on the notice paper for months, so one would have expected a better effort. We heard the honourable member put down families that have chosen to have their children cared for at home. The family day care system has been criticised, as have private centres. If something did not fit the agenda of the honourable member or her socialist ideology, she put it down. What a mean-spirited speech it was. The motion is fundamentally flawed and in its present form should not be supported by the House. The first point I make about the motion is that it seeks that the House "reasserts its conviction"—I emphasise the word "reasserts"—regarding the right of access to child care. The motion is flawed even at that point. This House has never previously asserted that access to quality, affordable child care is a basic right for families and a vital service for children.

The Hon. Jan Burnswoods: Then why hasn't it? Why didn't the coalition Government ask the House to do that?

The Hon. PATRICIA FORSYTHE: We have never made such an assertion. We did not do so in the Fifty-first Parliament, and we did not debate it in the Fiftieth Parliament. To the best of my research, we did not debate it at any time prior. The honourable member cannot get the wording of her motion right, and that does not say much for the quality of it. She could have asked the House to assert its conviction. But, no, she asks the House to

"reassert" its conviction. Well, this House never has asserted its conviction on the issue of child care. It is not an issue on which this House has expressed itself at any time.

The motion refers to access to quality, affordable child care as a basic right. Perhaps it is time the House made such an assertion. However, members should not present to the House a motion that purports to reassert a conviction that has never been the subject of a debate in this Chamber. The motion is fundamentally flawed because the assumption underpinning the motion is wrong. It is plainly wrong to frame a motion that speaks of "savage cuts to child care funding" by the Federal Government.

The honourable member has confused Labor Party propaganda with facts. She is scaremongering and trying to score political point, but she is not prepared to state the facts. She is so influenced by Jenny Macklin propaganda on this issue that she is not prepared to even listen to the facts. The honourable member was absolutely right when she said that if she listened to the debate she might hear some interesting statistics. Indeed she will. She will hear the facts in this debate. I will put forward two basic facts so that she can contemplate them over lunch and so that other honourable members can examine the issues from a correct and factual perspective. The honourable member might not want to hear the actual statistics but, if the House is to debate the issue, we might at least put the debate on a proper and factual basis.

In 1996-97 Federal Government expenditure on child care was at $1.1 billion. By 2000 to 2001 it is forecast to be at $1.3 billion. That represents not a cut in funding but a growth in funding. Over the next four years the Federal Government is planning for 83,000 additional child-care places. That means that an additional 140,000 children will have access to quality child care. Where is the cutback? More children will have access to child care and there will be more child-care places. I repeat: by 2000 to 2001 Federal Government funding for child care will be increased by $200 million per annum and 140,000 additional children will have access to child-care services.

The Hon. Jan Burnswoods: Where will they be? What sort of centres will they be in? When will this pie in the sky happen? Do you believe in the big pie in the sky?

The Hon. PATRICIA FORSYTHE: The Hon. Jan Burnswoods cannot read budget papers, but I certainly can. Around 83,000 additional child-care places are budgeted for and 140,000 additional children are to have access to quality child care.

The Hon. Jan Burnswoods: Where will they be? What sort of centres will they be in?

The Hon. PATRICIA FORSYTHE: It certainly includes 39,000 more places in community-based centres and 44,000 additional places in private centres, and it certainly includes additional places elsewhere.

The Hon. Jan Burnswoods: How many in family day care?

The Hon. PATRICIA FORSYTHE: There is nothing wrong with family day care; it is part of the system.

Pursuant to sessional orders business interrupted.

QUESTIONS WITHOUT NOTICE

SUPERANNUATION ADMINISTRATION AUTHORITY

The Hon. VIRGINIA CHADWICK: My question without notice is directed to the Treasurer, and Leader of the House. Is it a fact that the executive of the Superannuation Administration Authority also functions as the management audit committee? Is it also a fact that this is contrary to best practice guidelines from New South Wales Treasury? As the responsible Minister and the Treasurer, will he ensure that the SAA complies with Treasury's best practice guidelines?

The Hon. M. R. EGAN: I am not aware of the matter to which the Hon. Virginia Chadwick alludes, but I shall have a look at the matter and report to the House in due course.

WORK HEALTH AND SAFETY WEEK

The Hon. JAN BURNSWOODS: My question without notice is addressed to the Attorney General, Minister for Industrial Relations, and Minister for Fair Trading. Given that this is Work Health and Safety Week—and may I say how much I appreciated being able to attend the launch on Monday—what is the rate of prosecution for breaches of occupational health and safety legislation?

The Hon. J. W. SHAW: I thank the Hon. Jan Burnswoods for her question and for her attendance, along with other members of this House, at the launch of Work Health and Safety Week which was held here in Parliament House on Monday. The prosecution rate for breaches of occupational health

and safety legislation continues to grow. Figures for the 1997-98 financial year provided to date show that WorkCover has successfully completed 489 prosecutions. Projections for the rest of this year indicate that WorkCover's total prosecutions for 1997-98 will be around 600, that is, 127 more than for the whole of the previous year. Clearly, employers need to take note of their obligations and of the fact that the success rate for prosecutions now stands at 95 per cent. That is not a bad result for cases that have to be proved beyond reasonable doubt.

The chances of employers being successfully prosecuted are increasing daily. One of the reasons for this higher prosecution rate is that the Government has enlarged the jurisdiction of the Chief Industrial Magistrate's Court to the more appropriate penalty of $50,000. This has enabled WorkCover to commence more prosecutions in the lower court. WorkCover takes its prosecutions of the most serious offences to the Industrial Relations Commission, in which the maximum penalty available for a first offence is $550,000 for a corporation and $55,000 for an individual. These proceedings involve one or more of the following: a death, serious injury or serious risk to safety; failure to comply with a prohibition notice; and the offender having a history of prior convictions of a similar nature. The maximum penalty for a second offence is $825,000 for a corporation and $82,500 for an individual. The effect of the 10 per cent increase in penalty points, which was brought in on 1 September 1997, is also relevant. The total figure for fines and costs awarded to date is $2.5 million. WorkCover's continuing high rate of active enforcement shows that this Government is serious about workplace safety.

I wish to draw to the attention of the House something that I feel has gone largely unnoticed. The Government has appointed a number of additional industrial magistrates. For many years now the Chief Industrial Magistrate, Mr George Miller, has had a very heavy workload. The Government has appointed some existing magistrates to the position of industrial magistrate, and at the discretion of the Chief Magistrate, Mr Landa, from time to time those magistrates will be able to sit in the industrial jurisdiction to deal not only with WorkCover prosecutions but also with other industrial matters concerning unpaid wages and the like.

OLYMPIC GAMES SITES INDUSTRIAL DISPUTES

The Hon. Dr MARLENE GOLDSMITH: I address my question without notice to the Attorney General, and Minister for Industrial Relations. Is it a fact that this year under the Carr Labor Government there have been four strikes involving Olympic sites? Is it also a fact that the latest industrial dispute at the Homebush Olympic site caused construction on the Olympic stadium to come to a halt? Why has the Carr Government failed to ensure that the no-strike agreement negotiated with the New South Wales Labor Council for the Olympics project is adhered to?

The Hon. J. W. SHAW: I am unable to say with precision how many stoppages or instances of industrial action have occurred on those Olympic sites. However, I can inform the House that the construction process and the timetables have been spectacularly successful. Whatever minor blemishes there may have been, the generalisation one would make is that it has been an enormously successful construction project with good relationships between the work force and the contractors managing the project. I am not aware of any breaches of the protocol that has been reached between the unions, the relevant employers and the Olympic authority. My general observation is that it is working well. To expect a major construction project to occur with literally no controversies of an industrial kind is really utopian. Obviously, from time to time there will be differences between the members of the work force, their representatives and management. However, overall I think the community believes that the Olympic development has been a fantastic success.

FEDERAL SOCIAL SECURITY BENEFIT CUTS

The Hon. Dr MEREDITH BURGMANN: My question without notice is directed to the Attorney General, Minister for Industrial Relations, and Minister for Fair Trading. Is the Minister aware of the Commonwealth Government's proposals to cut social security benefits to recipients of lump-sum compensation for pain and suffering?

The Hon. J. W. SHAW: The Hon. Dr Meredith Burgmann raises a matter of acute concern. The Federal Government is proposing to hit people on low incomes who have been injured and who have been awarded or will be awarded a lump-sum payment in relation to pain and suffering. As I understand the Federal Government's proposal, it means that people who have been awarded a lump sum for pain and suffering will have their welfare payments slashed for up to a year or more. If a social security recipient is awarded compensation for non-economic loss and the compensation is paid as a lump sum of more than $10,000 or by instalments of more than $2,000 per month, his or her social security payments will be reduced. In other words, members of society who are already on low incomes

are going to pay the price for the Commonwealth Government's aim to achieve a budget surplus.

Those in more favourable financial circumstances, however, will still be able to receive large lump sums. For example, a single person earning $1,000 per week would be entitled to receive a lump sum of $20,000 for non-economic loss without any restrictions, but a married person on unemployment benefits of $500 per week who has dependants would have those benefits reduced if that person were awarded a lump sum for non-economic loss of more than $10,000. It is important to note that lump-sum payments for pain and suffering are not intended as compensation for loss of earnings. They are intended as compensation for non-economic loss and, by definition, they deal with pain and suffering.

It is a fundamental tenet of personal injury compensation that benefits are payable for injury or loss, such as loss of a leg or loss of sight, and for the physical and psychological consequences of that injury. The New South Wales Government recognises the legitimacy of this type of compensation payment. For example, workers compensation legislation provides for lump sum compensation for permanent disability and associated pain and suffering under sections 66 and 67 of the relevant legislation. Up to $150,000 is available for a single injury, with higher amounts available for multiple injuries and cases in which negligence is proved. The proposal of the Howard Government to penalise those in our community who are already financially disadvantaged underlines the inequality of its approach to financial management.

The poor and the vulnerable are targets for cost-cutting programs. The Howard Government is aligning itself with the model of injury compensation that operates in Victoria, where common law rights have been abolished and non-economic loss benefits are intended to be paid by instalment. The New South Wales Government believes that there should be equity in the payment of lump-sum compensation for pain and suffering. Those on social security benefits who have suffered an injury and who are entitled to a lump-sum compensatory payment should have the right to receive that sum without financial penalty in the same way as those who are financially independent.

POLICE SERVICE STAFF REPORTS REVIEW

Reverend the Hon. F. J. NILE: I ask the Attorney General, and Minister for Industrial Relations, representing the Minister for Police, a question without notice. Is it a fact that a number of honest New South Wales police officers have served under dishonest senior police officers who have been found by the Wood royal commission to be corrupt and/or have lost the confidence of the Commissioner of Police, have resigned, have been dismissed, or are under investigation? Is it a fact that honest police officers have suffered in their careers by the actions of corrupt senior officers because of forced transfers, blocked promotions, harassment, and/or false accusations to internal affairs and/or the Commissioner of Police? Will the Minister commit the Government to a program of review of biased staff reports, unfair internal audits, et cetera, authorised by corrupt senior officers, so that the honour of honest police officers can be restored? Will he consider awarding compensation for their suffering and the suffering of their families? Will the Minister encourage honest police officers to present the details of any unfair discrimination to the Police Integrity Commission and give them similar protection as is given to whistleblowers?

The Hon. J. W. SHAW: The basic premise contained in the honourable member's question is unexceptionable. It is regrettable, but I am sure all honourable members would accept that over the years many police officers have served under dishonest supervisors or superior officers. It may be, as the honourable member suggested in his question, that the careers of some honest and decent police officers have suffered as a result. I recognise the sense in the question. I will be happy to refer it to the Minister for Police to obtain a response, particularly in relation to the latter parts of the question as to whether staff reports and the like should be reviewed as a result of the discoveries and findings of the police royal commission.

INVERELL COMMUNITY HEALTH CENTRE

The Hon. HELEN SHAM-HO: My question without notice is addressed to the Minister for Public Works and Services, representing the Minister for Health. Is the Minister aware that the people of Inverell, particularly the elderly, are having problems accessing the Inverell community health centre, as I discovered during recent consultation in the area? Is the Minister aware that the Inverell community health centre is not located in the Inverell central business district, that no bus route services the centre and that taxis are too expensive to use? Will the Minister consider moving the Inverell community health centre back into the central business district? How will the Minister improve access to community health in other parts of regional and country New South Wales?

The Hon. R. D. DYER: I shall obtain a response from my colleague the Minister for Health to the detailed question asked by the Hon. Helen Sham-Ho.

GOSFORD PUBLIC GUARDIAN REGIONAL OFFICE

The Hon P. T. PRIMROSE: My question without notice is to the Attorney General, and Minister for Industrial Relations. Will the Attorney inform the House about the recent opening of the regional Office of the Public Guardian at Gosford?

The Hon. J. W. SHAW: I was pleased to open the Gosford-based Office of the Public Guardian on 8 May. The office will service the central coast, Newcastle and the Hunter. The establishment of the Gosford office is part of the regionalisation strategy of the Public Guardian which aims to create a more accessible and locally available service. The opening of the Gosford office follows the establishment last year of a regional office at Blacktown to provide more effective services to the outer western suburbs of Sydney. The role of the Public Guardian is to protect the interests of people with disabilities who lack a decision-making capacity and who need a guardian to make decisions on their behalf.

The Public Guardian has to place itself in the shoes of persons under guardianship and attempt to make the decision they would make for themselves. The office was established in 1990, following the passage of the first modern guardianship legislation for adults in New South Wales. A major aim in opening the regional office at Gosford is to enable the Public Guardian to provide a more accessible service to its clients. The regional office has improved the ability of the Public Guardian to mediate, consult and provide advocacy for its clients, in addition to its role of decision making.

Through regionalisation the Public Guardian will be able to develop closer contact with people under guardianship, their families, friends and service providers, and it will be able to work more efficiently with local service workers and agencies. The Public Guardian has become an integral part of the services available to people with disabilities, and has assisted in the empowerment of its clients and their families. I congratulate the office on its achievements and offer my best wishes to the staff and clients of the Gosford regional office. It was inspiring to go to Gosford and meet the service providers and other interested groups who turned out in considerable numbers, and to speak to the very dedicated and idealistic public servants who staff the office. They do a very difficult job, in a sense an emotionally taxing job, and they do it well.

COBAR CSA MINE CLOSURE

The Hon. D. F. MOPPETT: My question without notice is to the Minister for Industrial Relations. Is the Minister aware of the severe hardship suffered by miners who were, until recently, employed at the CSA mine in Cobar? Will the Minister confirm that their working conditions were established under State awards and that the entitlements, for which they have not been fully paid, are derived from State legislation? What proposals does the Minister have to assist individuals to retrieve their unpaid entitlements? Was the Minister able to participate in the State Ministers for labour relations meeting held on 1 May to discuss concerted efforts to prevent this from happening again? If the Minister was not able to attend, will he co-operate with any proposals that flow from that meeting to ensure that it does not happen again in this State or any other State in the Commonwealth?

The Hon. J. W. SHAW: I know the Hon. D. F. Moppett would have a sincere concern for these workers as, I imagine, would all members of this House. It is a shocking tragedy. I have met with representatives of the workers and discussed the matter with them. I believe it is right, as suggested in the honourable member's question, that a State industrial award has applied at Cobar for many years. The fundamental problem is the Corporations Law, which creates the hierarchy of creditors in the event of insolvency or when a company is placed under the supervision of an administrator. That is a uniform but essentially Federal law. It is not a question of shifting blame; it is a question of getting the legal position correct in relation to competing jurisdictions. We have a State award enforceable under State law, but a Federal, or national, Corporations Law that determines where the money goes when a company fails.

I did not participate in the discussion to which the honourable member refers; I think that was a meeting of labour Ministers in New Zealand. I was unable, due to work commitments, to attend that meeting in New Zealand. But I have injected into the consideration of those Ministers a concern that Corporations Law ought to be fundamentally revised to provide greater protection to people in the situation of the Cobar mineworkers. That matter is being actively pursued. I think it is also being pursued at the level of heads of government. I believe that the Premier has put forward proposals to the Prime Minister and to other Premiers about

changes in that respect. Whilst accepting the unsatisfactory state of what occurred in Cobar—indeed the tragedy of it and other circumstances too—at least the New South Wales Government has put forward some positive proposals for reform of our Corporations Law.

I do not want to turn this answer into something more controversial than it ought to be, but I observe that the waterfront saga illustrates how the Corporations Law can be used to defeat the industrial rights of workers. It illustrates that, by corporate rearrangement, presumptively valid—although that is to be determined by the courts—corporations can arrange their affairs so that the employers of labour become companies with few assets. We all need to pause and have some concern about that. If entitlements to redundancy pay, long service leave, accumulated annual leave, wages and superannuation can be defeated by corporate restructuring and by asset stripping, we have problems.

The Hon. D. J. Gay: That is not what you are saying.

The Hon. J. W. SHAW: That is exactly what I was saying. The waterfront is an example of an internal company rearrangement. There is a change in the technical status of the employer, so that if people who are employed by a company which is asset rich become employed by a company which does not have the assets to pay their industrial entitlements—redundancy, long service leave, annual leave and the like—those employees are put in jeopardy. Many of them may have worked their whole lifetime for a particular employer and they often would not know what precise corporate entity it is that technically employs them; they know that they work for a general enterprise or undertaking.

There is a powerful case for the reform of our Corporations Law to preclude that kind of manipulation, which is calculated to defeat the legitimate expectations of working people. I conclude by observing that any change to our Corporations Law needs the consent of all jurisdictions; it needs the consent of the Commonwealth and all the relevant States. So to change these laws in the directions I have foreshadowed, or the directions that are contemplated, it will be necessary to have consensual support from the jurisdictions.

COMPUTER MILLENNIUM BUG

The Hon. JANELLE SAFFIN: Is the Minister for Public Works and Services able to give the House any additional information regarding the Government's year 2000 millennium bug strategy?

The Hon. R. D. DYER: The honourable member has asked a pertinent question. Yesterday, when responding to a question from the Hon. C. J. S. Lynn, I detailed the involvement of the Department of Public Works and Services, my own department, in developing a strategy to combat the year 2000 millennium bug. I also said that the primary responsibility for this matter rests with my colleague the Minister for Information Technology, who has furnished me with some additional information. Given the professed interest of the Hon. C. J. S. Lynn in the matter, I am sure that his colleagues will permit me to give some additional information. Earlier this week the Government endorsed phase two of its strategy to address the risks posed by the year 2000 millennium bug. Phase two of the strategy will ensure the problem continues to attract a high priority for all New South Wales government agencies.

[*Interruption*]

The Hon. D. J. Gay should be aware that I gave an answer concerning this matter yesterday. A lot of practical work has been engaged in by the Department of Public Works and Services by way of—

The Hon. Helen Sham-Ho: A green paper.

The Hon. R. D. DYER: Not green papers at all.

[*Interruption*]

The Hon. D. J. Gay really ought to read the answer I gave yesterday. That lengthy answer details some practical measures taken by my department to combat the year 2000 millennium bug.

The Hon. M. R. Egan: Do not forget mine.

The Hon. R. D. DYER: The Treasurer is also taking a keen interest in this matter. He wants to ensure that it is addressed well in advance of the year 2000. The people and businesses of New South Wales can feel confident that the Government is taking every possible step to ensure that government functions and services will not be interrupted as a result of the year 2000 bug. New South Wales is well advanced in its progress in the war against the millennium bug. The Opposition, I might say, is always willing to sell New South Wales down to promote its Liberal comrades in Victoria. It is worth noting the following extract from the *Australian*

Financial Review, as recently as last Monday, 18 May:

> The Victorian Government is dangerously behind on its year 2000 compliance program.

In contrast, the New South Wales Government is in front regarding this problem and it continues to deliver initiatives and solutions to it. This is a strategy that ensures the wellbeing of New South Wales does not suffer as a result of lack of preparation.

[*Interruption*]

Opposition members should be aware that I am talking about a bug infecting computers and not any other sort of bug. The Government's strategy will ensure that the wellbeing of New South Wales does not suffer as a result of a lack of preparation. Many New South Wales government agencies have already spent considerable time and effort in combatting the millennium bug and they are well advanced in taking the necessary steps to assess their millennium bug exposures and correct the problems.

The Hon. Virginia Chadwick: On a point of order. With or without the visual aids, I am clearly interested in the 1999 millennium virus bug. I am really concerned that I cannot hear the answer.

The PRESIDENT: Order! The Hon. Virginia Chadwick has made a valid point. Her colleagues may care to note her comments.

The Hon. R. D. DYER: This second phase strategy will ensure that all government agencies are in the best situation to survive past 1 January 2000. The Government requires all New South Wales government agencies, including State-owned corporations and government trading enterprises, to advise the Government by the end of June this year of the outcomes of their organisations' millennium bug risk assessment, including cost estimates for problem rectification.

In addition, all government agencies are to develop millennium bug contingency plans and submit them to the Government by the end of September. To ensure that these requirements are met, a task force of chief executive officers from across the public sector will provide direction and guidance on the millennium bug strategy implementation and provide advice to the Cabinet committee on information technology. Since 1996 the Government has embarked on a program of raising awareness, educating the public sector, disseminating information and providing the necessary tools to undertake risk assessment and problem correction. The Government established a year 2000 project team within the office of information technology to advise and assist in implementing whole-of-government strategies.

[*Interruption*]

Members opposite should take into account the interest of the Hon. Virginia Chadwick in this matter. She is being impeded from hearing the response by the activities of some of the more noisy elements opposite. A web site was established on behalf of all Australian governments as a primary resource point for government agencies and the private sector on information about vendor and product year 2000 compliance. A year 2000 business risk analysis methodology was developed and has been available via the web site since September last year for agencies to use. The New South Wales Government has prepared and produced an eight-page step-by-step summary booklet of this methodology.

The Hon. M. R. Egan: A New South Wales Government—

The PRESIDENT: Order! The question was directed to the Minister for Public Works and Services.

The Hon. R. D. DYER: Amidst the tumult, members may not have heard me say that the New South Wales Government has prepared and produced an eight-page step-by-step summary booklet of this methodology, which is now used by many private sector organisations as the preferred awareness and instructional booklet on millennium bug preparedness.

The Hon. Dr B. P. V. Pezzutti: On a point of order. The Leader of the Government was told that the question was directed to the Minister for Public Works and Services. He is now clearly flouting that ruling by supplying a visual aid to the Minister, although I am still having trouble understanding where the Minister is coming from.

The PRESIDENT: Order! No point of order is involved. I did not deliver a formal ruling. I merely proffered some advice to the Leader of the House.

The Hon. R. D. DYER: The Leader of the Government provided a stage prop to illustrate to members opposite, who are very slow learners, that the necessary information does exist. If the Hon. Virginia Chadwick is interested, she might have a

look at that document. Acknowledging the scarcity of resources available to the Government to assist with year 2000 work, a number of period panel contracts with suppliers have been established for the provision of year 2000 business risk analysis and remedial software.

The Hon. J. F. Ryan: On a point of order. The standing orders provide that reading a newspaper in the Chamber is disorderly. Although the Minister is testing the interests of even the members opposite, the Hon. Jan Burnswoods is not listening to the Minister's answer and is reading a newspaper.

The PRESIDENT: Order! The reading of newspapers in the Chamber is disorderly. I ask the Hon. Jan Burnswoods to desist.

The Hon. R. D. DYER: Government agencies have been utilising the tools provided to estimate and correct millennium bug issues. Reporting deadlines have been introduced to enable the full impact of the problem across government to be known and to allow for whole-of-State contingency planning to get under way. The millennium bug problem is a major business issue for the private sector as well as for the Government. As part of the second phase strategy, the Department of State and Regional Development will work with business and industry to continue the program of raising the awareness of the problem so that companies—small, medium and large—take appropriate action to address their millennium bug shortcomings. With just under 600 days to go to 1 January 2000, the Government's strategy to address threats posed by the millennium bug are well advanced and are being given the appropriate priority.

OLYMPIC GAMES RENTAL ACCOMMODATION

The Hon. I. COHEN: I ask the Attorney General, Minister for Industrial Relations, and Minister for Fair Trading a question. I am informed that the Department of Fair Trading has completed a report on the possible impact of the Olympic Games on the private rental market. That document has not been publicly released and, I am informed, has now entered the Cabinet process. When will the report be available to interested groups? Does the report recommend any amendments to the Residential Tenancies Act? If so, when does the Government plan to introduce these amendments?

The Hon. J. W. SHAW: The assumption in the question of the Hon. I. Cohen is correct: an analysis has been prepared within the Department of Fair Trading. Obviously, one of the major questions addressed by the report is the protection of private residential tenants from any possible negative impacts arising from the 2000 Olympics. Again as the Hon. I. Cohen suggested, that report is under current consideration within the Government. We have identified tenancy protection as an important area for attention in the lead-up to the Olympics. Before any decision can be made about tenancy protection, it is important to properly research the nature and extent of any likely problems and to consider the full range of options to deal with any identified problems. An important element in the project was consultation with stakeholders, both within and outside the Government. Consultants held discussions with community, industry and Government representatives, as well as holding focus groups with landlords. I am informed that the report from the consultancy will be considered by Cabinet in the near future. We regard the report as being a useful component in the development of an integrated approach by the Government to accommodation and housing issues in the lead-up to the Olympic Games.

LIFE SAVER HELICOPTER SERVICE

The Hon. Dr B. P. V. PEZZUTTI: My question is to the Minister for Public Works and Services, representing the Deputy Premier, Minister for Health, and Minister for Aboriginal Affairs. Why has the Minister refused to fund the Illawarra-based Life Saver Helicopter Service for primary search and rescue response in spite of the Surf Life Saving Association's investment of $2.2 million for a properly configured helicopter and the provision by the Wollongong City Council of an appropriate hangar and helipad?

The Hon. R. D. DYER: I shall obtain a response to that vexatiously expressed question from my colleague the Minister for Health.

ALBURY REGIONAL ASSISTANCE

The Hon. J. R. JOHNSON: My question is to the Treasurer, and Minister for State Development. Will the Minister give the House details of the assistance the Government is giving to businesses in regional New South Wales, with particular reference to the Albury district?

The Hon. M. R. EGAN: I thank the Hon. J. R. Johnson for his question and commend him for his interest in the Albury area. The Government is committed to the creation of new jobs and investment in regional areas of New South Wales. Since April 1995 the Department of State and

Regional Development has had direct involvement with $13 billion in investment, which has been responsible for the creation of more than 62,000 jobs in New South Wales. As part of this commitment to regional New South Wales, the Minister for Regional Development, and Minister for Rural Affairs, Mr Harry Woods, recently announced State Government funding to assist a major manufacturer in Albury. Modest assistance has been given to Kimberley-Clark Australia Pty Ltd under the Government's regional business development scheme in the form of an expansion grant.

It will be used as part of a $29.5 million technology upgrade of its Albury mill. I am told that the investment in new equipment will secure 55 jobs and increase the mill's capacity by 40 per cent. The plant will become the major supplier of non-woven fabric to the company's other operations throughout the Asia-Pacific region. As most members are no doubt aware, non-woven fabric is the material used in disposal nappies, sterilisation wrap, wipes, disposal overalls and some furniture.

Depending on the success of the upgrade, Kimberly-Clark will consider a further $30 million expansion of the Albury mill within the next seven years, which will have the potential to double the company's work force. However, in the short term some 60 construction jobs will be created and further indirect jobs will result from the flow-on effects of a major investment such as this. Of the nearly $30 million being invested in the upgrade, at least half will be spent installing new equipment, much of it purchased locally.

The Department of State and Regional Development tells me that if the upgrade had not proceeded, Kimberly-Clark would have been forced to import all of its non-woven fabric. The import replacement generated by the upgrade represents some $10 million a year. The expansion means more quality jobs for regional New South Wales and export dollars flowing into the local and international economies. Kimberly-Clark's investment in the Albury operation is a vote of confidence in the Murray region and I wish the company all the success in the future.

CONCRETE RAILWAY SLEEPER CONTRACTS

The Hon. J. H. JOBLING: My question is to the Treasurer, Minister for State Development, representing the Minister for Transport, and Minister for Roads. Can the Treasurer confirm that because of a budget problem the Government proposes to cancel a long-term Rail Access Corporation contract with Rocla Concrete Constructions to manufacture concrete sleepers for the State's railway lines? Has the Government already paid several million dollars for stockpiled sleepers but does it now lack the funds to have them laid, putting railway staff and commuters at risk because of the poor condition of the State's tracks?

The Hon. M. R. EGAN: I am not conversant with the specific matter the Hon. J. H. Jobling raised. I will refer the question to my colleague the Minister for Transport.

COMPANION ANIMALS EXPERIMENTATION

The Hon. R. S. L. JONES: I ask the Minister for Public Works and Services, representing the Deputy Premier, Minister for Health, and Minister for Aboriginal Affairs a question. Why is the Minister for Health dragging his feet on the proposed ban on the supply of companion animals from council pounds for experimentation? Is it not a fact that only one council, Blacktown, is now supplying dogs after Wyong Shire Council was fined for illegally supplying dogs? Is the Minister for Health not aware that although the supply of companion animals from council pounds has been banned in the United Kingdom, Germany and other countries medical research continues without any problems? Will the Minister for Health now support the Minister for Local Government and the Minister for Agriculture in having this abhorrent practice ended once and for all? If not, what excuse can he possibly give for allowing it to continue?

The Hon. R. D. DYER: I thank the Hon. R. S. L. Jones for his question, to which I shall obtain a response from my colleague the Minister for Health.

LOCAL COURT PROCEDURES

The Hon. CARMEL TEBBUTT: My question is for the Attorney General. What steps is the Government taking to ensure that defendants who come before the State's Local Courts are aware of courts processes and procedures?

The Hon. J. W. SHAW: On 11 May 1998 I had the pleasure of launching a pamphlet which has been published by the Legal Aid Commission with financial assistance from my department entitled the "Defendant's Guide to the Local Court". The vast majority of people who come into contact with the New South Wales court system appear in the Local Court. Last year more than 230,000 people appeared before Local Courts sitting at 160 locations throughout New South Wales. For many people a

court appearance is a frightening experience even when they have not been charged with an offence. The physical surroundings of a courthouse, together with the court's practices and procedures, can disorient all but the most experienced litigant. The "Defendant's Guide to the Local Court" addresses some of a defendant's concerns by providing plain English information and advice on the total court process, from the initiation of a case through the process of obtaining legal representation and interpreter services to explaining how a court case is conducted and the types of penalties which a court may impose. The guide provides practical advice on the rights and responsibilities of the defendant and will be a valuable aid to people appearing before the Local Court.

The guide is intended to assist defendants to understand the court process and is an indication of the Government's determination to improve the public's understanding of court procedures and access to our courts. A better educated and more sophisticated community today demands that the courts provide mechanisms for the resolution of disputes which are simpler, faster and less expensive. The vast majority of people encounter the Local Court rather than other courts and that is perhaps why the Local Court has the opportunity to lead the way in the area of court reform while continuing to perform that most difficult of tasks, the delivery of justice. The Government believes that court procedures can be improved. They should be simple and easily understood by the people who use the system. Apart from initiatives such as the publication of the "Defendant's Guide to the Local Court" designed to heighten public awareness of the operation of the court, the Government is pursuing a continuing program of legislative and procedural reform in the Local Court.

I will not go into the details of the legislation but I remind honourable members that the Justices Procedure (Briefs of Evidence) Act 1998 and the Justices Amendment (Procedure) Act 1997 have made significant changes to court processes aimed at reducing the number of Local Court matters which proceed to hearing and at streamlining pleading procedures. Those pieces of legislation are indicative of the Government's strong commitment to the ongoing process of procedural reform in the court system and to the objective of delivering efficiencies in the justice system. The Legal Aid Commission and the Attorney General's Department are both doing much to support the court process and to provide high quality services to people appearing before the court. I welcome inquiries from members about the publication and would be happy to supply copies to them. It is a good example of the ethos of commitment to quality customer service and complements the Government's reformist legislative program. I compliment the Legal Aid Commission and the Attorney General's Department on the publication of a clear and useful brochure for people who appear in the Local Court.

VETERINARY RESEARCH FACILITIES CLOSURE

The Hon. JENNIFER GARDINER: My question is directed to the Minister for Public Works and Services, representing the Minister for Agriculture. Is the Minister aware of concern expressed by veterinarians at the outbreak of a disease which recently alarmed the New South Wales pig industry and the suggestion that the capacity of New South Wales authorities, including the Department of Agriculture, to detect new diseases in New South Wales livestock has been reduced by the closure of regional veterinary laboratories? Does this not vindicate the findings of the Standing Committee on State Development, which criticised the Carr Government's closure of regional veterinary laboratories and the Biological and Chemical Research Institute? Will the Government consider reversing this diabolical decision? If not, why not?

The Hon. R. D. DYER: I will obtain a response to the question asked by the Hon. Jennifer Gardiner from my colleague the Minister for Agriculture.

CENTRAL ECONOMIC ZONE INTERNET CONNECTION

The Hon. A. B. KELLY: My question is directed to the Treasurer, and Minister for State Development. What is the New South Wales Government doing to ensure that remote areas of New South Wales are able to access national and overseas markets?

The Hon. M. R. EGAN: That is a very important question. I am pleased to inform the House of an initiative that will increase the business opportunities for rural and regional New South Wales. In April the Premier launched the central economic zone's "Heartland" website, an electronic gateway linking western New South Wales with Sydney. The central economic zone is a union of 30 local government areas extending from Lithgow to Broken Hill and from West Wyalong to Lightning Ridge. It covers an area of 400,000 square kilometres—an area as large as California or Germany—which contributes $10 billion per annum to the New South Wales economy through mining,

agriculture, horticulture, tourism, education services and scientific research.

Remote New South Wales companies will now be able to trade with businesses in Sydney, Melbourne, Adelaide or even as far away as London or New York. The cost of business for some 20,000 regional companies will be substantially reduced. Companies will use the Internet for communication rather than paying the higher charges for STD phone and fax calls. The central west is the fastest growing tourism region in Australia and the closest real outback area to Sydney. The New South Wales Government recognises that the health of western New South Wales is vital to the State's economy. The Government is upgrading transport infrastructure and giving businesses in western New South Wales better access to ports, export facilities and other markets.

Last October the Government set up a task force to develop a strategy for the Penrith to Orange corridor, the major access route between Sydney and western New South Wales. That will give businesses in the central economic zone better access to markets outside their region, making the region more attractive to potential investors. Since the Government came to office 54 per cent of total business assistance provided in New South Wales has been allocated to country businesses.

The regional business development scheme provides financial assistance to local, interstate or overseas businesses starting up, expanding or relocating to a regional location. Honourable members would be aware that the Government has also appointed agribusiness development officers and export advisers to advise agricultural and other regional businesses. The Government is constantly looking at ways in which it can assist regional New South Wales to attract more investment and create more jobs.

DEPARTMENT OF COMMUNITY SERVICES CENTRAL COAST FUNDING

The Hon. M. J. GALLACHER: My question without notice is to the Treasurer. Will he give a commitment to the House and the residents of the central coast that in the upcoming State budget sufficient funding will be provided through the Department of Community Services for an additional youth worker to be employed to allow the operation of the web youth drop-in centre in Woy Woy to continue?

The Hon. M. R. EGAN: The Hon. M. J. Gallacher has not been a member in this House long but he has been a member long enough to know that I do not release the budget until it is formally presented to Parliament. However, I can assure him that the Government will attend to the basic vital services of the State, such as education, health and community services, in a way that was never done by the former Government. This Government has significantly increased the financial resources available to the Department of Community Services, the Ageing and Disability Department and the Health Department, whereas the former Government cut the budget of the Department of Community Services to smithereens.

The Minister for Public Works and Services advises me that the Hon. Virginia Chadwick axed at least 1,000 positions in the Department of Community Services, yet the Hon. M. J. Gallacher has the hide to ask me a question like that. He and every citizen in New South Wales can be assured that the Government, unlike the Federal Government and some other conservative governments in Australia, is improving the quality of services in this State,

Recently I congratulated the Federal Government on regaining its Standard and Poor's AAA credit rating. I hope that the Moody's rating is also regained, but at what cost to the community? The Victorian Government closed something like 19 hospitals and 350 schools and sacked 9,000 teachers. The New South Wales Labor Government looks after schools, public transport, roads, community services and all the other key services which the people of New South Wales are entitled to expect from a civilised and compassionate government.

SURROGACY CONTRACTS

The Hon. ELAINE NILE: I address my question without notice to the Attorney General. Is it a fact that Australia's first custody battle over an 18-month-old girl, Evelyn, who was born under a surrogacy deal, has required the child to be given back to the birth mother? Are there New South Wales laws prohibiting surrogacy contracts? If not, will the Government introduce such legislation?

The Hon. J. W. SHAW: My understanding of the common law in New South Wales is that a surrogacy arrangement is unenforceable, although no legislative regime deals with that problem. It does seem to be a looming social problem and it may be something that legislatures not only in New South Wales but generally have to grapple with in the reasonably near future.

HUNTER REGION ECONOMIC DEVELOPMENT

The Hon. E. M. OBEID: My question is to the Treasurer, and Minister for State Development. What is the economic position of the Hunter region?

The Hon. M. R. EGAN: Honourable members opposite are not interested in the Hunter or rural or regional New South Wales. They are all city slickers and those who claim to be farmers are all Pitt Street farmers. I am pleased to advise the House that a recent report by the Hunter Valley Research Foundation shows a positive economic outlook for the Hunter region. For example, Hunter coal production and exports are up by 8.7 per cent compared with figures for the same period last year. Tourism continues to record large annual growth rates, with accommodation takings up by 7.4 per cent compared with the same period last year. That is an encouraging figure.

I shall dwell on that for a moment because a fellow by the name of Michael Photios, a member for some seat in the lower House, has been scaremongering today about the bed tax being extended to country and regional New South Wales. Again I will not tell anyone what is or is not in the budget, but if the powers of deduction of Michael Photios were beyond those of a kindergarten student he would know from last year's budget that there is no possibility of the bed tax being extended beyond the central business district.

The Hon. D. J. Gay: That is what you said last year.

The Hon. M. R. EGAN: That is exactly what I said last year because the bed tax is designed to ensure that the mainly well-to-do interstate and overseas visitors who visit the CBD pay their fair share of the enormous cost of maintaining Sydney as the world's most attractive city, which is the description given by *Condé Nast Traveller* magazine. The bed tax is fair but it was specifically designed to raise revenue from interstate and international visitors visiting the CBD. It was never intended, and will never be intended, to hit country New South Wales citizens who choose to take their holidays in rural and regional New South Wales, as I did when I visited the Hunter for a week for my last holiday.

The PRESIDENT: Order! The amount of noise in the Chamber is making Hansard's task extremely difficult.

The Hon. M. R. EGAN: The Hunter is a great place to have a holiday and more and more Australians and New South Wales residents are realising this. That is why accommodation takings have increased by 7.4 per cent compared with takings for the same period last year. The Hunter has also experienced strong growth in job advertisements, with a 32.6 per cent increase. Employment expectations for the Hunter are encouraging and are set to improve with the long-term plans of the New South Wales Government. In last year's budget the Government established the Hunter Advantage Fund to provide assistance to regional firms and encourage growth to generate more jobs.

Already there is more than $280 million of planned investment in the region, and 545 new jobs will be created from that investment. We have also provided assistance to establish a regional marketing program. A 30-second television commercial was produced and screened throughout New South Wales. The Hunter Expo, I am informed, attracted more than 120 delegates, including heads of industry and industry bodies. The Hunter is home to the country's leading equine resources. It has as well a wine industry worth more than $450 million a year. Those industries are supported by some of the finest restaurants, health and holiday resorts in New South Wales.

Nearly 80 per cent of the region's work force is employed in the service sector, notably in tourism, education, health and retail activities. We are currently pursuing policies with a number of companies that have shown a strong interest in establishing call centre operations in Newcastle. The Hon. Dr B. P. V. Pezzutti should be patient for a minute or so and he will learn about the great news for the Hunter Valley. But he is not interested in the Hunter.

The Hon. Dr B. P. V. Pezzutti: On a point of order. I am being badgered by the Minister on an issue that I have continuously asked him questions about—call centres in the Hunter. The Minister is now badmouthing and badgering me. He has been most aggressive and I find his remarks and attitude offensive. I ask that he be directed to desist from his attack.

The PRESIDENT: Order! There is no point of order.

The Hon. M. R. EGAN: We have been supporting a BHP project for the development of industrial land to attract new investment and create more employment. These latest economic indicators for the Hunter are very encouraging. They prove that the people of the Hunter are very resilient. I believe the economic future of the Hunter is assured.

It is a region with diverse economic strengths, and that diversity will stand it in good stead in the years to come.

SUPERANNUATION ADMINISTRATION AUTHORITY

The Hon. M. R. EGAN: Earlier the Hon. Virginia Chadwick asked me a question about the Superannuation Administration Authority. I am advised that the Management Audit Committee of the Superannuation Administration Authority was reorganised earlier this year. From 1997 to March 1998 the Management Audit Committee comprised members of the Superannuation Administration Authority executive and representatives of Arthur Andersen, which provides internal audit services for the Superannuation Administration Authority. The Management Audit Committee now comprises three members of the authority's executive, a senior executive from New South Wales Treasury and a senior representative of the New South Wales Audit Office. I am advised that that complies with best practice guidelines that require independent representation on audit committees.

If honourable members have further questions, I suggest they put them on notice.

INFORMATION TECHNOLOGY SALES COMMISSION

The Hon. R. D. DYER: Yesterday the Hon. J. F. Ryan asked me a question without notice about the imposition of commission on the sale of information technology goods to agencies of the New South Wales public sector. I now provide the honourable member with this response:

> I wish to point out that the so-called commission which in fact is called supply fee was introduced in 1991 by the then Commercial Services Group with the full support of the then coalition Minister for Administrative Services, Anne Cohen.
>
> The supply fee which can vary but is usually set at 2% applies to State Contracts Control Board common use contractual arrangements for information technology products and services.
>
> The scheme was adopted after a decision was taken in 1991 to operate NSW Supply which arranges these contracts on behalf of the State Contracts Control Board on a self funding basis rather than being directly funded by Treasury.
>
> The common use information technology contracts arranged by NSW Supply facilitate the procurement of information technology for all parties concerned. Industry as well as NSW Government benefit from a contracting system which eliminates duplication of effort and which allows NSW Agencies access to products and services which are consistent across the service.
>
> The introduction of supply fee on contracts was introduced based on the principles that the mechanism be capable of recovering the costs of contracting activities and that it was equitable and created minimal administrative overhead for all parties by reducing the cost of dealing with NSW Government. It was also preferred to introduce one, rather than a number of revenue generating schemes.
>
> In a letter to the Australian Information Industry Association sent in January 1998 I pointed out that the collection of supply fee had operated successfully for some time and that considerable care had been taken not to impose unrealistic requirements on the information technology industry.
>
> I also advised them that the supply fees collected have been used to fund NSW Supply which is now part of the Department of Public Works and Services and to develop innovative procurement processes and products which have benefited the information technology industry when doing business with the New South Wales Government.
>
> The development of improved contract administration, streamlined tendering processes and accelerated contract establishment have all benefited from funding generated by the supply fee.
>
> My honourable colleague also referred in his question to the supply fee as an impost. In reply I wish to point out that the imposition of supply fee where applicable is a contracting requirement which is not hidden but addressed right up front. Companies tendering for NSW State Contracts Control Board common use contracts can if they wish offer pricing which incorporates the added cost of supply fee. Whether a tendering company wishes to pass on the supply fee or absorb it in its tendered costs is totally left up to them.
>
> It was also stated in the question raised on this issue that New South Wales is the only State Government to have in place this type of arrangement. I can advise you that a quick check has revealed that the Tasmanian Government currently also has a commission system in place which it calls an administrative component and that the Government of South Australia may also apply a commission on some of its contracts.
>
> Finally, I advised the Australian Information Industries Association in January that I had no reason to review the supply fee charging arrangements which apply to common use information technology contracts and I have no intention to diverge from that course at this time.

Questions without notice concluded.

[*The President left the chair at 1.04 p.m. The House resumed at 2.30 p.m.*]

FEDERAL CHILD-CARE FUNDING

Debate resumed from an earlier hour.

The Hon. PATRICIA FORSYTHE [2.30 p.m.]: When I was referring to the growth in funding to be provided for child care, one of the members opposite scoffed at the suggestion of an additional $200 million being provided. I do not know whether members opposite think that $200 million funding is to be scoffed at, but I suspect

they realise they have been sold a dump by the member who moved this motion about cuts to child-care funding. The facts show that there has not been a cut in child-care funding. I repeat: by 2000-01 the Federal Government will spend $200 million per annum more on child-care funding and 140,000 additional children will have access to child-care services. That represents not savage cuts but planned, orderly growth—something that never occurred during the 13 long years of Labor rule.

Over four years $4.9 billion has been spent on child care—not cuts, but an 18 per cent increase in funding over the last year of the Keating Government. They are the facts. That is the information that members opposite do not want to hear. That is the truth of the debate about child care and the Howard Government. The House cannot reassert what it has never asserted, and it should not agree to a proposition that talks about cuts when the facts show a growth in funding. The House should disagree with this motion; but it should place on record its support for a fair and equitable system. If we are to have a debate on child care, it is appropriate that I place on record the changes being made by the Federal Government.

The motion refers to access to quality, affordable child care. I shall leave aside for the moment whether that should be described as a basic right. But no-one would disagree with the notion that a society should provide quality, affordable child care. Child care is one of the most important strategies to counter child abuse and to provide children whose parents lack education or living skills, or who have poor health or poor housing, or who are socially isolated, with an environment in which they can grow and prosper and from which they can become school-ready. Indeed, a strong preschool education program combined with parent support programs have been identified as a strategy for the prevention of juvenile crime. They are the principles that the House should affirm.

The Federal Government has defined its policies according to the principle of fair and reasonable access for all families, and according to equity. The Labor Government has never understood the principle of equity. The Hon. Jan Burnswoods contends that all families have a basic right to child care, but the Howard Government's philosophy is that child-care funding should be directed to those who need it most—that is, low- and middle-income earners. The Federal Government has defined its policies in terms of fairness—that is, fairness to allow families to be treated equally to other families in similar circumstances—with funding to be directed to neighbourhoods and communities with the greatest need for work-related care and to children with high support needs.

Last year the Howard Government announced a $10 million annual allocation for the special-needs subsidy scheme to help children with severe disabilities and traumatised refugee children access mainstream child-care programs. Earlier today the Hon. Jan Burnswoods spoke about cuts in all sorts of programs. Not once did she seek to identify areas in which there has been growth in funding. One would have thought that even she would be gracious enough to acknowledge the importance of the special-needs subsidy scheme. That is not a cut in funding but a new scheme to complement existing services.

The Federal Government has defined its approach to child care according to six basic principles: first, the role of Government is to assist low- and middle-income families to meet the cost of child care—a principle that should be applauded by the Labor Party; second, families in like circumstances should be treated in the same way; third, extra resources should be provided to help children with additional needs to use child care; fourth, children in geographically disadvantaged areas such as remote and rural communities should receive additional support; fifth, priority for new places be given to neighbourhoods and communities with insufficient places to meet demand; and sixth, parents should have confidence that there exists a high standard of child care—and this is achieved through the quality improvement and accreditation system.

Each of these principles is fair and reasonable and should have the full support of members of this House. I am therefore surprised at the Hon. Jan Burnswoods' position. Facing a tough preselection, as she does, one would have thought she would have wanted to be seen as the champion of low- and middle-income families. Instead, we learned the true reason for this debate as her pathetic response unfolded. Rather than focus on the principles behind the shift in funding—principles that are fair and reasonable—it was all about the seat of Ryde and getting a few grubby little comments on the record.

The motion asserts that access to child care is a basic right for families. But is it? That is a fairly fundamental question. If access means places for all who want to access a system of quality care then, yes, that could and should be considered as a right, especially if access means that the disadvantaged and the isolated can and should have a place. Under Federal Labor that right was never achieved; demand and supply were never co-ordinated. But I

suspect that is not the right that the honourable member wants for all families. The apparent right is that all families, regardless of means and by some fundamental principle, should be able to access subsidised child care equally. The issue is whether I, for example, should have equal access to a system of subsidised child care as a person on one-half or one-third of my income, or much less, has. That is the case the honourable member is arguing.

The Hon. Jan Burnswoods referred to the salary of my colleague the Hon. Dr B. P. V. Pezzutti. She was making a point about whether his children could access various schemes. The point is that under Labor's scheme his children could have accessed a subsidised scheme, while many poorer families would have missed out on a place. That is the system that the coalition has sought to change. That is why the system was unfair. It operated so that people on my income, and well beyond, could have enrolled their children in community-based centres that provided reduced fees because the Government subsidised those centres. I fail to be convinced, and I ask the House to consider, whether any family, regardless of means, should have equal right of access to a system funded by all taxpayers. That was the subsidised system operated by Labor.

Some lucky parents and lucky children were able to access well-subsidised quality care, while other families had no such opportunity. Under the Federal Labor Government there was no more a basic right for families than there is under the system today. Let me say a little more about the system that operated under Labor. It was a dual system; 1,112 community-based centres received an operational subsidy from the Federal Government; and 2,964 privately run centres received no government subsidy and no direct support. I will put it another way: there were 46,300 subsidised places as opposed to 136,000 unsubsidised places. That was Labor's scheme. Some 71,000 families, assisted through reduced fees, were able to access the subsidised centres, while 202,000 families had no access to operational subsidies. Let me put it yet another way: 28,000 low-income families benefited from operational subsidies, but 96,000 families on similar low-income levels could not access subsidised centres.

In all the debate on child care in the media the needs of those 96,000 families have been ignored; they have never been talked about. Under Labor, 96,000 families missed out. It was an unfair and inequitable system. Labor's scheme was not equitable and it was not fair: 28,000 families received a benefit that 96,000 low-income families did not. It is not the Howard Government that is not fair. Labor's scheme lacked equity and it lacked credibility. I want to ask the honourable member who moved this motion and honourable members who might consider supporting it how they are able to make a distinction between the needs of families to access child care and the needs of families seeking places for an older child with a disability who might need respite care or access to post-school options; or how they are able to make a distinction or assign a priority to families whose need is full support for a frail-aged relative in their care.

I have read letters from people and spoken to people who for 20, 30 or 40 years have been principal carers for a son or daughter with a disability and, knowing that the available dollars cannot stretch to provide adequate support for the frail aged and those with a disability, I would have some difficulty with the proposition that all families have a basic right to subsidised child care. That is the fundamental issue that Labor, both Federal and State, has never addressed in this debate. I fail to be convinced by an argument that taxpayers' dollars should be spent on child care for families who can pay for it rather than on the aged, people with a disability, people with a mental illness, the homeless or any disadvantaged group. The Howard Government has sought to put equity into the system.

Federal Labor was voted out because it governed beyond the means of Australia. It tried to be all things to all people but created a $10 billion black hole. Motions such as this merely suggest that at State level the Australian Labor Party has learned nothing. When the Labor Government expanded non-means-tested child-care fee relief in 1991, a system of unplanned and unchecked expansion was generated. Labor ensured that 30 per cent of centres received a benefit that was not offered to the other 70 per cent. Yet, wealthy parents accessed the 30 per cent of centres that attracted the operational subsidy and received a benefit that was denied to many low- and middle-income families.

The Howard Government's agenda is not to force women out of the work force but to try to create a system in which there is some equality of benefit for families on similar incomes. Families should have the basic right to access a system that ensures quality service, is affordable, and is based on the needs of families who need help. What Labor has misunderstood, or misinterpreted, as cuts is actually a shift in how child care is funded—not cuts, but a shift in the system. The reasoning for the shift in the method of funding lies in a report—commissioned not by the Howard Government but by the Keating Government in August 1995—by the

Economic Planning Advisory Commission child-care task force. The EPAC report released in August 1996 summed up the EPAC objectives for child care as:

> . . . be classed broadly as equality and efficiency objectives. Major equity objectives are that children and parents throughout Australia should have equitable access to paid care and the costs of paid care should be equitable in relation to a family's income and other circumstances.

In the report the EPAC said the system of subsidising services was an encouragement to inefficient operations and was not transparent. The EPAC's first recommendation was that subsidising the demand for child-care services generally meets objectives better than subsidising the supply of services. The shift in the Federal Government's child-care funding arose, therefore, out of recommendations of the EPAC report. Under Labor's operational subsidy scheme some 70,000 families—representing 1.5 per cent of Australia's children—access community-based centres. These families, regardless of their income, received a benefit equal to about $20 per week, but 200,000 families accessing private child care did not. That is why the system was not fair or equitable. Under the coalition, 51,000 low- and middle-income families will receive financial assistance for the first time and 19,000 families will receive improved assistance. They are the people ignored by the motion. They are the people apparently ignored by Labor.

Of the families now using long day care, 77 per cent receive child-care assistance, and 42 per cent of those receive the maximum level of assistance. The maximum fee for which Commonwealth child-care assistance will be paid in approved long day care centres and in some occasional centres is $2.30 an hour, or $115 for 50 hours of care a week. Families with one child in care are eligible for assistance until their taxable income reaches $65,743, or $77,084 for two children in care, or $94,095 for three or more children in care. The Commonwealth child-care rebate helps families with work-related child-care costs using not only formal child-care services but paid, informal care, such as friends or relatives. This assists families by allowing them to claim 20 to 30 per cent of their out-of-pocket costs beyond the first $19.50. The maximum weekly rebate for families who earn $70,000 for one-child families plus $3,000 for each additional dependent child is $28.65 for one child in care and $63.15 for two or more children in care.

Let me put on the record examples of how the child-care assistance scheme and the child-care rebate work together. This may help the House to judge whether the Howard Government is the mean-spirited Government that Labor would have us believe. A family earning a taxable income of $522 or less each week with one child in full-time care costing $115 will be entitled to $95.95 child-care assistance. It will pay the service $19.50, of which it receives nothing back in child-care rebate. A family earning a taxable income of $900 per week with two children both in full-time care costing $290 dollars per week will be entitled to $126.20 child-care assistance. It will pay the service $163.80, of which it will receive $43.30 in child-care rebate.

Further, the Howard Government is introducing new child-care assistance for outside-school-hours care and, for the first time, families with an income between $27,000 and $65,000 will be eligible for child-care assistance—not substantial cuts; but $270 million is being provided for outside-school-hours care. An additional $15.7 million dollars will be made available over four years to ensure that services, primarily in rural and remote areas, remain viable and that families have access to care. And all this against the background that, under the Howard Government, housing has become more affordable—a fact overlooked this morning by the Hon. Jan Burnswoods.

Good economic policies, which lead to low inflation and low investment rates, mean that families are paying off their homes and they have more dollars in their pockets. Labor tried to highlight child-care policies in isolation. Under the Howard Government most families are better off. Houses are 24 per cent more affordable than they were two years ago. This child-care debate cannot proceed in isolation; other factors are most important when the child-care debate is placed in the present economic framework.

Child care is part of the fabric of modern life. I am sure everyone in this House shares the belief that there must be a fair and equitable system and that parents should have confidence in the quality services that are available. The coalition sought federally to introduce an equitable system so that all parents on low and middle incomes, regardless of the system of care they choose, have access to support. Much has been said about a system designed to force women out of the work force. In fact this morning honourable members heard a lot of rhetoric and no fact. The participation rates for women have not changed. The 59 per cent participation rate is the same rate as that which applied in the last year of the Keating Government.

This morning the Hon. Jan Burnswoods referred to this issue as some sort of social engineering by the Howard Government. Figures

such as the 59 per cent rate—the same rate as applied under the Keating Government—give the lie to all her rhetoric. Much has been said about the system forcing the closure of many centres. But the reasons for these closures may be far more complex. I recall a recent column in the *Daily Telegraph* by Miranda Devine in which the director of the Lady Gowrie centre in Erskineville was quoted as saying that the current situation in child care was "precipitated by factors from changing work habit to the oversupply of centres". It is this oversupply that Labor has been quick to gloss over.

The fact remains that the decision in 1991 by the Federal Labor Government to expand child-care fee relief triggered an unprecedented explosion in the construction of child-care centres. The result was a drastic oversupply in many areas, particularly in places for two-year-olds to five-year-olds. No-one wants to see centres closed, but it is simplistic nonsense to put the blame merely at the feet of the Howard Government. Unplanned, rampant growth is a pathetic policy that is having its effect on the failure of some centres to meet current demands. More funding for child care, more child-care places, more families having access to child-care support—that is the reality of the Federal coalition Government's policies. It is a system based on principles of equity and fairness. Families who need assistance have access to assistance, and families who pay do not as of right have equal access to the scheme. I move an amendment to the motion in the following terms:

> That the question be amended omitting all words after "House" and inserting instead:
>
> 1. Asserts its belief that families should have equitable access to quality child care in relation to a family's income and other circumstances.
>
> 2. Funding should be directed to neighbourhoods and communities with the greatest need for work-related care and to children with high support needs.

That amendment, which reflects the modern situation of child care, refers to family incomes and other circumstances, but most importantly it recognises that neighbourhoods and communities determine many of the issues. We must provide funding where funding is needed to assist children with high-support needs. Only three weeks ago the New South Wales and Commonwealth governments agreed on new child-care initiatives which highlight the points I made today, that is, additional places for children under three, additional funding under Commonwealth disadvantaged area subsidy and child-care assistance schemes, more places in rural and remote locations, and school-age assistance based on needs-based planning. We must provide funding in those areas where there is a lack of funding, in particular in rural and isolated areas. We must direct funding towards families where the need is greatest. I believe that my amendment better reflects the direction in which the community should be moving in relation to child care.

If the intention of the motion is to place on the record principles relating to child care—something we have never done before, contrary to the suggestion in the motion before the House—those principles should last for a long time and should cover fundamental child-care issues, issues to do with equity and issues that relate to need in the community. Two years ago honourable members of this House commenced a debate on standards relating to child-care regulations. Underpinning those regulations was a lifting of standards in many areas. I am sure that the Minister for Public Works and Services well recalls that debate. Those standards required the employment at child-care centres of more staff for nought- to two-year-olds; more highly qualified staff, in particular managers and all staff dealing with children; a reduction in the number of juniors working in the system; and changes to the meals provided at those centres, all of which would have resulted in child-care cost increases.

None of that has been acknowledged by the Hon. Jan Burnswoods. Obviously child-care costs would have risen as a result of increased regulations in this State. The honourable member has sought to debate child-care issues without acknowledging that many of the cost increases have come about because of a desire to improve child-care standards. Also, other increases have been forced on child-care centres. The State liability insurance doubled from $5 million to $10 million in the past two years. By not referring to increases that have been effected at the State level, the honourable member ignored part of the debate. Let me conclude by summing up the aims of the Howard Government.

One of the key reforms has been the development of an improved national planning system. There needed to be a rationalisation, a new planning tool put in place to limit the number of child-care places. The rampant growth in child-care places after 1991 had to stop. In some areas of the nation, particularly in northern New South Wales and southern Queensland, the growth in child-care places far outstripped the demand. The Howard Government was also determined to improve the targeting of assistance to assure itself that more people could access the system. The measure referred to by the Hon. Jan Burnswoods of limiting child-care assistance to 20 hours per week was meant to improve the targeting of child-care

assistance to parents who work, study, train or are seeking work.

The Howard Government's aims are about using the child-care dollars more rationally, targeting a wider range of people and low- and middle-income families. I cannot understand how Government members could object to that principle. Another key principle is special assistance for children in areas of need, which is the basis of my amendment. Every member of this House should agree with that fundamental principle of fairness and equity. A dual system had developed under which many wealthy families were able to access a subsidised scheme while many low-income families in the private system lacked the same level of support. My amendment supports the principles of equity and fairness and recognises that in some areas of the State the needs of some families are greater than the needs of others. Those principles should be acknowledged.

A child-care system is an essential element in the elimination of child abuse. The dollars spent on this system now will reduce the dollars that will be needed later in areas such as juvenile justice. The significant link in the cycle of poor parenting and juvenile justice must be broken by putting in place a child-care system that can be accessed by as many people as possible. Those principles should be enshrined in the debate on child care. They are the principles that are promoted by the Howard Government, the principles that members of the Opposition support.

The Hon. Dr MEREDITH BURGMANN [3.04 p.m.]: The motion moved by the Hon. Jan Burnswoods states:

> That this House reasserts its conviction that access to quality, affordable child-care is a basic right for families and a vital service for children, and condemns the Federal Government for its savage cuts to child-care funding.

The extraordinary amendment moved by the Hon. Patricia Forsythe states:

> That the question be amended by omitting all words after "House" and inserting instead:
>
> 1. Asserts its belief that families should have equitable access to quality child care in relation to a family's income and other circumstances.
>
> 2. Funding should be directed to neighbourhoods and communities with the greatest need for work-related care and to children with high support needs.

What is the significant point about that amendment? It omits any criticism of the Howard Government! In fact—and I hesitate to use these words—it is a motherhood statement. The second part of the amendment states that funding should be directed to neighbourhoods and communities with the greatest need for work-related care and to children with high support needs. The honourable member is referring there to areas where there is a need for child care and where the economic situation prohibits people from accessing expensive child care.

The problem is that the Howard Government's cuts to child care have impacted most on regional and rural Australia and the poorer areas. The money is now going to the high-profit areas of child care, and the community and local child-care services—an excellent system implemented by Labor governments—have been gutted. Those services were in the neighbourhoods and communities with the greatest need for work-related care and for children with high support needs. The second part of the amendment is a totally hypocritical statement, because that is the area where the John Howard cuts have been made.

The amendment would delete from the motion all reference to John Howard and simply state that certain areas need child-care funds. Of course they need child-care funds because $800 million has been cut from those areas. That is why this motion was put on the business paper in the first place. Our Government has been very concerned for a long time about the effect of the Howard Government cuts in New South Wales. The New South Wales Government made a lengthy submission to the Senate Community Affairs References Committee Inquiry into Childcare Funding detailing the impact of the cuts on children, families, women and communities, particularly the disadvantaged. In that submission Mrs Lo Po', the Minister for Women, said:

> Women are having to quit their jobs because Mr Howard's savaging of child care means it is costing them most of what they earn.
>
> Child care cuts to the heart of changing roles of parents and the expectations of both men and women in how they choose to balance their work and family commitments.

The Minister further said:

> Mr Howard has to realise times have changed since he and his generation had kids. He is out of touch with young families of today.

The Minister said that Mr Howard is out of touch with young families of today. I think he is out of touch with the world of today. He believes that we are still living in the 1950s. The Minister also said:

The increasing costs mean many families are forced to rely on untrained, unlicensed child care—putting children at risk.

Members such as Reverend the Hon. F. J. Nile, who continually talk about their commitment to families and children, must recognise that when quality centre-based child care is put out of the reach of average families because it is too expensive, families will find other ways to deal with child care. The child-care problems do not disappear.

Reverend the Hon. F. J. Nile: Introduce mother care.

The Hon. Dr MEREDITH BURGMANN: Does the honourable member mean mothers looking after their children?

Reverend the Hon. F. J. Nile: Yes, it is a new idea.

The Hon. Dr MEREDITH BURGMANN: Reverend the Hon. F. J. Nile only represents those families whose fathers earn enough money to afford to have the mother at home. I will inform the honourable member about the amount of money that a man must earn in order for the mother to stay at home and look after small children. Families require much more than the average weekly wage to enable a woman to stay at home to look after her children. Reverend the Hon. F. J. Nile says that the only proper care is mother care, therefore only rich people can bring up their children. That is a disgraceful position to take.

Reverend the Hon. F. J. Nile: Economic justice for those who take care of their children.

The Hon. Dr MEREDITH BURGMANN: Economic justice should be affordable, quality, centre-based child care.

Reverend the Hon. F. J. Nile: Mother care.

The Hon. Dr MEREDITH BURGMANN: What about father care? I thought the honourable member had got into the 1990s. I thought that even he believed that parents could look after their children equally. But some people never change. For many families the cost of child care is overtaking the cost of their mortgage. Families are just making ends meet on two incomes. If John Howard is forcing mothers out of the work force and robbing families of this second income, how much longer can they go on affording their homes? The latest employment figures, which came out last week, show that women are being forced out of participation in the work force simply because they can no longer afford child care. They are no longer out looking for work so John Howard is able to say, "Oh, wow, I've solved unemployment." All he has done is reduce women's participation in the work force.

Another point made by Mrs Lo Po' is that the $820 million cut from child care has been taken from the pockets of the most hard-pressed working parents. She predicted—I am sure she is right—that when election time comes around these working-class families will remember what John Howard did on child care. My theory is that people in New South Wales who voted for the Liberal Government did not realise what an economic rationalist Liberal government could do. They had been saved from the worst excesses of Liberal governments for many years. Looking back now, I see the Fraser Government as a sort of do-gooder, bleeding heart, wet Liberal government.

Apart from the fact that the Liberal Party in New South Wales is not as viciously vulgar and right wing as the party in other States, the upper House saved the people of New South Wales from the worst excesses of Nick Greiner, and everyone knew that John Fahey was just a Labor man anyway. The people of New South Wales really did not know what they were voting for when they voted in John Howard. And what a shock they got! They got a man who believed in dividing a country by using race politics in the Wik case and by not opposing Pauline Hanson.

The Hon. J. F. Ryan: Are we talking about child care?

The Hon. Dr MEREDITH BURGMANN: I am talking about why the people of New South Wales will not vote for John Howard. Child care is a very important part of it. John Howard attacked old people in the nursing homes fiasco. He has taken away the innocence of the people of New South Wales about how bad a Liberal government can be. The attack on child care came as a big surprise. Now that people know what a Liberal government can do they will vote to throw out the Howard Government, and an important issue will be child care. New research shows that 91 per cent of parents are paying up to $2,000 a year more for child care as a result of the Howard Government's funding cuts.

The October 1997 report of the Council of Social Service of New South Wales titled "Family Friendly? Are you kidding?" showed that in some cases parents were paying up to $9,000 a year for child care. This is more than the cost of annual

tuition at some of Sydney's top private schools. It is interesting that there is a larger Federal Government subsidy to send a child to King's, Grammar or Newington than to send a child to the local child-care centre. The Federal Government is about perpetuating the ruling class. I hear the Hon. J. F. Ryan laughing. Would he send his child to King's?

The Hon. J. F. Ryan: Where did you go to school?

The Hon. Dr MEREDITH BURGMANN: Not a good school, and I would not send a child of mine to a private school in this State. Like the new Chief Justice of New South Wales, I am a great believer in the public school system and that is where my children will go. In contrast to the disgraceful cuts to child care inflicted by the Federal Government, the New South Wales Government has ploughed an additional $33 million into child care. Since April 1995 more than 5,000 new child-care places have been created in the State. Major findings of the NCOSS hotline survey include: 91 per cent of families paid more for child care, up to $15 per day; 40 per cent changed work arrangements; 64 per cent are forced to use relatives or friends; 17 per cent say they have decided not to have any more children—that would worry Reverend the Hon. F. J. Nile.

Approximately 58 per cent said there was a drop in quality at their child-care centre; and 13 callers had been forced to quit their jobs. The drop in child-care quality is an enormous problem as community-based centres struggle to cope with the loss of operational subsidies from the Commonwealth. My child went to a community child-care centre for five years. It was an excellent educational experience for him. When he arrived at school—all the surveys support such findings—he was ahead of the kids in kindergarten who had been at home with one or other of their parents.

The surveys show that children with child-care experience are not necessarily ahead in reading and writing skills; they are ahead in the capacity to interrelate with other children, to work on their own, to show initiative and to work well in a classroom situation. Kids from child-care centres are ahead in reading and writing but after two or three years at school the kids who had been looked after at home caught up in reading and writing but they never caught up in social skills. That is a really interesting part of the survey. Faye Lo Po' said:

> John Howard wants to doctor the unemployment figures by driving women out of the work force. His strategy for achieving this is causing real hardship in struggling Australian families who have suffered drastic cuts to their family incomes.
>
> One of the most alarming findings was the number of people who said they had cancelled plans to have more children. The "family-friendly" Howard Government is directly eroding the very substance of the Australian family—the creation of Australian children.

The New South Wales Department of Community Services funded additional research—a series of focus groups—into the effect of Federal child-care funding cuts, which found:

> Parents in Penrith, Fairfield, Blue Mountains, Orange, Lane Cove, Bankstown and Canterbury were surveyed by the Families at Work organisation. All the groups said they believed the Federal Government has an agenda to force women out of the work force.

John Howard is probably one of the worst of the Federal Cabinet Ministers. He has never properly considered that women are part of the work force and, like the Maritime Union of Australia, we are here to stay. The average size of the focus groups was 12. I shall refer to some comments made by participants in the Department of Community Services survey:

> We just can't afford a third child.
>
> People are just using anybody for child care, no regulations, no guidelines, no nothing.
>
> He's not really ready to go to school, but what options do you have.
>
> I used to pay $30 a week when my son started there. Now I pay $22 for just 2 days.
>
> When the fees increased I couldn't afford to pay for the full week if I only worked 2 or 3 days per week. Some days I worked 5 days and that was fine until I cut down the days in care and I wasn't available when I was needed at work, so I gave up in the end.
>
> (I could) hold up a bank (to afford the fees).
>
> It will put a lot of extra pressure on our budget.
>
> For women to remain in the work force, economical child care is essential.

I turn now to the survey by the Council of Social Service of New South Wales—NCOSS—entitled "Family friendly? You must be kidding". I wish to refer to a section relating to the impact on arrangements and on families, the two areas that increased child-care fees will hit. About 40 per cent of callers had been forced to change their work arrangements because of the high cost of child care, 13 carers had left the work force and a further 63 had reduced their working hours. However, an unexpected response came from a number of women who stated that they had unwillingly increased their work hours in order to pay the child-care fees. Another caller stated that whilst she had left the

work force to care for her children, her partner had to take on a second job for the family to survive.

Most women calling the hotline were angered by the attack on them and on other women. This is going to be one of the things that will come home to bite Howard where it hurts most. Women will decide at the Federal election whether they will give Howard another three years. Women are angry—not because they have been forced out of the work force but because they are no longer being given the choice of being in or out of the work force as child-care fees are now so expensive. They have no choice about whether they will be in or out of the work force. Some 86 respondents made comments about this, but only one caller believed that the cuts were fair—and she was happy to stay at home with her children. Other comments related to the unfairness of measures that squeeze women out and the fact that the Federal Government is using social engineering to take women back to the 1950s.

Reverend the Hon. F. J. Nile: The Labor Party forced them to go to work. The Liberal Party gives them a choice.

The Hon. Dr MEREDITH BURGMANN: I fail to see how Reverend the Hon. F. J. Nile can possibly say that the Labor Party forced women out to work.

[*Interruption*]

I am shocked that no-one on the Opposition benches seems to have ever read any of the evidence. Time and again when women are asked why they are in the work force they give answers that relate to the social aspects of work. Most of them say that they would still be out working whether they needed to or not.

Reverend the Hon. F. J. Nile: Some 64 per cent said they would stay at home if they could afford it.

The Hon. Dr MEREDITH BURGMANN: That is not true. A number of women have spoken about wanting more flexible working hours.

Reverend the Hon. F. J. Nile: You are talking about the executives. I am talking about women working on the floor of factories.

The Hon. Dr MEREDITH BURGMANN: Reverend the Hon. F. J. Nile should look at the material. I have spent most of my working life looking at academic material on why women work and I can assure him that his figure that 60 per cent would prefer to be at home is just plain rubbish.

Reverend the Hon. F. J. Nile: It is based on a survey.

The Hon. Dr MEREDITH BURGMANN: It is a survey of readers of your newsletter. The Federal Government is using measures such as child-care cuts to get women out of the work force and help reduce the unemployment statistics. Unemployment has not been reduced; there is simply smaller participation in the work force because women have been forced out. One woman said:

> Howard does not want women to work to disguise unemployment figures. But many women want and need to work.

Feelings commonly expressed by callers were that mothers are not valued and that women are being punished rather than promoted. Women are angry that the notion of choice is being used against them. Callers felt they were being given no choices at all, that they were in a no-win situation. Women have fought hard to get into the work force and will not be pushed out easily, despite financial difficulties. The sense of anger and grievance felt by women was perhaps best summed up by the caller who said, "I hope that John Howard comes back as a woman."

The Hon. J. F. RYAN [3.25 p.m.]: I am pleased to contribute to the debate. I am disappointed that in their contributions most honourable members opposite used child care as a party-political football to help them peddle untruths and to make comments more related to politics than to good social policy on child care. There is no deeper motive energising the mover of this motion and the people supporting it today than to make an opportunistic political attack on the Federal Government. The motion is the first in a long while that honourable members opposite have bothered to move about child care, yet for years they endured Paul Keating's neglect of child care and failed to move any motion. The last time child care was the subject of a motion in this House was when coalition members moved and successfully sought to make changes to the manner in which the former Minister for Community Services was seeking to impose new regulations under the Children (Care and Protection) Act in child-care centres.

The speeches given by the Hon. Jan Burnswoods and the Hon. Dr Meredith Burgmann were anecdotal and loaded with unbelievable inaccuracies based on phone polls and other such

nonsense. Unlike the Hon. Patricia Forsythe and me, they made no attempt to gather evidence from the community. I accept the need to read academic journals and articles, and the value of such activity, but members opposite should have picked up the telephone and rung a few child-care centres in their area and asked the fairly basic question: have child-care fees increased at your centre?

I rang up to 30 child-care centres in the Penrith electorate in close proximity to the electorate office of Jackie Kelly, the member for Lindsay. I spoke to the operators of those child-care centres; more than 70 per cent said that they had not put up their fees in the last 2½ years. In other words, over the period of time that the Howard Government has been in office most private child-care centres have not put up their fees, except the council owned and operated child-care centres. Those centres enjoyed the Federal subsidy, which has been recently withdrawn, and a significant subsidy from ratepayers through accommodation.

Much to my amazement these child-care centres have not been able to run their centres more cheaply than private competitors. In most cases those centres are $5 to $10 a day more expensive than their private counterparts. They had the hide to increase their fees and then blame John Howard. Those centres were more expensive before the Howard Government came to office and were heavily subsidised. They have lost only part of the subsidy yet they are still unable to match the performance of the many private centres that do not receive subsidies.

I did a quick survey, not nearly as extensive, of child-care centres in the Campbelltown area and found that those centres have the same experience. Private centres such as Miss Lizzies, which operates in Raby and Narellan Vale, have not put up their fees, but many council controlled child-care centres in the Campbelltown area have. That evidence was given before the Senate select committee, which went to Penrith for the purpose of trying to promote the issue of child care, to upset people and give people the impression that somehow or other child care had become more expensive, and, for base party political reasons, ignored entirely the evidence given by operator after operator in the private sector that their fees had not gone up.

In many instances some overheads had gone up not insubstantially as a result of new State Government regulations. For example, child-care centres at times need to employ two staff members, whereas previously one would have been employed, in the early-morning and later-morning opening hours of the centre. Apparently it is quite all right for one parent alone to look after the child, but if one person at a child-care centre happens to accept just one baby at the centre, to assist the parent to leave the child in care at 6 o'clock in the morning the centre is required to have two people. I do not quite understand the need for that particular regulation. Nevertheless, it has placed an additional burden on private operators.

Most of that burden has been borne by the people at those centres coming in earlier and working more time at the centres. For instance, administrators have come in earlier and worked more time rather than pass on the extra cost to parents. Additionally, more space allowances were provided for in the new child-care and protection regulations, and that has required some centres when establishing to purchase more land for car parking and so on. So, in many instances, the pressures that have been brought to bear on 70 per cent of private child-care centres have been foisted on them by the actions of the State Government and by other economic pressures at play in the market; they have not come from the Howard Government.

In moving this motion the Hon. Jan Burnswoods a number of times used the expression that the Howard Government was mean spirited. I would like to explore her definition of "mean spirited". I suspect that the honourable member is working from an academic experience rather than a factual one. I will relate my own experiences—the experiences that real people have had—in bringing up children of preschool age in the past three or four years. What was so generous about the Keating Labor Government robbing families of their disposable income with the highest mortgage rates in the history of this country?

What was so generous about that Government presiding over the most sensational level of bracket creep in personal income tax rates? Those rates saw people who were earning fairly modest incomes, of about $35,000 to $40,000 a year, paying marginal rates of tax that formerly had been reserved for company tax. In fact, some people on fairly modest incomes were paying in excess of the company tax rate; they were paying 46¢ in the dollar as their marginal rate of tax when companies were paying a rate in the order of 36¢. That evolved in the 12 years of the Hawke and Keating governments. What was so generous about those events? How can that be compared with what has happened under the Howard Government? What was so generous about mortgage rates of 17.5 per cent which families had to struggle to pay while bringing up their children? Such rates existed in the worst depression ever in

this country, brought to this country by the former Labor Government.

I fail to understand how on earth the Howard Government is supposed to be mean spirited in respect of families when they now have more disposable income than they have had in a decade. The difference has been that, unlike the so-called generous public spending that created the $10 billion black hole of the former Labor Government, John Howard has told the electorate the truth, has curbed government spending, and has made a reduced call on the money lending market. He has reduced the pressure on interest rates, and has introduced competitive mortgages. As a result, most average families are better off and have between $100 and $200 more each month to spend.

I do not accept the proposition that the Howard Government has done anything to cause child-care costs to increase. But if those costs had increased, the Howard Government's action in reducing home loan interest rates have more than compensated for the child-care cost increases. Further compensation was provided for families in a generous family tax package. The difference between the approach of the current coalition Government and the antiquated nonsense we have heard from the two honourable members who spoke in support of the New South Wales Government is that the Howard Government works on the principle that it is better to give families the money—

The Hon. Jan Burnswoods: What about Catherine Cusak?

The Hon. J. F. RYAN: I will come to Ms Cusak; but, in short, her experience is not new. The Howard Government takes the view that it is better to give the families the money to spend as they want, rather than have the government spend it on their behalf, causing other family running oncosts to increase. That gives people a real choice, rather than a "choice" whereby some subsidise a service that only some others are lucky to access. I would like to draw some contrasts with the nonsense peddled in particular by the Hon. Dr Meredith Burgmann, the honourable member who last spoke in this debate. As the first male speaker to make a contribution in this debate, I wish to challenge the perception that child care is the exclusive domain of Labor-voting female politicians or left-wing activists.

I have always had an enormous commitment to the welfare of children. As a father and former high school teacher, for years I have taken an active interest in the issue of child care. Before and after I was elected to this Parliament I visited dozens of child-care centres and spoke to dozens of child-care providers and parents. I support, as does the Liberal Party, the provision of well-funded, well-run child-care facilities, in all their number and forms, whether family day care, centre based, out of hours care, long day care, occasional care, and preschool. Honourable members opposite do not have a special mortgage on support for child care, although they like to peddle that argument, notwithstanding that they make such a political football of this issue.

Only a few years ago I was a consumer of child-care services for my children. When my children were of preschool age, about five years ago, my wife Alex and I had to struggle to find the money to pay what we felt were high child-care fees. We, like so many families then, and like so many families now, reached a stage when the cost of the fees outweighed the economic benefits of having a second income. Not only that, but we also believe that the social benefit of caring for our children at home, which was done by my wife on a full-time basis, outweighed the economic benefits of a second income—despite comments made by honourable members opposite. Many families make that choice.

The one matter on which I will agree with the Hon. Jan Burnswoods is that I also accept that many families cannot afford to make that choice. We had to sacrifice, save and struggle to win that privilege. Frankly, I do not believe it is a privilege for which people should have to make such a heavy sacrifice. I believe it ought to be the right of any family, if it so chooses, to have at least one member of the family stay home with the children when the children are very young. That I believe to be a valuable contribution to the family. It is a concept which the Government should support.

In that regard I support the family tax package, introduced by the Howard Government, which supported families on single incomes. There are no more vulnerable people in our community than single income families bringing up small children. There is any amount of academic and anecdotal community evidence that such families should be helped by this Government, indeed by any government, because families in those circumstances are more vulnerable to break-up, and their children more vulnerable to abuse and neglect, than at any other time.

It annoyed us more than a little that when we were making the choice to stay home with our family the Keating Government was introducing a non-means-tested child-care benefit that could be accessed by families whose disposable income was

much greater than ours. That was the Labor Party approach to child care—pay people who were going to vote Labor for their child care rather than necessarily subsidising families that needed that level of support. It is my contention—as was well and cogently argued by the Hon. Patricia Forsythe—that what the Howard Government has done is remove subsidies to certain community and council run child-care services in order to better target the scarce resources available for child care.

Would scarce child-care resources be better spent on child-care centre hot lunches or on additional recreation and maternity leave for staff, or should they be targeted at helping families, particularly low-income families, by providing more affordable child care instead of subsidising the best run centres? Oddly enough, a survey conducted by the Federal Government indicated that many council centres are used by some of the wealthiest members of our community. That fact could not be better demonstrated than by the confession made by the Hon. Jan Burnswoods that she used to access a community-run council child-care service. She will find that a significant number of people on high incomes were using such subsidised child-care facilities, whereas many low-income parents, unable to pay the high fees charged by councils, were not being helped at the 70 per cent of child-care centres that are not subsidised.

The problem faced by parents in having to choose to withdraw from the work force because they cannot pay child-care fees—as was the experience of my political colleague Catherine Cusack—is not a new one. The Howard Government did not create that problem, nor has it accelerated it. It is simply a problem that is faced by many parents, and I suspect will continue to be faced by them well into the next generation. The Federal Government cannot in the short term solve that problem by simply throwing more taxpayers' dollars at child care. As much as we might wish that people could make the choice painlessly and continue in the work force without having to pay expensive child-care fees, I do not believe that is a realistic option.

The accusation levelled at the Howard Government that it is spending less on child care is not true. I recall an earlier speaker in this debate saying that the State Government is spending $30 million more on child care. There is a reason for the State Government being able to do that. The Department of Community Services has a great deal more choice about where it targets its dollars because the Howard Government has given the department more choice to move funds into child-care services than was allowed by the Keating Government. For more than 12 years the Keating Government, by targeting dollar-for-dollar schemes—in which the State Government had to meet dollar for dollar the cost of various schemes—directed many community services funding away from child protection services rather than into them. The current Federal Government has not had to grapple with that problem since the new child-care funding arrangement has been made.

Members opposite bragged about the State Government spending $30 million extra on child care. However, the Howard Government put an extra $300 million into child care—money which was not provided by the Keating Government. What members opposite say is simply not true. They are part of a political campaign of misinformation that ignores the facts and suggests that child-care fees are going up as a result of something that the Howard Government has done.

When the Senate committee inquiring into child care went to Penrith it received a number of submissions from child-care operators who said that the misinformation campaign was damaging child care. Parents, wrongly believing that child-care fees had gone up, chose options other than child care. I shall read onto the record a portion of the evidence given by the Association of Child Care Centres of New South Wales, which represents the 70 per cent of child-care centres that are not subsidised and have never been subsidised by the Federal Government. The association's spokesperson said:

> The fact is that child care fees have not gone up to any material degree in commercially operated centres—but the general community has been misled into thinking that our fees are "much higher" as a result of the funding cuts.

That is not my claim; it is a claim made by the association and supported by at least two operators from the Penrith area—which is hardly a place where high-income earners or supposedly privileged people are accessing child care by virtue of earning a higher income. Operators in the heart of the western suburbs of Sydney say that there has been no significant increase in child-care fees. The association went on to say:

> . . . parents have been confused as a result of the information supplied over the last year or so by those people who want the taxpayer to bear essentially the full cost of delivering community-based long-day care, and who object to the operational subsidies for community-based long day care being spent elsewhere in the child care system.

I emphasise the words "being spent elsewhere". The association continued:

> That media campaign has been very effective. The trouble is that the campaign has been exaggerated and overstated. The message was that Commonwealth funding changes meant much higher fees for child care in general. It did not mention that 70% of child care providers would not be adversely affected by the changes to the operational subsidies which comprise the vast bulk of the funding cuts.

The Hon. Jan Burnswoods: That's because they are family day care providers, with two or three kids each.

The Hon. J. F. RYAN: No.

The Hon. Jan Burnswoods: You are playing with statistics again.

The Hon. J. F. RYAN: I am not playing with statistics at all. They are the association's statistics.

The Hon. Jan Burnswoods: What was the term you used—"deliberate mistruth"?

The Hon. J. F. RYAN: The Hon. Jan Burnswoods interjected to say it applies only to family day care.

The Hon. Jan Burnswoods: I didn't say "only".

The Hon. J. F. RYAN: Shortly I will read onto the record the testimony of Mr Kirby, who is an operator of a long day care centre. He told the Senate committee what his fees were—

The PRESIDENT: Order! The Hon. J. F. Ryan will address the Chair and not the Hon. Jan Burnswoods.

The Hon. J. F. RYAN: Mr Kirby informed the committee what his fees were and indicated that there had been no increase in fees. My quick telephone survey of at least 30 operators in the Penrith and Campbelltown areas indicated that that is not just a claim, it is a fact. Since January 1997 there have been some cost pressures on long day care centres quite apart from anything the Federal Government has been doing. In that time there have been significant pressures, stemming mostly from a number of wage increases for long day care staff.

I support the pay rises given to child-care staff as they are most deserved. In September 1996 they received a 5 per cent increase, and in July 1997 they received an increase of between 3 per cent and 5 per cent; in October 1997 other classifications of staff also received a 3 per cent increase. Additionally, there have been increases in the superannuation levy, which has gone from 5 per cent to 6 per cent between 1994 and 1996. There have been significant increases in WorkCover expenses, a cost area controlled by the State Government. As I said earlier, there have been cost increases associated with recent changes to New South Wales regulations introduced under the Children (Care and Protection) Act.

Many members opposite are exploiting the fact that some child-care centres have put up their fees by a few dollars a day to cope with those cost increases, but the increases have nothing to do with what the Howard Government has done. That sort of response to cost pressures is not something that the Howard Government has been in a position to stop. In fact, in many instances cost increases have been caused by events with which honourable members opposite would be only too familiar.

The point was well made that in New South Wales one gets paid more to look after plants than to look after children. People who sell plants in nurseries were being paid more on an hourly basis than child-care workers were being paid in the long day care industry. It is not possible to pay people 5 per cent to 10 per cent more and not have that impact on fees. Mr Kirby, who operates a child-care centre in Penrith, gave significant evidence to the Senate committee during its inquiry in Penrith. Mr Kirby stated:

> There is a huge oversupply of child-care centres in Penrith. There are at least 27 private centres and 16 or 17 council centres. Altogether that is at least 42 centres . . . Demand is down, and we are all feeling the pinch . . .
>
> A simple question is: how is it then that the private centres . . . can run a business profitably, provide a cheaper service in most cases, and provide a better quality service, according to the parents of Penrith [and not put their fees up]?

Interestingly, Mr Kirby did a ring-around on the issue of accreditation of child-care centres in the Penrith area. He discovered that, of the six council centres that the council was prepared to give information about as to level of accreditation, a number of them had an accreditation rating that was not nearly as high as some of the private centres and yet their fees were higher. So it is not possible to argue that somehow or other operators of private centres are operating lower-quality centres or that council centres are necessarily preferable.

Before the Howard Government abolished the subsidy scheme it could not achieve cheaper or better quality care; it subsidised some centres, while other centres missed out. I support the Howard Government's initiative to move some subsidies to areas of very high need, such as to those involving children with special needs, people with disabilities

and rural areas where there are not sufficient children to justify the establishment of centre-based care. Mr Kirby also said in evidence:

> The government cuts as a general rule have not affected our price . . . to be very specific, we are $28 a day. We have been for 2½ years. The government cuts have not affected our price . . . they have not affected our price, but they have affected our enrolments.

He complained about the campaign of misinformation which made people believe that they could not afford child care, thus causing many people to turn away from child care. Reference was made earlier to spurious surveys, such as the one conducted by the State Government that asked parents at council-based centres to indicate on cards, by ticking boxes, how cuts to child care would affect them. It came as no surprise that very few parents at council-based centres completed and returned the cards to indicate that they would be adversely affected, despite being urged to do so, no doubt, by staff at the centres. Very few people at other centres responded to any of the surveys.

In the main the surveys were biased, designed specifically to obtain information that would be used for political purposes rather than as information that would throw light on whether the actions of the Howard Government would adversely affect families. I remind members opposite that in the next four years the Commonwealth Government will spend $4.9 billion on child care. The 1996-97 allocation will be increased from $1.1 billion to $1.3 billion in 2000-01. Increased funding will mean a 25 per cent growth in child-care places in the next four years, and that represents an additional 83,000 child-care places, an additional 39,000 community-based places providing a mix of long day care, family day care and out-of-hours school care, and an additional 44,000 private centre places.

An additional 140,000 children will be able to access child care. Where are the cuts if more children are able to access care in subsidised centres? Members opposite have yet to prove that there are cuts. My colleague the Hon. Patricia Forsythe explained in great detail that the changed system would benefit a number of child-care places which, prior to the election of the Howard Government, received no subsidisation or support.

I do not know enough to say that every single decision that the Howard Government makes with regard to child care is letter perfect. I suspect there is still some way to go. However, I certainly support the general direction of the Federal Government's policy to abolish a subsidy that was doing next to nothing to enhance the quality of child care and nothing to promote equity in child care. Many people accessed child-care centres that were not subsidised. Consequently they were charged more than if they had been able to access subsidised centres. More often than not centres attracted wealthy rather than poor clients. The subsidies must be redirected. Members opposite should acknowledge, rather than ignore, the very favourable impact of the significant economic performance of the Howard Government on vulnerable families trying to raise young children.

The Hon. P. T. PRIMROSE [3.55 p.m.]: The motion reads:

> That this House reasserts its conviction that access to quality, affordable child care is a basic right for families and a vital service for children, and condemns the Federal Government for its savage cuts to child-care funding.

I have some sympathy for the position taken by the Hon. J. F. Ryan, whom I have known for a considerable time. He comes from the wet side of the Liberal Party. I realise that it is alien for him to have to defend some of the economic, dry rationalist policies of the Federal Government. His factional colleague, however, the Hon. C. J. S. Lynn, would support them all the way to the wire. I was somewhat dumbfounded by the Orwellian suggestion by the Hon. Patricia Forsythe that funding cuts were a planning instrument to improve services. Contrary to the point proposed by the Hon. J. F. Ryan, the Hon. Patricia Forsythe acknowledged that there had been funding cuts, but that in some way they were beneficial; they were required. One can deduce two principles from this. The first is that if spending less is a planning instrument—

The Hon. Dr Marlene Goldsmith: That is utter nonsense.

The Hon P. T. PRIMROSE: I agree with the Hon. Dr Marlene Goldsmith: it is absurd nonsense to suggest that funding cuts is a planning instrument to improve services. If spending less is a planning instrument, as she said, presumably spending nothing would be a planning triumph. George Orwell would have been extremely proud to acknowledge that less means more to the State Opposition and the Federal Government. Page 27 of the social justice budget statement in the 1997-98 budget states:

> Under the Commonwealth/State Expanded National Child Care Program, 1,009 long day care places will be provided in 1996-97 at a recurrent cost of $1 million and a $9 million capital cost.

The outcome was:

> This initiative could not continue after the Federal Government cut funding to child care centres in the August 1996 Federal Budget. Even though the Federal Government has broken its agreement with New South Wales, the Premier announced in September 1996 that the $20 million in State funds committed to these initiatives will be contained in the program.

At page 7 of the same budget statement the following appeared:

> In 1997-98, $4.75 million in capital expenditure will be provided to increase the number of child care places for children under three and to establish new child care places in rural New South Wales. An additional $660,000 was also allocated to the Family Initiative Fund to provide child care and pre-school services for children aged 0-5 years who are at risk.

A number of things have happened to child-care services in the present term of the Howard Government. First, it abolished operational subsidies for community-based long day care centres for out of school hours care. Second, it has not provided capital funding to build the 5,000 new long day care places and it has limited the number of new places that will attract child-care assistance. Third, it has restricted eligibility for child-care assistance, that is, fee relief. Finally, it applied a means test to the child-care cash rebate.

Operational subsidies for community-based long day care enable centres to reduce the cost of care for babies and children with special needs, to employ more qualified staff and, in some cases, to provide extended opening hours. Those centres now face a difficult choice: to pass on to parents costs of up to $14 for a child over three years and up to $21 for a child under three years; to withdraw services such as baby places or extended hours; to employ less qualified staff; or to close. I do not honestly believe that the Hon. J. F. Ryan would urge the Government to review its regulations to change the child-staff ratios.

The Hon. J. F. Ryan: I did and I would.

The Hon. P. T. PRIMROSE: I acknowledge that the honourable member is urging the Government to reduce child-staff ratios. I presume that would occur in relation to child-care centres in the Penrith area. Outside school hours centres operate on a shoestring, usually without permanent premises and with part-time and volunteer staff. Fees will rise, most parents will have to pay more, and centres will have to cope with a huge administrative burden because they will have to administer child-care assistance. Those changes to child-care assistance mean that almost all parents face higher out-of-pocket expenses for child care. They will hit low income families the hardest despite John Howard's promise to protect the most vulnerable in our community.

For many families the additional costs will more than offset any extra money a family might get from the coalition's so-called family tax initiative. The Government's policy of converting all assistance for child care into cash payments for parents threatens the affordability and the quality of child care in the longer term. With outside school hours care, in particular, it will lead to centre closures so that children will have nowhere to go. Taken together, the cuts to child care mean that parents will find it even more difficult to get access to good quality, affordable child care.

The Hon. Patricia Forsythe and the Hon J. F. Ryan both referred to a promise made by the Howard Government to provide additional funding by the year 2001. Essentially, therefore, those not yet born may get adequate child-care funding in the future—an interesting promise. Surely by now the Federal Government must know how much harm it is causing. Its own budget documents this year should show, even if it is deaf to parents and child-care providers, what harm it is causing.

The 1998-99 budget papers show that expenditure on child-care assistance is down by $117 million on what the Government expected to spend in that year. That is because parents simply cannot afford formal care. They are leaving work or putting their children into backyard care because the Federal Government's policies have put quality child care out of their reach. The $117 million is an additional cut on top of the $820 million slashed from child care in the last two Federal budgets. That means that over $937 million dollars—almost $1 billion—has gone from child-care funding since the last election. That clearly demonstrates the Federal Government's lack of concern for children in care, and its callous indifference to families struggling to make ends meet.

I refer honourable members to page 167 of last year's Federal Budget Paper No. 4, which estimated that $742.9 million would be spent on means-tested child-care assistance for families on low and middle incomes. And that was after various policy measures which cut about $126 million a year from child-care assistance. Page 153 of Budget Paper No. 4 refers to spending of only $626 million. I am sure that the Hon. J. F. Ryan would agree, at least as a basic policy, that we need a range of affordable and accessible child-care options. That makes not only moral sense; it also makes financial sense. Take the area of law and order. There are clear and definitive

links between early childhood care and later issues regarding law and order.

For instance, the Weatherburn and Lind report of 1997 found a clear link between poor quality child care, child neglect and abuse, and later juvenile delinquency. Research found that each of the neglect factors—weak supervision, weak bonding and inconsistent discipline—greatly increased the risk of juvenile involvement in crime. For urban New South Wales, which is defined in this study as regions around Sydney, Newcastle and Wollongong, the study found that, assuming other factors were unchanged, an additional 1,000 neglected children would result in an additional 256 juveniles involved in crime.

Counting court appearances, the study found that an additional 1,000 neglected children would result in an additional 466 juvenile court offences. A 1997 study into the background of male prisoners convicted of assault indicated that 46 per cent of those surveyed had a history of child physical assault, 57 per cent had a family history of alcohol abuse and 30 per cent had been institutionalised at some point in their childhood. Anecdotal evidence suggests that lack of adequate child care and the concerns relating to child abuse that may result are huge influential factors in the lives of those convicted of criminal offences, especially women.

Some estimates of the proportion of women in gaol with a history of childhood physical or sexual abuse are close to 100 per cent. We must look not only at law and order issues; we must look also at costs. The Council on the Cost of Government estimates that it costs between $280 and $300 per day per detainee when departmental overheads are taken into account. That amounts to around $100,000 to $110,000 dollars per year for each detainee. Reducing the incidence of childhood neglect by providing adequate and supportive child-care services would lead to financial savings in police work, courts and prisons, not to mention a reduction in the costs of insurance premiums and security. I could quote numerous other programs and estimates but, essentially, adequate, affordable child care is an investment-in-prevention program. We need a range of affordable and accessible child care. It makes moral sense and good financial sense to invest in quality child care. That is what the Federal Government is not doing.

The Hon. D. F. MOPPETT [4.08 p.m.]: Any dispassionate observer of this debate today would have witnessed the way in which the Hon. Patricia Forsythe demolished the feeble arguments put forward by the mover of the motion, the Hon. Jan Burnswoods. The Hon Patricia Forsythe relentlessly launched a counterattack to demonstrate the fatuous nature of the assertions made by the Hon. Jan. Burnswoods. Then the Hon. J. F. Ryan dealt with the feeble reinforcements that were offered to those initial arguments. He harried and pursued them, appearing as they were in some unco-ordinated offering of a mixture of dogma and doctrine. He effectively pursued the arguments until their virtual extinction. I congratulate both honourable members on their vigorous contribution to debate this afternoon. I shall step back a bit from the heat that this debate has engendered and try to canvas what I believe to be the more important, philosophical qualities of the debate. I will point in a more gentle way to the shortcomings in the motion.

My concerns about the wording of the motion are similar to those expressed by the Hon. Patricia Forsythe. The Hon. Jan Burnswoods moved that this House should reassert its conviction that access to quality affordable child care is a basic right for families and a vital service for children. I contend that child care is a vital service not for the children but for the families who have the responsibility of caring for them. In this context we need to consider the inalienable right of children to the exclusive attention and care of a parent or, ideally, parents, or—in the unfortunate situation in which there are no parents—their primary carer.

I am not foolish enough to think that we live in an ideal world in which it is possible or even desirable to express such care as constant, unremitting attention to an infant child. But I am adamant that decisions that are made on behalf of a child are the responsibility of the parent, parents or primary carer. They make the decisions—second by second, minute by minute, hour by hour, day by day—about the supervision of children in their care. The coalition does not regard as easy or utopian, as the Hon. Dr Meredith Burgmann does, the concept of parents availing themselves of a State-run organisation to take over their primary responsibility to provide care, nurturing and loving support to the children they have brought into the world.

The Hon. Dr Meredith Burgmann: Did you stay at home and look after your children?

The Hon. D. F. MOPPETT: That remark clearly demonstrates the specious nature of the arguments that have been put forward. The contributions of the Hon. Dr Meredith Burgmann and, if my memory serves me correctly, the Hon. Jan Burnswoods were about providing child care to enable women to enter the work force. They never even considered that a man might be the primary

carer of a child; that idea never entered their heads. The Hon. Dr Meredith Burgmann is attracted to these types of motions as part of the great feminist agenda, which she espouses so often in this House. However, that is a debate for another day. I do not want to get involved in it; it is her choice and her business.

The coalition is concerned about the welfare of children in New South Wales. Quite rightly, the Hon. J. F. Ryan hammered home the point that the best way to help children is to ensure that families have more income at their disposal. In that regard the benefits that families have derived from the efforts of the Howard Government in reducing interest rates and unemployment are obvious. But these matters are of no interest to members opposite, they could not care less. They would prefer that parents were mendicant. Families must have the economic capacity to make the right decisions to ensure the welfare of children in their care. All the evidence shows that the first choice of primary carers is to take time off from work to give guidance during the essential, formative years of their young infant children.

Pursuant to sessional orders business interrupted. The House continued to sit.

COURTS LEGISLATION AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council), on behalf of the Hon. J. W. Shaw [4.15 p.m.]: I move:

That this bill be now read a second time.

The Government seeks to amend certain Acts relating to the courts and court procedures. These amendments are necessary to improve the operation of the courts of New South Wales. The bill contains 23 schedules addressing a number of reforms. I will refer to some of the more significant schedules. Schedule 1 will amend the Arbitration (Civil Actions) Act 1983 by introducing the option for rehearings by courts of civil actions referred to arbitration to be limited in nature, rather than full rehearings. Section 18 of this Act provides for the rehearing of matters that have been determined by an arbitrator under the provisions of the Act. Under this proposal a registrar can order a rehearing of the action if a party is aggrieved with the arbitrator's award. Once a rehearing is ordered, the arbitrator's award ceases to have effect and the action is heard by the court afresh.

Rehearings are often sought when a party is dissatisfied with the award of an arbitrator on one issue but not another, for example, on damages but not liability. In other cases involving multiple parties and cross-claims, there may be no dispute about the award as it affects some parties. It is proposed to amend the Act to allow the court, either on an application for rehearing or of its own motion, to limit the issues to be reheard to the specific issues in dispute and, if appropriate, to specific parties involved in the arbitration hearing. The amendment would allow for more effective case management of rehearings and would reduce the costs to both the court and the litigants.

It is proposed under schedules 3, 13 and 18 to amend the Land and Environment Court Act 1979, the Compensation Court Act 1984 and the Industrial Relations Act 1996 to enable acting judges, acting deputy presidents, acting deputy commissioners or acting judicial members appointed under this legislation to complete or continue to deal with part-heard matters after the completion of their term of appointment. Both the Supreme Court Act 1970 and District Court Act 1973 specifically provide that when an acting judge's term of appointment expires prior to the conclusion of proceedings, that judge is authorised to remain on the bench and conclude the proceedings notwithstanding the expiry of the term of appointment.

In contrast, a decision of an acting judge appointed under the Land and Environment Court Act 1979, and the Compensation Court Act 1984 and an acting deputy president, acting deputy commissioner or acting judicial member appointed under the Industrial Relations Act 1996 is valid only if the decision is handed down prior to the expiry of that judicial officer's appointment period. This creates difficulties where a case heard by a acting judicial official takes longer than expected. The proposed amendments will address this issue and achieve better uniformity amongst the courts.

Schedule 4 makes several amendments to the Coroners Act. One amendment proposes that section 34(8) of the Coroners Act 1980 be repealed. This section prohibits the Coroner from releasing the Coroner's file, or any part of it, including the transcripts, once the relevant inquest has been terminated under section 19 of the Act. In recent times concerns have been raised about the operation of this section which prevents interested parties from obtaining a copy of the transcript of coronial proceedings after a coroner has terminated an

inquest following a coroner's finding of a prima facie case against a known person. This provision restricts these persons from making complete submissions to the Director of Public Prosecutions on the question whether or not an ex officio indictment should be lodged. This situation causes unnecessary delays in the director's office. It also inhibits the preparation of any defence. This proposal promotes better efficiencies in dealing with these matters as well addressing the principles of procedural fairness.

Another amendment relates to section 44 of the Coroners Act 1980. This section provides that a coroner holding an inquest or inquiry may order any witness to remain outside a courtroom until required to give evidence to the inquest or inquiry and to restrict the publication of any evidence given at an inquest or inquiry. However, it is considered that the provisions of section 44 are not adequate where national security is in question, particularly where evidence is given by members of the defence forces in coronial hearings which may reveal to the public, and therefore to terrorist groups, the identity of armed forces personnel and sensitive information concerning their tactics and equipment. A number of other States and Territories throughout Australia have enacted legislation to empower a coroner to exclude witnesses and suppress the publication of evidence where it is either in the interests of national security or the public to do so. It is considered that the public interest test adopted by a number of coronial jurisdictions should be adopted in New South Wales. It is proposed that this test be incorporated into the Coroners Act.

Schedule 6 makes various amendments to the Criminal Appeal Act 1912. The first amendment seeks to amend section 5D of the Criminal Appeal Act 1912 to allow the Environment Protection Authority to appeal against sentences imposed by either the Supreme Court or the Land and Environment Court in proceedings for environmental offences prosecuted by the authority. At present the Director of Public Prosecutions conducts appeals in the Court of Criminal Appeal in relation to matters prosecuted by the authority. Enabling the authority to conduct its own appeals in these matters will improve efficiencies in the appeal process. The second amendment inserts express provisions into the Act in connection with the manner in which the Court of Criminal Appeal exercises its powers based on provisions that apply to the Court of Appeal setting out the procedures for majority decisions.

Section 45(3) of the Supreme Court Act 1970 provides that the decision of the Court of Appeal on an appeal heard before three or more judges of appeal is not affected where one or more of the judges dies before the decision on the appeal is given providing that a majority of the judges before whom the hearing of the appeal commenced is in agreement as to the court's decision. This amendment seeks to unify the procedures in the Court of Appeal and the Court of Criminal appeal by inserting a similar provision in the Criminal Appeal Act 1912.

It is proposed in schedule 7 that the Criminal Procedure Act 1986 be amended to enable proceedings for contempt of court to be instituted in the name of the "State of New South Wales" by the Attorney General or, under delegation, by the Solicitor General or Crown Advocate. At present proceedings for criminal contempt are brought by the Attorney General in the name of the Attorney General in the Supreme Court in accordance with the Act. It is proposed in schedule 8 to amend the Crown Advocate Act 1979 to enable the Attorney General to delegate functions to the Crown Advocate in a way similar to that available for delegations to the Solicitor General. This proposal is considered appropriate given that the Crown Advocate now undertakes many of the criminal functions on behalf of the Solicitor General. Consequently, with the delegation of the power to initiate contempt proceedings to the Crown Advocate, it would be appropriate for contempt proceedings to be commenced in the name of the "State of New South Wales".

It is proposed under schedule 10 that the District Court Act 1973 be amended to ensure that appeals from summary judgments obtained in the District Court can only be made to the Court of Appeal with leave of that Court. While section 101(2)(l) of the Supreme Court Act states that an appeal shall not lie to the Court of Appeal in relation to a judgment or order of the court on an application for summary judgment unless the leave of the court is given, the provisions in the District Court Act in relation to appeals from orders for summary judgment made in that court are unclear. It is therefore proposed that a provision similar to section 101(2)(1) of the Supreme Court Act be inserted into the District Court Act to clarify the matter and to provide procedural uniformity in relation to appeals to the Court of Appeal against judgments or orders made on an application for summary judgment in the Supreme and District courts.

It is proposed in schedule 11 that the appeal provisions in the Dust Diseases Tribunal Act 1989 mirror those contained in the Compensation Court Act 1984. Section 32(1) of the Compensation Court

Act 1984 limits appeals to the Court of Appeal to points of law or questions as to the admission or rejection of evidence. Section 32(4) of this Act requires leave of the Court of Appeal to appeal from an interlocutory decision, a decision on costs and an appeal from a final decision other than an appeal that involves a question involving an amount of $20,000 or more.

Section 32(1) of the Dust Diseases Tribunal Act 1989 provides that a party who is dissatisfied with a decision of the Tribunal may appeal to the Court of Appeal, while section 32(2) of the Act sets out those circumstances in which leave to appeal is required. The leave provisions are essentially the same as those contained in the Compensation Court Act, except that the comparative figure in the Dust Diseases Tribunal for seeking leave is $10,000. It is considered appropriate that in relation to specialist courts and tribunals that appeals from these jurisdictions are confined to questions of law. In view of this and in order to achieve consistency, it is proposed that section 32 of the Dust Diseases Tribunal Act mirror the equivalent appeal provisions of the Compensation Court Act.

Schedule 14 amends the Judgment Creditors' Remedies Act 1901 to provide the District Court and Local Court with powers to assist in the sale of property under a writ of execution. Land may be sold in order to satisfy a writ issued by the Supreme Court, the District Court or the Local Court for the recovery of moneys owing under a judgment debt. However, only the Supreme Court appears to have the power to authorise the Sheriff of New South Wales to have access to the land which is to be sold in order to value the property and conduct inspections with prospective purchasers. This creates difficulties where the Sheriff is attempting to sell property to satisfy a writ issued by either the District Court or the Local Court.

If the judgment debtor refuses access, the ability of the Sheriff to appropriately market the property is reduced. The price obtainable from the sale is likely to be reduced, to the potential detriment of the judgment creditor and/or the judgment debtor. It is therefore proposed to amend the Judgment Creditors' Remedies Act 1901 to enable the Sheriff to be granted reasonable access to land for the purposes of facilitating the sale of the property under a writ.

Schedule 15 amends the Jury Act 1977 by creating an offence of threatening an employee with dismissal from, injury in, or prejudice to employment because of a jury summons. Section 69 of the Jury Act makes it unlawful to dismiss, or otherwise prejudice, a person in his or her employment by reason of the fact that the person is summonsed to serve as a juror. However, the offence created by this section does not encompass employers who may threaten to take such action. The District Court recently reported an incident in which such a threat had been made to a juror by the juror's employer. On being made aware of this threat, the court dismissed the juror. It is understood that this is not an isolated occurrence. The fine for this offence will remain 20 penalty units as presently provided under section 69 of the Act. This proposal will help to ensure that that the proper administration of justice is not thwarted.

Schedule 16 makes several amendments to the Justices Act 1902. The first amendment inserts in section 3 of the Act a definition of "authorised justice" that had been omitted by the repeal of section 86A of the Act by the Fines Act 1996. Section 86A provided the definition of an authorised justice, referred to in section 80AA of the Act, which relates to the issue of warrants of apprehension after conviction. Section 80AA was not repealed by the Fines Act. The repeal of section 86A makes section 80AA(3) of the Justices Act inoperable in relation to the issue of warrants by authorised justices.

The second amendment deals with the right of an accused who is served with a summons or attendance notice to notify a plea in writing, as contemplated by the Justices Amendment (Procedure) Act 1997. The Justices Amendment (Procedure) Act, once commenced, will insert a new section 75 into the Justices Act 1902 to enable a defendant in a summary matter in the Local Court to enter a plea in writing in answer to a summons. Section 62 of the Act will be correspondingly amended to require that a summons served on a defendant includes information detailing the defendant's right under section 75 to enter a plea in writing.

In discussions with various prosecution agencies, it has become clear that the amount of information which will be required to be included in the summons will make it unwieldy. It is therefore proposed to address the practical difficulties of including the necessary information in a single document by amending the Justices Act to allow for information on the defendant's right under section 75 to be included either in the summons or, alternatively, in an accompanying document served simultaneously with the summons.

The third amendment empowers the Local Court Rule Committee to make rules relating to the

practice and procedure of the Local Courts. The Rule Committee is proposed to be established under the Local Court Act 1982, which is provided for in schedule 21 to this bill. The District Court Act 1973 provides for the establishment of a Criminal Rules Committee of the District Court with the power to make procedural rules in its criminal jurisdiction. The Supreme Court has similar rule-making powers. The jurisdiction of the Local Court has been expanded over recent years to incorporate more of the criminal matters previously dealt with in the District Court.

While the Local Court already has a statutory civil rules committee, which has proved successful, it does not have a criminal rules committee nor one to deal with non-civil matters, for example, proceedings involving disputes over dividing fences. It is of increasing importance for courts to take greater control of the practices and procedures to ensure the quick disposition of matters in the interests of justice. Whilst no court ought to have full control of the prosecution process, there is a need once proceedings are before the court, for the court to deal with the matter under procedures which it can control and develop.

Schedule 18 makes two amendments to the Land and Environment Court Act 1979. I have already addressed the first amendment, which deals with the ability of Acting Judges of the Land and Environment Court to continue to hear part-heard matters after their commission has expired. The second amendment enables the provisions of the Legal Profession Act 1987, relating to the assessment of costs, to be applied where the court orders the payment of costs in criminal matters. It is considered that given the ability of the court to award costs under the Land and Environment Court Act, it would seem more efficient to take advantage of the cost assessment scheme already established under the Legal Profession Act.

Consequential amendments to the Legal Profession Act in schedule 19 to the bill will make it clear that regulations can be made under the Land and Environment Court Act to apply the cost assessment provisions of the Legal Profession Act to criminal matters in the Land and Environment Court. Schedule 20 amends the Liquor Act 1982 to enable regulations to be made applying the provisions of the Justices Act to the Licensing Court, with or without modifications.

Part 4A of the Justices Act 1902 provides the mechanisms for a Local Court to annul a court conviction, in certain circumstances, where a conviction has been made in the absence of a defendant and to rehear the matter. The Licensing Court of New South Wales, like the Local Court, is constituted by a magistrate and is empowered to determine offences in the absence of a defendant. However, because of the wording of the Justices Act and the Liquor Act 1982, the Licensing Court, while conferred with jurisdiction to exercise many of the powers conferred on a Local Court magistrate, is presently unable to exercise the functions provided in part 4A.

It is in the public interest that the Licensing Court be able to annul orders made in the absence of the defendant and rehear matters, as is the case in the Local Court. Schedule 23 amends the Supreme Court Act 1970 to enable certain appeals from the Dust Diseases Tribunal and applications for leave to appeal from any court or tribunal in an interlocutory matter to the Court of Appeal to be heard by two Judges of Appeal. Section 46B of the Supreme Court Act 1970 provides for two judges of the Court of Appeal to determine an application for leave to appeal. However, having determined the application for leave, three judges are required to determine the appeal. At times, particularly in District Court interlocutory appeals, the issues which form the subject matter of the appeal do not raise difficult questions of law and the two judges, although in agreement as to the way in which the matter ought to be determined, are unable to hear the appeal. In such circumstances, the appeal can be expeditiously dealt with by two judges.

It is proposed that the Act be amended to allow two judges, in limited circumstances, to both grant an application to appeal and dispose of the matter during a single hearing. It is intended that the circumstances be limited to appeals from courts other than the Supreme Court and that it not apply to appeals from a final judgment or order. All of the amendments contained in this bill will improve the operation of the courts of New South Wales. At the outset of my remarks I should have pointed out that I was moving the second reading on behalf of the Attorney General. I commend the legislation to the House.

Debate adjourned on motion by the Hon. J. H. Jobling.

PUBLIC AUTHORITIES (FINANCIAL ARRANGEMENTS) AMENDMENT BILL

Second Reading

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [4.37 p.m.]: I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

The Public Authorities (Financial Arrangements) Act 1987, commonly referred to as the PAFA Act, regulates the investment and borrowing functions of government authorities. The Act confers upon the Treasurer a central supervisory role in respect of the investment and liability management activities of agencies to ensure the proper management of financial risks, and the maximisation of returns from the investment of funds. Borrowing and investment activities of each agency require the prior approval of the Treasurer and a special part, part 2C of the Act, extends these provisions to infrastructure projects that are financed by the private sector.

These so called "joint financing arrangements" involve long-term contractual obligations akin to an obligation to repay a debt and although the obligations are normally related to undertakings to do some specific thing or things—rather than to repay a debt—they are considered by the Act in a similar light. Borrowing undertaken by a government agency is guaranteed by the Government in a simple way in section 22A of the Act. When approval is given to an agency to incur a debt obligation, the unconditional guarantee of the Government is given at the same time. In this way lenders to government receive an assurance that the debts of an agency will be repaid despite reorganisation of the machinery of government or its agencies. In addition to debt repayment guarantees, the Act provides for the performance of other contractual obligations entered into by government agencies which have contracted with private sector parties to be guaranteed. The guarantee is that the agency will do what the contracts require.

The form of these performance guarantees is to be determined by the Treasurer and is normally expressed in a short deed. It is intended to do no more than guarantee whatever obligations are set out in the primary contracts between the government authority and the private sector parties. Its role is to assure the private sector parties that there will always be an entity, or otherwise the State, assuming the obligations of the body with whom they have contracted. In recent times it has become common for developers and financiers to seek additional clauses in the performance guarantee. The terms and conditions originally intended to be at the discretion of the Treasurer have become the subject of negotiations between the Government and private sector developers and project financiers.

Bargaining over the terms and conditions of guarantees is common in the giving and receiving of guarantees amongst private sector firms, but it is unnecessary when a firm is dealing with a sovereign government of the reputation of the State of New South Wales. There are few firms with a comparable unbroken record of keeping their word. The bargaining process moreover can be a distraction from the main object of achieving the best value for money from the project under negotiation. In all but the most extraordinary cases a simply guarantee like those supporting the obligation to replay the debt of the public authorities of this State would suffice. The legislation will amend the PAFA Act to provide for the guaranteeing of whatever obligations are in the finally negotiated primary contracts. The ability to give a more complex guarantee, with special terms and conditions at the Treasurer's discretion, will remain in section 22B but such a guarantee is likely to be given only in the most remarkable cases. I commend the bill to the House.

The Hon. J. M. SAMIOS [4.37 p.m.]: The Opposition does not oppose the bill, whose object is to enable the Treasurer to provide guarantees to make contractual and debt obligations binding on the successor to a government authority. The legislation is poorly drafted and the shadow treasurer in the lower House raised a number of deficiencies. That prompted the Government to subsequently circulate amendments to members of the Legislative Council, and no doubt they will be moved in Committee. This is important housekeeping legislation in that it deals with government agencies whose commitments and terms of investment and borrowing need to be guaranteed by the Government. The Opposition is concerned that because of the failure of the Government to negotiate with the private sector, the bill has not been properly drafted.

The Hon. ELISABETH KIRKBY [4.39 p.m.]: The Australian Democrats support the Public Authorities (Financial Arrangements) Amendment Bill. Originally I was concerned about subsections (3) and (4) of proposed section 22AA. Therefore I attempted to discover whether those provisions enabled an agency or a number of agencies to significantly vary an obligation without the prior consent of the Treasurer, thus burdening the State with an overall blow-out in, for example, major public works construction costs. My concerns arose from the fact that the Government is spending a great deal of money on the Olympics and associated infrastructure.

The advice I received was that although there may be a number of interpretations placed on section 22AA(3), the better meaning would be that the guarantee would continue until such time as the obligation is performed, or the obligation is materially varied without the prior consent of the Treasurer, or the guarantee ceases to be in force in accordance with the terms and conditions of the instrument. These events include a material or important variation of the obligation without the prior consent of the Treasurer, when the guarantee would cease automatically. It was suggested to me that that would mean that the bill adopts an implicit self-regulating mechanism so that the private sector beneficiary of a guarantee would have to satisfy itself that an appropriate approval of the Treasurer has been granted to any important variation of matters that are the subject of a Treasurer's guarantee.

It was suggested to me also that subsection (4) was possibly less clear in its interpretation than subsection (3). It was suggested that it seemed to offer some flexibility so as to avoid an automatic cessation of a guarantee in the event of an unauthorised variation in a matter covered subsequently by a Treasurer's guarantee. It appears

to allow the Treasurer to approve retrospectively, by a declaration, a previously unauthorised material variation—which approval would allow the guarantee to continue to have force.

In conclusion, it was explained to me that subsections (3) and (4) of section 22AA appear to have the purpose of preventing the possible circumstances that I envisaged when I sought legal advice. I hope that when the Treasurer replies to the debate he will clarify this matter and place on record that the legal advice that I got reflects what the Government intends to do—to provide a simple statutory guarantee of the due performance of an agency's obligations at the time of approving joint financing arrangements, with no separate document with negotiable terms and conditions.

The Government has explained that this bill will do away with the need for a "paper" guarantee in circumstances which are not exceptional as to warrant a discretionary guarantee being given under section 22B. The guarantee therefore will establish that the private sector party will continue, should there be a change in the agency's status, to deal with a body enjoying the sponsorship of the State. Although I had those initial reservations, I believe they have now been satisfied by the inquiries that I made. With those remarks, I am happy to support the legislation.

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [4.44 p.m.], in reply: I thank the Hon. J. M. Samios and the Hon. Elisabeth Kirkby for their contributions to the debate. During the debate in the Legislative Assembly it was suggested that further advice should be sought from the private sector on the effectiveness of the legislation. The views of solicitors acting for project financiers are of course well known from negotiations over projects in the past. There has in fact been ongoing consultation with private sector legal firms over a long period on this topic.

Recently the Government met with representatives from the six main legal firms, and as a consequence amendments will be moved to the bill to clarify that the Government stands behind the contractual obligations of its authorities when they enter into joint financing arrangements. The contractual obligations also remain guaranteed by the Government, even in the event that the obligation is passed to a successor in the event of an agency being restructured. I commend the bill and the foreshadowed amendments to the House.

Motion agreed to.

Bill read a second time.

In Committee

Clause 3

The Hon. J. M. SAMIOS [4.44 p.m.]: The Opposition wishes to make the point that the amendments reflect the casual approach to the legislation taken by the Government in failing to adequately consult. We have no objections to two amendments, but in relation to the third amendment we are somewhat perplexed as to the purpose of the subsection, in that it could indicate the Government's true intention and commitment to the full guarantee. The Government has yet failed to consult adequately. Whilst we will not oppose that amendment, we remain, with our private sector colleagues, less than convinced that it will not result in legal complexities in dealings with the private sector and that it will turn out to be a lawyer's dream.

Clause agreed to.

Schedule 1

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [4.47 p.m.], by leave: I move Government amendments Nos 1, 2 and 3 in globo:

No. 1 Page 3, schedule 1, line 5. Omit "Succession guarantee". Insert instead "Statutory guarantee of performance".

No. 2 Page 3, schedule 1, lines 11-13. Omit all words on those lines. Insert instead "guaranteed by the Government. A declaration may be made subject to terms and conditions (specified in the instrument) that restrict the scope or operation of the guarantee and that specify the time when or the circumstances in which the guarantee ceases to be in force.".

No. 3 Page 3, schedule 1, lines 14-25. Omit all words on those lines. Insert instead:

(2) The effect of the declaration concerning such an obligation is (subject to those terms and conditions) that the due performance of the obligation is guaranteed by the Government, notwithstanding that the authority:

(a) ceases to exist, or

(b) ceases to be responsible for the exercise of the functions constituting the obligation, or

(c) ceases to be responsible for the exercise of functions relevant to the performance of the obligation,

and that in such a case as is referred to in any of those paragraphs, and without affecting the guarantee, the obligation is (by force of this section) taken to be binding on the successor to the authority or, in the absence of a successor, the Government.

I outlined the reasons for these amendments during the second reading debate.

Amendments agreed to.

Schedule as amended agreed to.

Bill reported from Committee with amendments and passed through remaining stages.

STATE RECORDS BILL

Second Reading

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [4.52 p.m.]: I move:

That this bill be now read a second time.

The purpose of this bill is to make provision for the creation, management and protection of the records of public offices of the State. The new legislation will preserve the best provisions of the Archives Act 1960 and extend them with a view to facilitating the transaction, monitoring and auditing of official business through improved record keeping; developing and implementing standards, codes of best practice and guidelines for managing official records in all formats—paper, film, and electronic—and over the full range of Government and official activity; and ensuring the orderly disposal of official records of the State and the preservation of those of continuing value so that they will be available, in due course, for public access and use.

The impetus for change comes mainly from two sources. First, a perception that governments and other public institutions should be made more accountable, coupled with a recognition by several royal commissions in New South Wales and interstate of the link between accountability and good record keeping. The second is the rapidly developing switch from paper-based to electronic business processes, with their ever-changing and generally transient technologies, which require decisions on evidential value and preservation of records to be made at the point of record creation, instead of final disposal as has been traditional.

Like the 1960 Act, the new legislation will apply only to public offices and their records and not to private individuals or organisations. However, the ambit will be much wider than that of the current Act and will embrace Parliament, the courts, State-owned corporations, local government and the universities. The coverage will be deeper than the 1960 Act, as well as wider. It will include every element in what is known as the records continuum. It will promote a consistent and coherent regime of management processes from the time of the creation of records—and before creation, in the design of record keeping systems—through to the preservation and use of State records as archives.

The existing Act is concerned only with the preservation and public use elements in the continuum and treats them in isolation. The core provisions are as follows. Part 2 of the bill, "Records management responsibilities of public offices", sets down the general obligations of public offices of the State with respect to the creation, management, protection and preservation of their records. Public offices will be required to make and keep such records as may be necessary to record fully and accurately the functions, activities, transactions, operations, policies, decisions, procedures, affairs, administration and management of the public office. To this end they will be required to establish and maintain a records management program in conformity with standards and codes of best practice. Public offices will also be responsible for maintaining accessibility to records which are dependent on equipment or technology, such as electronic records.

Part 3 of the bill, "Protection of State records", establishes special measures for the protection of the public records of the State against neglect and unauthorised loss, destruction, damage, alteration or transfer. Generally, public offices will not be allowed to dispose of State records, transfer their possession or ownership, take or send them out of New South Wales, or damage or alter them, without the approval of the State Records Authority. This provision is similar to one in the 1960 Act. Part 4 of the bill, "Authority entitled to control of State records not currently in use", confers on the proposed State Records Authority certain rights and obligations. The State Records Authority will be entitled to the control of State records which are no longer in use for official purposes by the public offices which created them or by their successors.

Records more than 25 years old will be presumed to be not in use, but the decision on this will rest with public offices, which may make a "still in use" determination. The entitlement of the State Records Authority to control a State record no longer in use will not extinguish, limit or otherwise affect any right or interest of another person or body in the State record. Part 5 of the bill, "Recovery of estrays and other State records", provides for the recovery of State records owned by the State that are outside the control of the State without lawful

authority. The State Records Authority will be empowered to recover estrays, including taking action through the courts, and will also be able to direct and assist public offices to recover estrays.

Part 6 of the bill, "Public access to State records after 30 years", confers an entitlement to public access to those State records that are at least 30 years old and open to public access under the Act. There will be a new statutory open access period providing for public access to State records which are more than 30 years old, irrespective of whether the records are under the control of the State Records Authority or of a public office. This open access period is to be given statutory effect for the first time. Currently access is provided on the basis of a Premier's direction issued in 1977 requiring public offices to transfer all records 30 years old and no longer in use to the Archives Authority to be made available for public access and use.

The new statutory open access period is a major reform of this legislation. The exceptions will be records more than 30 years old which public offices have closed to public access for reasons including confidentiality or privacy, in accordance with guidelines to be issued by the Attorney General. Part 7 of the bill, "The Authority and the Board", establishes the State Records Authority of New South Wales. The new authority will be a continuation of the Archives Authority and will be a body corporate controlled by a board of nine members appointed by the Governor. The authority's functions will include: developing and promoting efficient and effective methods, procedures and systems for the creation, management, storage, disposal, preservation and use of State records; providing for the storage, preservation, management and provision of access to records in the authority's possession; and advising on and fostering the preservation of the archival resources of the State, whether public or private.

The members of the authority will be composed of a nominee of the Presiding Officers of Parliament; a nominee of the Chief Justice; and seven Government-nominated members representing departments and administrative offices, declared authorities, State-owned corporations, law enforcement agencies, local government, the private sector, and the interests of professional historians and other users.

The State Records Authority will have a director and staff who will continue to be employed under the provisions of the Public Sector Management Act 1988. Although the new legislation will be far more comprehensive than the 1960 Act, in both the kinds of public offices that will be covered and the range of their record-keeping activities, it will also be more flexible. Public offices and the State Records Authority will be able to negotiate and, when and if required, vary the extent of the coverage to suit resources and commitments as they change over time. This flexibility will be achieved by three mechanisms. First, savings and transitional regulations which will enable deferment of the application of all or parts of the Act to some public offices or to some of their records.

Second, regulations under the new Act whereby some public offices or some of their records may be exempted from all or some of the records management, control of records and public access provisions. And third, the State Records Authority will be able to vary some requirements, for example by permitting departures from records management standards and codes, where it is necessary or desirable to accommodate the specific needs of public offices. The State's public records need to be managed as a total resource. This is a responsibility for Government agencies operating within comprehensive guidelines. New, comprehensive State records legislation will allow the State Records Authority to meet its responsibilities to improve the records management of agencies and will further clarify the responsibilities of State agencies in this area in carrying out official business. I commend the bill to the House.

The Hon. J. M. SAMIOS [5.01 p.m.]: The Opposition does not oppose the legislation. In fact, it is part of the good housekeeping legislation initiated by the coalition, in this case by the Leader of the Opposition, who expressed concern at the need to upgrade the Archives Act 1960, which was introduced in an era when computer disks and basic computer language were not well known. It is interesting to note that the Leader of the Opposition at that time in 1988, as Minister for the Arts, instructed his department, as has been stated in another place, to research ways in which the Act could be updated to reflect contemporary practices. In 1992 the coalition Government circulated a discussion paper, and in 1994 the new legislation was agreed upon.

The change of government saw the matter fall within the jurisdiction of the current Government and now, after some three years, this legislation has been introduced. As we enter the new millennium the State will have the advantage of fundamental legislation upgraded to contemporary standards. The legislation creates the State Records Authority, and

sets out the general obligations of public offices with respect to the creation, management, protection and preservation of records. It extends the range and deepens the scope of documents affected by the archive legislation, and provides several measures to protect the independence and confidentiality of governance originating in the Parliament, the courts, the Governor's office, State Government enterprises, local governments and universities.

There are various reasons for upgrading the legislation. It is not simply because we have moved into an era of computer disks but also because the quality of the materials used, such as paper, has declined over the years. Paper is now expected to survive for about 100 years. When this country was settled paper volumes were brought out on Captain Cook's voyages and that paper remains in fairly good condition today. Governments should always adopt a contemporary approach to the machinery of government.

The destruction of documents is not the prime philosophy guiding the contemporary approach, which is in contrast to the 1960s legislation when the emphasis was on preserving documents as memorabilia for their curiosity. Today the approach is more to preserve documents, and one must have a good reason before destroying them as a matter of course. The legislation will not apply to local government for one year; it will entitle the Archives Authority to authorise deviations from the record-keeping standards specified in clauses 12 and 13; it will give the Government the power to make regulations exempting certain documents; and it will preserve from the effect of the bill certain documents created by the court and Parliament.

The Hon. JAN BURNSWOODS [5.07 p.m.]: It is with great pleasure that I support the State Records Bill in the presence of the Principal Archivist, John Cross, who is in the Chamber, particularly as I am the newest member of the New South Wales Archives Authority. The work of the Archives Authority and the preparation of the bill owe a great deal to John Cross. I am sure he is relieved that the legislation is finally going through the Parliament before his retirement, which will take place on Friday next week. John Cross has been one of the fine public servants of New South Wales, one amongst many very fine public servants. His work in looking after the records of the State by developing the systems to make sure not only that our important records are kept as archives but that the whole system of storing and retaining current government records and semi-current records is successful.

In the years in which I worked in the Department of Education one of the things that most worried me was the extent to which restructuring, downsizing, contracting out and all those other horrible phrases had the effect of destroying the corporate memory of government departments. We lost a lot as a State and a community and some of the accumulated experience, knowledge, compassion and other qualities were lost. Too few people are aware of the extent of the work carried out by people like John Cross and his staff in the State Archives to ensure that records are kept permanently when they are no longer current; and that current government records are kept properly and are easily retrievable. If government is to be accountable and to work efficiently it has to have a good record-keeping system.

The Hon. D. J. Gay: What about Cabinet records that we cannot get hold of?

The Hon. JAN BURNSWOODS: State Archives looks after Cabinet records and just about everything else. I hope that honourable members will forgive me for relating some of my personal background. I said earlier that I recently became the newest member of the Archives Authority. I also have a great deal of experience working in the State Archives. I first met John Cross in 1974 when I was working in the education department. There are probably not too many people around who remember the location of State Archives before it moved to its current home in The Rocks. If I recall correctly, it used to be located in the basement of the Mitchell Library. Anyone wanting to do any work on the records of the education department had to descend into the bowels of the State Library and walk through canyons of books, files and boxes on shelves and then into the reading room.

John Cross and the archives staff have always given me incredible assistance. They are not simply archivists and keepers and storers of records; they are important advisers to departments such as education. I am sure that John Cross will not mind me saying that Jim Fletcher, my colleague in the education department, and I persuaded John Cross, I think against his will, to let us rearrange the records of the education department. It went against all the most fundamental principles of record keeping because we changed the way in which the records had been kept which, of course, is part of the nature of the archives themselves.

The Hon. D. J. Gay: That is frightening, to leave a leftie like you in charge of rearranging.

The Hon. JAN BURNSWOODS: The Hon. D. J. Gay might be worried about us lefties, but I thought he had joined the lefties. The Hon. D. J. Gay would know, as a member of the National Party and as someone with an interest in schools in this State, about some of the work that was done. I was pleased to be able to play a part in reorganising those education records. It made it easier for schools celebrating centenaries and other anniversaries, people researching family trees and people researching the history of their districts to access those records, use them and reproduce them. Although it came as a bit of a shock to someone like John Cross, it was a sensible change and one which I think has worked well over the years. At that stage original education department records were amongst the most heavily used documents held by State Archives.

I have been asked by John Cross to make a few comments about the development of this legislation. He also asked me to say that he has been surprised about and grateful for the kind remarks members in the other House and in this House—for example, the Treasurer and the Hon. J. M. Samios—made about him and the Archives Authority. I hope he is also surprised about and grateful for the kind remarks I have made about him. John Cross asked that honourable members bear in mind that, although we have all acknowledged his work over 30 years, a great many people have contributed to the development of this bill.

It is impossible to name all of them, but some of the people who should be named include Greg Kenny, Senior Policy Officer, policy and programs, in the Ministry for the Arts; Chris Hurley, formerly the Chief Archivist at the Victorian Public Record Office and now the General Manager of National Archives Business at the National Archives of New Zealand, who was a consultant to the Archives Authority of New South Wales in the development of the legislation; and Leigh Glover, senior legislative drafting officer in the office of Parliamentary Counsel. Without Mr Kenny's untiring energy and dedication, Mr Hurley's unrivalled knowledge of archives legislation and wise counsel, and Mr Glover's drafting skills and infinite patience, this legislation would not have come to fruition.

I said that on behalf of Mr Cross and on behalf of the Government so that those remarks will be recorded in *Hansard*. It is not necessary for me to go through the detail of this bill. The legislation will update the Archives Act which, after all, is now 38 years old. I do not think anyone doubts the importance of doing that or the importance of coming to grips with an increase in the quantity and diversity of information, the demand for accountability and the technological changes that have so altered the nature of information that has to be retained and stored. On behalf of the Premier I convey to the House the following message to acknowledge the outstanding achievements of Mr Cross:

> Let the record show that under John Cross the State's records have been in the best of hands. Throughout his long public service career, John's professional skills and integrity have won the respect of all who knew him. As a public servant he has been, in the truest sense, a servant to the public. On behalf of the Government and Parliamentary colleagues I pay tribute to his achievements and wish him continuing success.

It is fitting that, with John's retirement next week, one of his last official duties has been to advise the Government on the passage of this bill and to see it through Parliament. John leaves the Archives Authority of New South Wales in excellent shape and in excellent hands.

The Hon. I. COHEN [5.17 p.m.]: I support the State Records Bill. It is extremely important to record the history of our society. This bill will ensure the orderly disposal of official State records, the preservation of those records deemed to be of continuing value so that they are available in the future, and public access to those invaluable records. Members of the public will now be able to access State records which are more than 30 years old, irrespective of whether they are under the control of the State Records Authority or a public office. In the time that I have been a member of Parliament many controversial issues, such as the M2 motorway, have been dealt with. Documents on issues such as that must be properly archived so that people have access to them in the future.

I am confident in the bureaucrats who developed this legislation and in the fact that this bill will create a functional archival reference for future generations. None of this valuable archival material should be neglected. The preservation of State records is an important human rights issue. All information, such as minutes of meetings, should be adequately stored and accessible to the public in the future. Those records should be in the safekeeping of the State Records Authority.

That authority will be created as a continuation of the Archives Authority and will be a body corporate controlled by a board of nine members appointed by the Government, maintaining an ongoing concern for security of State records. Today, records are kept on electronic files, not paper, and have a limited life span. It is important

that there is an ongoing responsibility to upgrade files and maintain those that are considered of importance in the public domain. Such record-keeping systems should continue in perpetuity so that future generations can access this time capsule.

I spoke to John Cross, Greg Kenny and Brett Johnson about this issue at a crossbenchers' briefing. Mr Cross has undertaken the safekeeping of this archival material as his last function before retirement. I congratulate him on a job well done, and this is the peak of a long career as a guardian of public knowledge. I commend him for his undertaking to assist in the development of this bill. I will be interested to see the finer print in the regulations at a later date but, in principle, I am glad that the Greens support the bill, which hopefully will safeguard the collective knowledge of our society.

Reverend the Hon. F. J. NILE [5.21 p.m.]: The Christian Democratic Party is pleased to support the State Records Bill. It is important that the records of all public offices of the State are managed, protected and preserved and that measures are established to protect against neglect, unauthorised loss, destruction, damage, alteration transfer and theft. An effective security system will need to be put in place, as we often hear of files disappearing from Government offices, let alone from a storage facility.

The bill confers an entitlement to public access to State records that are at least 30 years old, which seems to be a sufficient period of protection. We now know that the print on many documents can fade and even disappear, such as early fax documents. Urgent action must be taken to transfer such documents to lasting material. There have been recent reports that 16-millimetre and 35-millimetre film decays over a period and eventually disintegrates. Urgent action should be taken to transfer government documentaries and other material that were produced on that older film to a permanent material. The Treasurer may need to look at a special allocation for the preservation or transfer of decaying records. We are pleased to support the bill, which will preserve the history of the State for future generations.

The Hon. R. D. DYER (Minister for Public Works and Services) [5.24 p.m.], in reply: With the passage of this legislation New South Wales leads Australia in establishing a modern and forward-thinking statute for the protection of official records. The essential achievement of this legislation is that it provides a regime for ensuring the quality of record-keeping in the New South Wales public sector. The key provisions of the legislation are: to establish the State Records Authority of New South Wales; to set out the obligations of public offices to keep full and accurate records and negotiate a records management program with the authority; to establish a regime for the maintenance of those State records of continuing value and the orderly disposal of State records no longer required; to provide statutory mechanisms for providing public access to "open" State records older than 30 years; to enable State records to be managed as a total resource, regardless of location or format; and to provide ways to manage and utilise State records through the effective use of technology. I appreciate the contributions made by honourable members and commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

CRIMES LEGISLATION AMENDMENT (POLICE AND PUBLIC SAFETY) BILL

In Committee

Consideration resumed from 20 May.

Postponed schedule 1

Consideration of postponed amendment 2 of the Hon. M. J. Gallacher resumed.

The Hon. I. COHEN [5.28 p.m.]: I move:

> That Opposition amendment 2 be amended by inserting at the end, "This division does not authorise a police officer to give directions in relation to an assembly, protest, procession or industrial dispute."

The Greens are concerned about the word "organised" in section 28G of the bill. Constituents are often involved in protests which can be disorganised, such as forest and spontaneous protests. As the Opposition pointed out, because there is no definition of "organised" in the bill, it is likely that forest protests may not be covered by the bill. Therefore, the direction powers contained in division 4 may be applicable in such protests.

The question is: how will the term "organised" be construed by the courts? Will the courts be guided by section 23 of the Summary Offences Act? Will the word "organised" be construed as meaning authorised or something similar? If this happens, non-authorised assemblies, protests or processions will be subject to the directions powers as outlined in division 4. The division could be used to stifle non-authorised protests. The Greens are of the

opinion that in order to clarify the issue the word "organised" needs to be either defined or removed, and the amendment seeks to remove it.

Some years ago I was involved in action at Chaelundi Forest in which there was abuse by police of protesters. There was a subjective police analysis of what "organised" is. I have been involved in a significant number of disorganised protests. If protesters sit in a State forest in a disorganised way, not affecting the flow of traffic, I would be concerned about their being moved on. Action taken against such a small protest could be reflected in action taken against other protests far away from the more classic industrial relations style of protests. I commend my amendment to the Opposition amendment.

The Hon. R. D. DYER (Minister for Public Works and Services) [5.32 p.m.]: I shall briefly state the Government's stance on the Opposition amendment and the amendment just moved by the Hon. I. Cohen. The Opposition amendment in effect would delete section 28G. There appears to be unnecessary confusion concerning the whole matter of section 28G and the Opposition amendment and I would like to clarify the Government's position. Peaceful protests, pickets, demonstrations, processions and the like are legal in New South Wales. The intention of the bill is to retain the status quo. The intention of the Opposition amendment is to give police the power to move on otherwise peaceful protests, pickets, demonstrations, processions and so on.

In relation to such matters the issue will always be whether the criminal law has been breached. The Opposition amendment would introduce a new element: it would no longer be dependent on whether a person had breached the existing criminal law. The Opposition amendment would mean that no group would be able to protest in this State without facing a move-on direction from police. Unions, green groups, farmers, gay groups, youth groups, firearms owners or any other group could be affected. If it is the wish to have no more protests in the State—

The CHAIRMAN: Order! The Committee is dealing with a complex area of the bill. The Minister will be heard in silence.

The Hon. R. D. DYER: If one desired that no more protests ever be held in New South Wales one might well support the Opposition amendment. If one desired to have protesters moved on for exercising a democratic right to protest, again one might be inclined to support the Opposition amendment. But if on the other hand one desired to ensure that the existing position continued to apply—that is, that protesters are arrested or dealt with only when they breach the criminal law—one would not support the Opposition amendment, and the Government does not support it.

As to the amendment just moved by the Hon. I. Cohen, I am advised that the Committee went over the relevant ground in the debate last evening. The Government does not support the Greens amendment. The Government's advice is that it would have the effect of making all of division 4 unenforceable. So for the short reasons I have expressed the Government does not support either the Opposition amendment or the Hon. I. Cohen's amendment.

The CHAIRMAN: Order! The Committee has before it Opposition amendment 2, to which the Hon. I. Cohen has moved an amendment. The Hon. J. S. Tingle also intends to move an amendment. The Committee will thus be able to consider the three amendments concurrently. When debate on the three amendments is concluded I shall first put the question on the amendment moved by the Hon. I. Cohen to Opposition amendment 2. If that amendment of the amendment is carried, I will then put the question in relation to the Opposition's amendment, as amended. If that is carried it will not be necessary to put the question in relation to the amendment moved by the Hon. J. S. Tingle. However, if the Opposition's amendment, as amended, is not carried, I will put the amendment moved by the Hon. J. S. Tingle, in respect of which I have been requested to put the paragraphs seriatim.

The Hon. J. S. TINGLE [5.36 p.m.]: I move:

Page 13, schedule 1[8], lines 2-4. Omit all the words on those lines. Insert instead:

This division does not authorise a police officer to give directions in relation to:

(a) an industrial dispute, or

(b) an apparently genuine demonstration or protest, or

(c) a procession, or

(d) an organised assembly.

I believe that the amendment answers the worries of the Opposition and the Hon. I. Cohen in relation to this aspect of the bill. I understand what the Opposition is trying to do but I believe that if section 28G is removed New South Wales could be headed towards having a similar situation to that which existed under Joh Bjelke-Petersen in

Queensland, where police could do anything they liked with people trying to assemble in the street. I am sure that the Hon. I. Cohen would agree that we would not want to reach that position. I wish to explain why I have moved the amendment. The Hon. I. Cohen is concerned about the word "organised". It appears in the wording of my amendment because I do not believe that the word "organised" should be a threat. There is concern about the definition of the word "organised".

A number of people have said that "organised" means that the gathering has to be authorised. The Hon. I. Cohen seems to think that it must be organised by a peak body or it must have a certificate or permit from the police to go ahead. I do not believe that that is what the word "organised" should be taken to mean. It should merely be taken to mean that somebody has arranged for a particular gathering—whether it be a procession, a protest or an assembly—to happen. In my younger and less prudent days I took part in many demonstrations, protests and marches. I have yet to be to one which is not organised.

The Hon. R. S. L. Jones: Did you have long hair too?

The Hon. J. S. TINGLE: I never had long hair; I could not grow it. I have never been to a protest, march or something of that sort that was not organised, so I do not believe that the word should be a problem. If the Hon. Franca Arena and I organised a protest to be held outside in Macquarie Street now, that would be an organised protest. I hope my amendment will address the concerns of both the Opposition and the Hon. I. Cohen because it will provide that an industrial dispute or an apparently genuine demonstration or protest or a procession or an organised assembly will not be interfered with under the division by a police officer as long as—I guess the assumption is—it is lawful. I know that the word "organised" has stuck in many craws.

I do not think that we should be afraid of the word. We should not be afraid of the idea of people holding protests in this city. I am trying to remember the last time in my 46 years and three days in journalism when the police actually broke up a rally, protest or assembly in a violent manner or did not allow it to continue. This morning there was an attempted truck blockade of the city, and it was allowed to proceed. We have a history and a protocol in this city and in this State of allowing lawful and peaceful demonstrations and protests. I see nothing in this provision which is likely to impede that.

I cannot support the Opposition amendment and I do not support the amendment of the Hon. I. Cohen. Instead, I commend my amendment, which I believe ensures that lawful assembly, demonstration or protest would be allowable under the terms of this bill. The Hon. I. Cohen expressed concern about people who may take part in forest protests and set up tripods and climb up trees. He says that police may not recognise that as an organised assembly. Though I may not agree with what they were doing, certainly I would fight to protect their rights to have their assembly recognised as organised. Putting tripods together and getting in the way of bulldozers involves a great deal of organisation. That is the meaning I place on the word "organise". For that reason I commend this amendment.

The Hon. R. D. DYER (Minister for Public Works and Services) [5.40 p.m.]: During the Committee debate last night it became apparent that the effect of proposed section 28G was not entirely clear. The amendment moved by the Hon. J. S. Tingle serves to clarify that provision without changing the policy purpose of the bill. The powers that have been created to enable the police to give reasonable directions will not be able to be used for industrial disputes, genuine protests, demonstrations, a procession or an organised assembly. The Government's intention is to maintain the status quo for each of those activities. This amendment will have just that effect. The Government supports the amendment of the Hon. J. S. Tingle because it serves to clarify the policy contained in the bill.

The Hon. J. P. HANNAFORD (Leader of the Opposition) [5.41 p.m.]: I acknowledge that the amendment circulated by the Government but moved by the Hon. J. S. Tingle seeks to provide some clarification, but it does not provide significant improvement. When is an apparently genuine demonstration an apparently genuine demonstration? The answer would be a subjective evaluation. When the police are given the power to enforce the provisions of the Crimes Act they should be told to exercise the powers objectively, not subjectively. When is an industrial dispute not a procession? When is an industrial dispute not an assembly? I do not know of any industrial dispute that is neither of those things.

The Opposition has no objection to processions or assemblies. Everyone should have a genuine right to protest. People should be allowed to gather on the streets in front of Parliament to express their views through protest. If they block the street, the police will be able to arrest them for obstruction, but when

they are on the footpath the police should not be able to close down that protest by saying, "Move on. Move on. Now we'll arrest you." The decision should not be left to police to assess. The right to genuinely protest has support across the board. Additional confusion is being added by retaining paragraphs (a) and (b) of the amendment moved by the Hon. J. S. Tingle.

It should be said that this division in the bill does not authorise a police officer to give directions about a procession, because people are allowed to take part in processions. It should be said also that the division does not authorise police officers to give directions in relation to an assembly. The Summary Offences Act recognises those terms. Therefore, the gentleman who has been standing in Macquarie Street in front of Parliament House for the past two or three days waving his placard is, within the terms of the Summary Offences Act, an assembly and we should be able to say that he can remain there. If that provision was not available, would he be an organised assembly?

The Hon. R. S. L. Jones: Is he authorised?

The Hon. J. P. HANNAFORD: Under my proposal he does not need authorisation because he is not closing off streets. The purpose of obtaining authorisation from the Commissioner of Police is when streets are to be closed. The Opposition believes that people should be allowed to remain in a public place for the purposes of protesting. For that reason I advocate that the Committee vote on this amendment by rejecting paragraphs (a) and (b) of the amendment moved by the Hon. J. S. Tingle and retaining paragraph (c). A procession is a procession, whether it be the May Day march or a march by members of the Maritime Union of Australia, and the people involved are in that procession. Is the MUA picketing to get jobs back or secure a pay rise, or is it picketing as part of a political protest? If the picket is part of a political protest, it is not an industrial dispute and, therefore, is not covered by paragraph (a).

This issue should be cleared up. If people are on the streets as an organised assembly, clause 28F(5) would not be used to give police the power to direct those people to move on and then arrest them. The Hon. I. Cohen was concerned about the term "organised" in relation to the term "assembly". That issue was debated last night. What is and is not organised? If a person has gone to the trouble of getting onto the street, he has demonstrated some element of organisation. Why should he have to say to the police, "This is what I have done to get myself organised to be here as part of these three or four persons." Either he should be able to be on the street or he should not. I support an amendment that deletes the word "organised" and leaves the provision to read:

> This Division does not authorise a police officer to give directions in relation to a procession or an assembly.

That would cover everything that has been debated and would allow people to be lawfully on the streets to express their democratic right. It is interesting that this debate today has occurred on the fiftieth anniversary of the declaration of civil and human rights.

The Hon. R. D. DYER (Minister for Public Works and Services) [5.47 p.m.]: I shall comment briefly on the criticisms made by the Leader of the Opposition of the words "an apparently genuine demonstration or protest". His criticism was based on what he described as the introduction of a subjective element. Police officers exercise their discretion daily in the course of their duties. Judicial officers, when reviewing the exercise of that discretion, decide whether the discretion was exercised properly and in accordance with the law. To move outside the particular language used here, an example is the use of the word "reasonable", which is one of the most commonly used expressions in any statute. Clearly, judicial officers and courts daily consider what is reasonable in given circumstances.

There is nothing without precedent or unusual about police or judicial officers having to either exercise their discretion or to determine whether something falls within the law. A police officer determines at the time if the gathering is an apparently genuine demonstration; a court later makes a determination about that when reviewing the police officer's actions. It is a simple proposition and commonsense is required to make that determination, as would be the case with all police decisions involving the exercise of a discretion. I add that the provision has been drafted by Parliamentary Counsel and the Committee should pay due regard to that. All four elements contained in the amendment of the Hon. J. S. Tingle are necessary in the Government's view, as they cover four different situations. They make the intent of the bill abundantly clear, and that is as it should be. The Government strongly supports the amendment of the Hon. J. S. Tingle.

The Hon. ELISABETH KIRKBY [5.50 p.m.]: I have been listening to this debate with some interest. It is now becoming clear where different parties in this Parliament are coming from. The

Opposition is determined that proposed section 28G should be removed because it does not authorise a police officer to give directions in relation to an industrial dispute. Honourable members will remember the rhetoric they have heard over the past two to three weeks about why police in New South Wales did not move in on the Maritime Union of Australia pickets at Darling Harbour and Port Botany. Therefore, the Opposition will not accept the amendment of the Hon. J. S. Tingle unless paragraph (a), which deals with an industrial dispute, is removed. It does not matter how it is wrapped up or what the rhetoric is, that is the only concern of the Opposition. It wants police to have the power to bash up MUA picketers, wherever they happen to be.

I also understand the concerns of the Hon. I. Cohen because he has been involved in many small, spontaneous protests. On one occasion he put his own life at risk by paddling in his kayak under the bow of a large American aircraft carrier. Other members of his movement have also abseiled down Sydney Harbour Bridge and high buildings in the city to put up banners protesting about environmental issues. There is no doubt that those protests were not organised, except by the individuals concerned. Certainly abseiling takes a great deal of planning because those who abseil put their lives at risk because they believe in a particular cause.

I cannot see anything wrong with this amendment because it covers every contingency. It allows industrial picketing and industrial demonstrations. It will still permit the Hon. I. Cohen and members of his movement to abseil up buildings, provided they do not put other people's lives at risk. It will allow him to go out on the harbour, as he did two weeks ago when the Chinese warships came into Sydney. It will not stop groups protesting against uranium mining in Kakadu. It will not prevent supporters of Reverend the Hon. F. J. Nile protesting against the Gay and Lesbian Mardi Gras and it will not prevent a gay and lesbian group from holding a vigil outside Parliament House. It will not stop processions such as those undertaken by the farmers or those involving the Snowy River. Other gatherings that have involved significant organisation will still be able to assemble outside Parliament House.

Dr Metherell's Education Reform Bill aroused strong feelings among the New South Wales Teachers Federation, the Parents and Citizens Associations of New South Wales and parents, who assembled in the Domain in the largest protest ever to be held outside Parliament House. That protest was obviously organised because it would be impossible to have arranged for so many thousands of people to gather together without considerable organisation. It certainly did not happen spontaneously. To protect democratic protests the amendment of the Hon. J. S. Tingle should be accepted. I am amazed that the Government is prepared to agree to the amendment because it has not accepted many amendments. Of all the options available at this time, that is the only one that will meet the needs of all sections of the community and still impose a limit on the exercise of police powers. That is what the majority of people want, irrespective of their political persuasion. For those reasons I support the amendment, unamended by the Opposition, of the Hon. J. S. Tingle.

The Hon. M. J. GALLACHER [5.55 p.m.]: Only a couple of hours ago I spoke to the Hon. J. S. Tingle in this building and he said, "This whole piece of legislation has just been thrown together, it is very badly worded." I am disappointed that the Hon. J. S. Tingle has fallen for the bait. The notation "Govt" is well and truly on the top of this amendment. I am amazed that the Leader of the Australian Democrats prefers not to accept what has actually taken place because she knows as well as all other honourable members that the Minister for Police, Paul Whelan, spoke to her outside—

The Hon. Elisabeth Kirkby: He didn't speak to me.

The Hon. M. J. GALLACHER: I am not talking to the Hon. Elisabeth Kirkby yet. He gave the bill to the Hon. J. S. Tingle and said, "Come on, mate, do the right thing." Members of the Opposition cannot wait for the next crime bill to be put forward by the Hon. J. S. Tingle because it will, not surprisingly, have the Government's support. I could put money on it. I am amazed that simple people can be bought off like that. I turn now to the comments made by the Hon. R. D. Dyer about police officers exercising their discretion. I did not know he was a police officer with experience in exercising discretion! A crime must be proved and when all of the ingredients come together to make up a case, a police officer is bound to put that case before the court. Police officers are not the judiciary; they are merely servants of the court. They prepare the brief of evidence, bring together the ingredients to make the cake and then present it.

I cannot understand why members on the crossbench consider the concept of an apparently genuine demonstration to be reasonable. Who makes the subjective decision as to whether it is an apparently genuine demonstration? At the outset it

will be the police, not the judiciary, who will make that determination. We all have different values and beliefs and two police officers may have totally different views about what is an apparently genuine demonstration. Who will make the determination? This is the most ridiculous legislation I have ever seen. The Government has been in meltdown since last night.

The moment the Opposition revealed the Government's incompetence it has had no idea of what is going on. When I spoke last night certain members on the crossbenches took great delight in claiming I was using hyperbola, but they, too, have been in meltdown, trying to find an answer to the problem. They did not know the problem existed until it was pointed out by the Opposition. They are trying to placate everyone. They are trying to make those crossbench members who might have a slight interest in this matter feel happy by using warm and fuzzy terms such as "apparently genuine demonstration". This is ridiculous legislation. There is no similar terminology in any other provisions of the New South Wales Crimes Act.

The Hon. I. Cohen: How is it ridiculous?

The Hon. M. J. GALLACHER: Suffice it to say that if the honourable member votes in favour of the bill, he too will be "apparently" ridiculous. To those honourable members who have not been conscripted into believing that this bill is the cure all I refer to part 4 of the Summary Offences Act, which relates to public assemblies. I trust that honourable members who followed the debate last night will have taken the time to read it. "Public assembly" means an assembly held in a public place, and includes a procession. Although "assembly" and "procession" mean the same thing, under the terms of the amendment put forward by the Government—sorry, by the Hon. J. S. Tingle—"procession" and "assembly" have different meanings.

This amendment is so badly worded I am at a loss to know how to convince honourable members of the absurdity of it. "Procession" and "assembly" fall within the definition of "public assembly" in the Summary Offences Act. There is essentially no need to separate the two. As the Leader of the Opposition said, the Opposition is prepared to assist the Government because of the Government's incompetence and inability to get this legislation through. The Opposition wants to get these powers to members of the New South Wales Police Service so that they can start to do the right thing by those of us who have advocated for this legislation.

The amendment is a mishmash. It is so fresh that I suspect if honourable members were to rub their fingers down the page on which it is printed, the print would smudge. The Government has not been able to get its act together. Its members have been waffling on, trying to drag out the debate in the hope of getting together acceptable legislation. "Apparently genuine"! Fair dinkum! The Government should give it away.

The Leader of the Australian Democrats has taken the line that the Opposition is the only group in New South Wales that has this particular view towards bashing members of the Maritime Union of Australia. The Hon. Elisabeth Kirkby suggested that members of the Opposition will go out with truncheons and help police bash people at MUA pickets.

If the Leader of the Democrats knew anything about what is happening in the New South Wales Police Service, she would know that officers who have joined the service in the past 10 years do not have workers compensation protection to safeguard them. If they receive a permanent, incapacitating injury, they get nothing—no pension, no victims compensation, nothing. The honourable member should have seen the young officers that went out to the MUA picket line. The old sergeants were not sent; they sent officers with less than 10 years experience.

I regard her comments as offensive as I am sure do members of the New South Wales Police Service. During my time as a member of the Chamber I have often heard the crossbenchers refer to the Law Society of New South Wales. I am sure that among the many faxes the Hon. Elisabeth Kirkby received there was a document from that body that contained the following reference, "Limitation on exercise of police powers specifically excluding any power that would otherwise be given to police to give directions in relation to"—wait for it—"industrial disputes, constitutes a totally inappropriate political statement."

I did not write that statement, the Law Society did. It had a close look at the legislation. Do not blame the members of the Opposition; we get our information from the same people other members do. If the honourable member has a problem, she should have a look at that fax; she should not blame the Opposition. In regard to industrial disputes, all the amendment does is seek to re-word the provision by inserting a couple of choice words, such as "apparently genuine demonstration", and new paragraphs (a), (b), (c) and (d). In reality it is virtually unchanged except for such terms as "apparently genuine demonstration", which have been inserted in the hope of placating the Independents who have expressed concern in relation to this aspect.

I will repeat the definition I gave to the Chamber a short time ago in relation to public

assembly. A public assembly means an assembly held in a public place and includes a procession so held—it includes also an industrial dispute. Therefore, the requirements of (c) and (d) are satisfied. The Opposition is willing to accept the deletion of the word "organised" from the amendment. There is absolutely no necessity for specific reference to be made to industrial disputes. As The Law Society stated, to do so would be to constitute a totally inappropriate political statement. It is now a matter of record and it is for the Independents to reconsider their position. They should seriously consider what has been put forward—

[*Interruption*]

The crossbenchers! I am sorry, I forgot. We should remember that "procession" and "assembly" are defined already in the Summary Offences Act and there is no need to have a specific provision to cover industrial disputes. The Opposition is of the view that "apparently genuine demonstration or protest" is a ridiculous term. The Opposition opposes the amendment.

The Hon. R. D. DYER (Minister for Public Works and Services) [6.06 p.m.]: The Hon. M. J. Gallacher claims to be a supporter of the police. I am advised that the Police Association required an exception in relation to these matters as generally and broadly encompassed in the amendment moved by the Hon. J. S. Tingle. It was set out in the submission given to honourable members and those interested in this matter, including I would imagine the Hon. M. J. Gallacher. I say to the Committee on behalf of the Government that the Police Association will be shocked by the personal stance taken by the Hon. M. J. Gallacher.

The Hon. J. S. TINGLE [6.07 p.m.]: Old habits die hard. Verballing is an old habit, and nobody does it better than the Hon. M. J. Gallacher. Last night he was L. J. Hooker, worrying about real estate values. Tonight he is worrying about this amendment. May I say, by way of clarification and for the elucidation of members, that the discussion I had with the Hon. M. J. Gallacher when I am reported to have said, "the whole bill is badly worded" referred to only one section of it—and I have already referred to—and that is the provision that failure to submit to a search will produce a penalty. I said to the honourable member that that was bad wording and that I felt the word "agree" might have been better than "submit".

I do not mind being verballed by an honourable member who is concerned and obsessed with the difference of opinion between two police officers in one motor car, both looking at the same assembly. I do not care what the difference of opinion is because, for the information of the honourable member, the word "apparently" in my amendment should, to a reasonable person and a person moderately conversant with the English language, not be regarded as a subjective word but as an objective one. My bible in regard to these things is the *Macquarie Dictionary*, from which I quote:

> Apparent . . . capable of being clearly perceived or understood; plain or clear.

If something is apparent, it is plain and it is clear. So far as I am concerned the word "apparently" does not in any way mitigate against the effectiveness of this amendment unless of course the Hon. M. J. Gallacher is saying that the average police officer is not bright enough to see something that would be apparent to other people. The police officers I know certainly would be. So far as I am concerned what the Leader of the Opposition said makes a lot of sense, except in a couple of areas. He said that we should not have to leave it to police officers to make assessments as to whether an assembly or a demonstration is genuine. I put it to honourable members that police officers are required every day in their ordinary working lives to make assessments in a skilled and trained way of dozens of situations, and no-one would know that better than the Hon. M. J. Gallacher.

There is nothing wrong with leaving police to make the sorts of assessments that seem to worry the Leader of the Opposition. He also said that the man outside Parliament House has been there all day, protesting against paedophilia or whatever it is, and that we should be able to say to that man that he does not need authorisation to be there. But the fact is that he does not need authorisation. If he needed authorisation and did not have it he would have been removed. The question of organisation of an assembly, a protest or a procession is a matter not of subjective opinion but of obvious logical truth.

As the Hon. Elisabeth Kirkby said, even a man abseiling up a building—or down a building, as I suppose abseilers do—has to organise it. It is organised to make it happen. I cannot believe that this word "organised" has caused so much trouble. I am amazed at the Opposition's response to this provision. If the provision that the Opposition objects to is removed and we talk about "organised assembly", we will give the police the power to break up any authorised or lawful assembly in this

State. This provision—particularly if it is amended as I have suggested it should be—guarantees the freedom of assembly that would not be there if the original provision were removed.

The Hon. R. S. L. JONES [6.11 p.m.]: I am in the strange situation of supporting two amendments—those of the Hon. I. Cohen and the Hon. J. S. Tingle, one of which may well succeed. Yesterday members of this House sought clarification of the meaning of the word "organised", and we are still not totally sure about the definition. It now appears to be evident that "organised" does not mean "authorised"; it simply means one or two people who have gathered together. However, we cannot be absolutely certain of that, hence the amendment of the Hon. I. Cohen. The amendment of the Hon. J. S. Tingle makes the intention of the provision crystal clear—that is, not to authorise police officers, in relation to the various matters listed in the provision, to use division 4 of this legislation for those purposes.

The whole point of division 4 is that it does not apply to industrial disputes, demonstrations, processions or organised assemblies. Other pieces of legislation can deal with that aspect. I wish to take issue with comments made earlier by the Hon. M. J. Gallacher. I did not use the word "hyperbola" at all. The word has the same etymological derivation as the word "hyperbole", but the definition of "hyperbola" is "plane curve of two equal, infinite branches, formed when double cone is cut by plane making larger angle with base than side of cone makes". If the Hon. M. J. Gallacher can make sense of that, good luck to him, but that is not what I said.

The Hon. I. COHEN [6.12 p.m.]: The debate on this bill has been entertaining but at times rather confusing. If the discretion lies with the likes of the Hon. M. J. Gallacher, it would be good reason for the Greens to oppose division 4 of the bill. I am not an Independent; I am a member of a grassroots political party which is a small group compared to other parties in this House. However, we represent the reasonable concerns of a minority group. It will be interesting to hear members' contributions to debate on the Shooters Party amendments. I still have a problem, which is supported by concerns in my group, with the term "organised assembly".

I reiterate that the Greens believe in the right of assembly and therefore will oppose that provision in the bill if it is dealt with seriatim by the Opposition. Paragraph (b) of section 28G as proposed by the Hon. J. S. Tingle would prohibit an officer from giving directions in relation to an apparently genuine demonstration or protest. That may seem ludicrous to the Hon. R. S. L. Jones but it clarifies that the person does not have to prove that it is a genuine demonstration; rather, that it is an apparently genuine demonstration. That is an important judgment made by police who are confronted almost daily with this type of situation. I am quite comfortable with the amendment. The Greens believe we must rigorously protect minority rights in our society and that the right of assembly, be it organised or otherwise, is one of those rights.

Reverend the Hon. F. J. NILE [6.15 p.m.]: The debate has now become confused with the amendments proposed by the Opposition and the Greens and the supposed Government amendment moved by the Hon. J. S. Tingle. It is difficult to ascertain what is happening. It seems that the Greens amendment makes only one change: to delete the word "organised". The amendment moved by the Hon. J. S. Tingle basically adds the words "an apparently genuine demonstration". Other than that, the wording is as appears in the bill. Now the Opposition wishes to support paragraphs (c) and (d) and oppose paragraphs (a) and (b) of the amendment moved by the Hon. J. S. Tingle.

The Christian Democratic Party was also contacted by the Police Association, which expressed concern that the bill might affect the operations of police related to industrial disputes. That is why this industrial dispute provision became critical. I am not a lawyer, but I would argue that the bill has nothing to do with industrial disputes and could not be used in that regard or in fact used in relation to an organised assembly, protest or procession in the way in which the bill is worded. The Summary Offences Act is the legislation that covers processions, assemblies, and so on. The Act lays down procedures and provides that a person must make an appropriate application to the police commissioner, otherwise a procession or march will be unlawful and may be stopped or broken up by police. That is my understanding of the current law.

My concern is that the section 28G that the Government included in the bill is in the negative; it says what cannot happen. Usually bills stipulate what should happen. The removal of that provision, as initially proposed by the Opposition, would not affect the operation of the legislation. The Law Society argues in its letter that inclusion of that section, particularly as this is the most recent bill dealing with police powers, could lead courts to interpret section 28G as an expression of intent by the Parliament that police cannot give directions in regard to an industrial dispute, organised assembly, protest or procession; that they have no powers at all

in that area. The Law Society's letter raises that possibility.

We will not know until the matter goes to court, but arguments put by lawyers could convince the court that if police did give such directions their actions would be unlawful. The worst scenario would be that police were advised that a proper interpretation of the section is that they had lost their powers to take any action in regard to an assembly, protest or procession. For example, if a procession were held in George Street at the peak traffic time of 5.00 p.m. or 5.30 p.m. and that brought the whole of the city to a standstill, obviously the police would have to try to move the procession away from the main roadway so that traffic could move and the city would not be gridlocked by what was in fact an illegal and unauthorised procession.

In view of the Law Society's letter, the Christian Democratic Party does not want to do anything that undermines the authority or powers of police to act lawfully in our State. We would prefer the law to remain as it is. The Government could make it quite clear, by deleting the section, that no-one is proposing that the bill should apply to industrial matters and so on already covered by the Summary Offences Act. The two pieces of legislation should be kept separate.

The Hon. FRANCA ARENA [6.19 p.m.]: I shall make a few remarks, because this is not a procedure that I am very familiar with. When one is a member of a political party for a lengthy period, one does not have the responsibility of considering legislation in detail. One is told by the party how to vote and that is what one does. I feel a great responsibility having to vote on an issue with which I am not terribly familiar. However, this afternoon I had available to me letters from the Law Society, I had conversations with members of the Police Association and I have tried to listen carefully to everything that honourable members from both sides of the House and the crossbenchers have said, in an effort to understand and to make sense of this issue and not to make a political decision. If from now on I vote with the Opposition someone is likely to say I want to spite the Government, or vice versa. That is not my intention.

I am not a lawyer and I have not studied the Summary Offences Act in detail. Even if I did, most probably I would not be able to digest all of its provisions in the time available to me. Nevertheless, I believe that the matters dealt with in these amendments are covered by the Summary Offences Act.

I ask the Minister to tell me why it is necessary to include in this legislation, which deals with knives and search powers, a section dealing with police powers in relation to industrial relations, demonstrations, protests, processions and assemblies. I find that difficult to understand unless it is because the Government wants to make a stronger statement about police powers. The amendments will make the police the meat in the sandwich when it comes to demonstrations such as the MUA incident. I am sure that all honourable members agree that everybody has the right to demonstrate. Fortunately we are not in Indonesia—and even Mr Suharto had the decency to resign today.

Everyone agrees that in our society people should have the right to demonstrate, the right to conduct a procession or assembly. But other citizens have rights as well. The law must be fair to all citizens. Having given the amendments due consideration, when the Committee considers seriatim the paragraphs of the amendment of the Hon. J. S. Tingle I will not support paragraphs (a) or (b) but I will support paragraph (c) and I will support paragraph (d) only so far as it relates to "assembly", but not the word "organise", which seems to worry the Hon. I. Cohen so much.

The Hon. R. D. DYER (Minister for Public Works and Services) [6.22 p.m.]: I shall respond briefly to Reverend the Hon. F. J. Nile and the Hon. Franca Arena. The point of proposed section 28G is so that the new power cannot be used against pickets. In regard to all other laws the status quo will apply. The status quo with respect to industrial disputes will not change. It is not intended that the proposed section will apply to those industrial situations.

Amendment of the Hon. I. Cohen of the amendment of the Hon. M. J. Gallacher negatived.

Amendment 2 of the Hon. M. J. Gallacher negatived.

The CHAIRMAN: Order! I have been requested to put the paragraphs of the amendment of the Hon. J. S. Tingle seriatim. There being no objection, I will proceed accordingly. The question is, That paragraph (a) of the amendment be agreed to.

The Committee divided.

Ayes, 19

Dr Burgmann	Mr Macdonald
Ms Burnswoods	Mr Obeid
Mr Cohen	Mr Primrose
Mr Dyer	Ms Saffin
Mr Egan	Ms Tebbutt
Mr Johnson	Mr Tingle
Mr Jones	Mr Vaughan
Mr Kaldis	*Tellers,*
Mr Kelly	Mrs Isaksen
Ms Kirkby	Mr Manson

Noes, 19

Mrs Arena	Rev. Nile
Mr Bull	Dr Pezzutti
Mrs Chadwick	Mr Ryan
Mrs Forsythe	Mr Samios
Mr Gallacher	Mrs Sham-Ho
Miss Gardiner	Mr Rowland Smith
Mr Hannaford	Mr Willis
Mr Kersten	*Tellers,*
Mr Lynn	Mr Jobling
Mrs Nile	Mr Moppett

The CHAIRMAN: Order! There being an equal number of votes, the Chair has a casting vote. I have always been of the opinion that, because as Chairman I do not have a deliberative vote as well as a casting vote, I should vote in accordance with my beliefs as to the merits of the question for determination. Accordingly, I give my casting vote with the noes and declare the question to be resolved in the negative.

Paragraph (a) of the amendment of the Hon. J. S. Tingle negatived.

Question—That paragraph (b) of the amendment of the Hon. J. S. Tingle be agreed to—put.

The Committee divided.

Ayes, 19

Dr Burgmann	Mr Macdonald
Ms Burnswoods	Mr Obeid
Mr Cohen	Mr Primrose
Mr Dyer	Ms Saffin
Mr Egan	Ms Tebbutt
Mr Johnson	Mr Tingle
Mr Jones	Mr Vaughan
Mr Kaldis	*Tellers,*
Mr Kelly	Mrs Isaksen
Ms Kirkby	Mr Manson

Noes, 19

Mrs Arena	Rev. Nile
Mr Bull	Dr Pezzutti
Mrs Chadwick	Mr Ryan
Mrs Forsythe	Mr Samios
Mr Gallacher	Mrs Sham-Ho
Miss Gardiner	Mr Rowland Smith
Mr Hannaford	Mr Willis
Mr Kersten	*Tellers,*
Mr Lynn	Mr Jobling
Mrs Nile	Mr Moppett

The CHAIRMAN: Order! There being an equal number of votes, I cast my vote with the noes and declare the question to be resolved in the negative.

Paragraph (b) of the amendment of the Hon. J. S. Tingle negatived.

Paragraph (c) of the amendment of the Hon. J. S. Tingle agreed to.

Paragraph (d) of the amendment of the Hon. J. S. Tingle agreed to.

Amendment as amended agreed to.

Postponed schedule as amended agreed to.

Progress reported from Committee and leave granted to sit again.

SPECIAL ADJOURNMENT

Motion by the Hon. R. D. Dyer agreed to:

That this House at its rising today do adjourn until Tuesday, 26 May 1998, at 2.30 p.m.

ADJOURNMENT

The Hon. R. D. DYER (Minister for Public Works and Services) [6.42 p.m.]: I move:

That this House do now adjourn.

PARLIAMENTARY HONG KONG DELEGATION

The Hon. HELEN SHAM-HO [6.42 p.m.]: This evening I have pleasure in informing the House of a recent visit of a delegation of this Parliament to Hong Kong for the purpose of learning about progress that has been made towards the first election of a Hong Kong Legislature on Sunday, 24 May 1998. I add that the visit was self-funded by the members of Parliament. Members of the delegation had the opportunity to learn a great deal.

The members of the delegation were: Peter Nagle, Jeff Hunter and Liz Kernohan, from the lower House, and me, as members of this Legislature; and, by invitation, Daniel Brezniak, a lawyer and member of the executive committee of the International Commission of Jurists, and two other Hong Kong-born Australian citizens, William Chan, a solicitor, and Robert Ho, foundation President of the Sydney Chinatown Chamber of Commerce.

The elections in Hong Kong are drawing worldwide attention because this is the first act of self-determination of the Hong Kong people after the transfer to Chinese sovereignty of the former British colony on 1 July 1997. The basic law provided for a fully popularly elected Legislature for Hong Kong. These elections will be based on professional, industrial and business constituencies, with only limited direct voting for candidates. Voters will choose candidates for 20 of 60 seats from geographic districts. Another 10 seats will be chosen by the 800-member electoral commission, members of which come from various business, professional and governmental groups. The remaining seats will be chosen by election groups made up of other business and professional groups.

Some are saying that the system is so complicated that it cannot result in any expression of popular will. I do think that the system goes too far and is different from our electoral system. Everybody, even the chairman of the electoral commission of Hong Kong, Justice Woo, agrees that the system is really too complicated and not many people understand it. In my opinion the real challenge is to see that Hong Kong keeps to the timetable that has been set. That cannot be taken for granted and will be dependent upon the comfortable transition of mainland China to a market economy integrated with the rest of the world. Our delegation had the opportunity to consult widely. We met with leaders of the major political parties. Martin Lee, Leader of the Democratic Party, told us of the unhindered rights of his party members to disseminate party material but of his concerns for the future.

Allen Lee, leader of the Liberal Party, gave us an insight into what he expects when he leads Hong Kong members into its first people's congress in Beijing in 1998. Emily Lau, leader of the frontier, who has visited this Parliament and met with some members of this House, was gracious in her offer of information and help to this Parliament. We found everywhere in Hong Kong a reserved confidence that Beijing will allow Hong Kong to determine its own policies. The real question for the future is whether those policies will continue.

It is a pity that we did not have an opportunity to meet with Hong Kong's Chief Executive, Tung Chee Hwa, but I understand he will be visiting Sydney in mid-June and I have been invited to meet him. Each of the political parties is now in election mode and it is predicted that Martin Lee's Democratic Party will struggle with the Liberal Party to be the party with the largest number of elected members in a new Legislature. One of my strongest desires after my visit to Hong Kong is to see again in action the real importance of dissenters—those with a different view about keeping alive political rights and freedoms. Governments would be much more careful about the decisions they made if they heard the voice of an intelligent and well-supported opposition.

Although Hong Kong seems to be travelling relatively well at present, only a blind man would not see risks to freedom coming from a nation which has sovereignty over Hong Kong, but which has a dramatically different culture, problems and priorities. Martin Lee and Emily Lau perform a service to democracy in keeping alive a voice of criticism and concern. Although I still have confidence in Hong Kong there are long-term questions about its future which must not be overlooked.

With the dramatic development of Shanghai it may not be long before major traders divert from Hong Kong, preferring to trade with fast developing Chinese port cities. At present Chinese trade makes Hong Kong's economy the ebullient economy that it is today. Last year when I visited Shanghai I found it vibrant. I would not be surprised if Shanghai overtakes Hong Kong in the not too distant future. Members of the delegation were well served by the office of the Australian Consulate. I place on record my appreciation for the services provided. Appointments were made for us to meet various other government officials and members, apart from the political leaders to whom I have referred. [*Time expired.*]

ABORIGINAL RECONCILIATION WEEK

Reverend the Hon. F. J. NILE [6.47 p.m.]: Tonight I speak about the importance of reconciliation as we approach Aboriginal Reconciliation Week. In the Fountain Court is a mural painted by a Chinese artist depicting the history of Aboriginal people prior to and after the advent of Europeans in Australia. I am impressed with that display. I congratulate the Hon. Helen Sham-Ho on organising that exhibition. Reconciliation, an important concept, is referred to time and again in the *Bible* and within the Christian

church. In 2 Corinthians 5:18-19, the word "reconciliation" is used in relation to God. It states that God was in Christ reconciling the world unto himself. We see that same message in John 3:16:

> For God so loved the world, that he gave his only begotten Son, that whosoever believeth in him should not perish, but have everlasting life.

That same chapter in 2 Corinthians speaks also about reconciliation. There are two aspects to reconciliation. The first I call vertical reconciliation and the second I call horizontal reconciliation. All human beings, no matter what their nationality, race or colour, should be vertically reconciled with God, the creator of all human beings; and all people should be horizontally reconciled one with the other. That is an important part of Aboriginal Reconciliation Week.

We should all engage in promoting the reconciliation message in society. We should promote both the vertical and horizontal aspects of reconciliation. The horizontal aspect of reconciliation must be between all individuals, races and cultures. In fact, we are reminded in Acts 17:26 that we are all created of one blood. I know that all people have red blood but some people think that black people have a different coloured blood to white people. It is important for both Christians and non-Christians to reject all aspects of racism. God does not look on the colour of a person's skin but on his heart. That is the way that God looks at each of us and that is repeated quite frequently in the *Bible*. God is colour blind—God cannot see the colour of our skin, he only looks on our heart of faith and trust.

I noted in the media that the Mormon Church is still discussing its theology—which I believe is wrong—that God gave descendants of Cain black skin because of their sin. Apparently the Mormon Church is trying to change that basic doctrine, which is false, and has caused a great deal of distress to the African-American community in the United States of America. The *Bible* reminds us that God treats everyone the same way: he is no respecter of persons. I heard a parable about a Christian Negro who tried to enter a "white only" church in a southern state of the United States of America. The white usher stopped him at the door. The Negro started to cry and sat on the step. He noticed someone else sitting on the church step: it was Jesus Christ. Jesus said to the Negro Christian, "Don't be sad, I can't get into that church either."

That parable illustrates that racism or hatred of other people because of the colour of their skin is not Christian. Christ could not be present in that situation. We must promote reconciliation within the family. In addition, we must promote reconciliation in industrial environments. I refer to the recent divisions on the wharves. Far more effort must be made to promote reconciliation in all industrial areas, whether it be the Hunter Valley coal mines or on the wharves around Australia. It is more important to promote reconciliation rather than confrontation and conflict. I urge all honourable members to support the promotion of reconciliation at every opportunity.

COBAR CSA MINE CLOSURE

The Hon. M. R. KERSTEN: [6.52 p.m.]: All honourable members would be aware of a situation that occurred in Cobar in January. The entire CSA mine work force found themselves without jobs and without their proper entitlements due to a moonlight flit by the company operating the mine at the time, Ashanti Goldfields of Ghana, West Africa. Under Australia's corporate laws this company has no obligation to honour the debts of its subsidiary, even if its subsidiary accumulated those debts due to the policies of the parent company.

Last Saturday morning at Cobar I attended a meeting of these unfortunate people and I was moved by their extremely difficult plight. At that meeting I was told that when many of these displaced workers applied for social security they were told they would have to wait up to 12 months in some cases to receive the dole because they were receiving leave entitlement payments. However, many of them had received only 20 per cent of their entitlements. The Shearers and Rural Workers Union organiser, Stephen Roach, believes that the Department of Social Security has assessed that 20 per cent as if it were 100 per cent.

I am further informed that the administrator, who is now the liquidator of Price Waterhouse, has informed the workers that FreightCorp which delivered two shipments of ore from the site to Newcastle has sent a bill to the administrator for approximately $100,000, which has had to come out of the pool of employees' entitlements. The amount of $100,000 may not seem like a lot of money to FreightCorp, or indeed the New South Wales Government, but I can assure honourable members that it means a lot to the CSA ex-mineworkers and their families at Cobar.

I am in receipt of a letter to the Premier from the Shearers and Rural Workers Union in which Mr Roach has asked the Government to return that $100,000 to the pool, and now I am asking the Government to do the same thing. It would greatly assist a number of people in Cobar who are finding

the going very tough at the moment. I ask the Minister to take this matter up with the Premier as a matter of urgency and to ensure that the $100,000 is returned to that pool as soon as practicable. Previously I have expressed my concern in this House about the way in which an engineered industrial dispute was to be propped up to the tune of $250 million. On that same occasion I expressed concern that if it were possible for that amount of money to be found to finance such a large-scale dispute surely it should be reasonably simple to find the $9 million needed by the Cobar workers.

All members should remember that the workers at the CSA mine in Cobar were displaced through no fault of their own. They were simply the victims of a dodgy, unscrupulous employer and were regarded by this overseas company as no more than disposable assets. These people are our fellow Australians. They are decent, hard-working people, living in a harsh environment, and deserve a much better deal. It is up to all of us, of whatever political persuasion, to ensure that workers at the Cobar mine and at many other mines are treated like Australians. I implore all honourable members to work together to put in place a mechanism to ensure that a similar catastrophe will not occur again.

ASSAULT OF Mr DIETER SOMMER

The Hon. Dr B. P. V. PEZZUTTI [6.55 p.m.]: Three or four years ago I spoke in a congratulatory way about the work of Mr Dieter Sommer, the inventor of a device called Speedlift. At that time I described it as an ingenious device for supporting car engines and moving them around workshops in a way that reduces risk of injury to workers. I convinced the Department of Industrial Relations to carefully look at the device because an attached tray was needed to stop engine oil spillage on the floor, to further reduce injury risk. The department was extraordinarily attracted to the device and provided a grant to Mr Sommer and his promoter to undertake the tooling for the tray.

The device was marketed throughout New South Wales and displayed at many expos. Mr Sommer and his promoter received many awards and were very successful. By September 1995 they had major contracts with Repco, the Australian Navy and New South Wales TAFE colleges. However, on 30 September 1995 Mr Sommer was assaulted and tortured by five men. On the pretext of looking for drugs, they burst into his home, tied him up and threatened him for some hours with a rifle that Mr Sommer had on the property. They rampaged and tore apart his house, destroyed his fax and phone and left him for dead. His partner, who was away at the time of the assault, returned to find Mr Sommer almost dead. He was taken to Grafton Base Hospital, where he was seriously ill for some time.

The manufacturing operation was on a rural property just outside Grafton. The attack took place less than five days after a glowing report about Mr Sommer's work had appeared in the Grafton *Daily Examiner*. The perpetrators were finally arrested, because of a quarrel amongst themselves, and admitted that the crime was motivated by a belief, based on unsubstantiated rumours, that drugs were to be found on the property. When the car belonging to Mr Sommer was found a police search uncovered traces of drugs.

Despite the serious injury to Mr Sommer, and the impact on his partner, the police questioned them about possession of drugs. No drugs were found and there is no evidence that Mr Sommer or his partner have ever had anything to do with them. The matter is now before the Victims of Crime Compensation Board, but it has dragged on for almost three years. It is time that the board got on with the job of determining compensation so that these people can put this matter behind them and get on with their lives.

As a result of this serious assault Mr Sommer and his partner had to sell the copyright and the product at rock bottom prices. They were physically and emotionally unable to continue to manufacture their product and had to sell out and hand over the business. They have sold Mr Sommer's intellectual property and everything else, all because of that serious assault. They were brilliant inventors and marketers, but now live almost as recluses. They rose from nowhere to become entrepreneurs of enormous value to the people of New South Wales. The Victims Compensation Board is dragging its feet and it is about time the Attorney General got off his backside and made sure that victims are compensated in time, on time, and fairly, especially for a proven serious assault committed for no reason. I hope the Attorney General will act on this matter.

ELECTRICITY INDUSTRY PRIVATISATION

The Hon. J. H. JOBLING [7.00 p.m.]: I raise a special matter, on this special day. I note the first anniversary of the announcement by the Treasurer of the privatisation of the New South Wales electricity industry. A year ago, after a particularly difficult gestation which preceded an arrival without prior notice, that momentous statement was born. It was promoted and nurtured by the Treasurer. The relatives, of course, were obviously well fed by him;

they were comfortably lodged, along with delegates, in five-star motels and hotels in Sydney. However, part of the family was completely stroppy. The Treasurer was subject to vilification by the relatives of the Labor Left.

The Treasurer was rejected totally by the family conference, by a huge majority, and the concept, the idea, was left orphaned. During the first year the Treasurer kept planning, hoping that godfather Bob could pull the proverbial rabbit out of the hat and convince his Left relatives, but we are all still waiting to see the Bob and Michael two-step birthday party. Promises of support or otherwise have been many and varied, and reflections on the parentage of the author and the veracity of the parentage of the author have been most savage. I cannot help but wonder what the future will bring. To the Treasurer I say: happy first birthday to the proposal to privatise the New South Wales electricity industry. I am sure that his left wing sent him a suitable gift to mark the occasion.

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [7.02 p.m.]: The Hon. J. H. Jobling should have a lot more confidence in me. I simply point out it took me four attempts to be elected to Parliament. All good things take time.

Motion agreed to.

House adjourned at 7.02 p.m. until Tuesday, 26 May 1998, at 2.30 p.m.