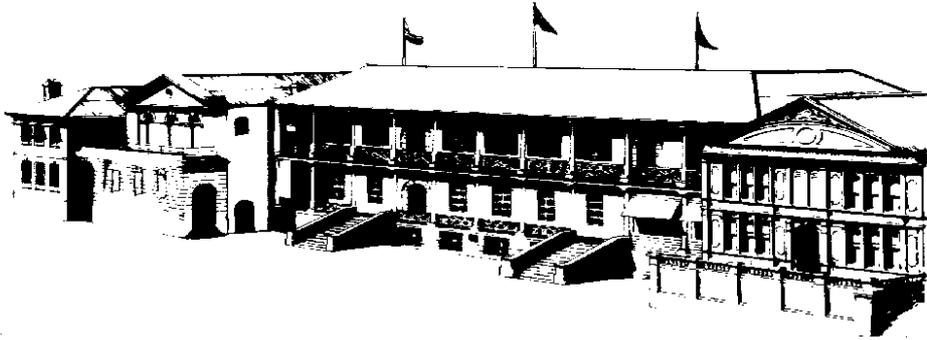




**NEW SOUTH WALES**



*Legislative Council*

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**FIFTY-FIRST PARLIAMENT  
THIRD SESSION**

**OFFICIAL HANSARD**

**Thursday, 10 September 1998**

# LEGISLATIVE COUNCIL

Thursday, 10 September 1998

**The President (The Hon. Virginia Chadwick)** took the chair at 11.00 a.m.

**The President** offered the Prayers.

## PETITIONS

### Justice Vince Bruce

Petition praying that the House will oppose the removal of the judge from office, received from the **Hon. Janelle Saffin**.

### Irregular Petition

**The Hon. JANELLE SAFFIN:** by leave, I move:

That standing orders be suspended to allow the presentation of an irregular petition from 16 members of the New South Wales Bar concerning the removal from office of Justice Bruce.

**Reverend the Hon. F. J. Nile:** How is it irregular?

**The Hon. JANELLE SAFFIN:** It does not contain a prayer.

**The Hon. J. R. Johnson:** The petition does not contain a prayer. The House would do itself a disservice if it accepted a petition that is not in the accepted form.

**Motion negatived**

## WATER SUPPLY AUTHORITIES AMENDMENT (CENTRAL COAST WATER AND SEWERAGE) BILL

### Restoration

**Motion by the Hon. M. J. Gallacher agreed to:**

That, according to Standing Order 200, the Water Supply Authorities Amendment (Central Coast Water and Sewerage) Bill, interrupted by the close of the previous session, be restored to the stage it had reached in the previous session.

**Bill restored.**

## SELECT COMMITTEE ON HOSPITAL WAITING LISTS

### Final Report

**The Hon. Dr B. P. V. PEZZUTTI** [11.14 a.m.]: I move:

That the House take note of the final report of the Select Committee on Hospital Waiting Lists, Volumes 1 and 2, dated December 1996, and subsequently the number of people waiting and the waiting list times for elective surgery in New South Wales public hospitals.

The report of the Select Committee on Hospital Waiting Lists was tabled in December 1996. I now have the great pleasure and privilege of addressing the report in detail. We were able to address some matters in the report on 20 May 1997 but this is the first time we have been able to deal with the full substance and detail of the report. Madam President, I seek leave to table a dissenting statement by the Hon. D. F. Moppett, the Hon. C. J. S. Lynn and me.

**Leave granted.**

The bottom line of the inquiry of the Select Committee on Hospital Waiting Lists is that \$200 million was spent trying to honour an election promise that should never have been made. At the end of the day the promise was not kept. Waiting lists were reduced by the stroke of a pen rather than the surgeon's knife. It is clear from the evidence that the hospitals of New South Wales have been left with rising waiting lists, severe morale problems and major debts.

That statement, which was made in the dissenting statement in December 1996, is equally valid in September 1997. I daresay the same process announced by the Minister for Health of advancing moneys for reducing hospital waiting lists this year—Northern Rivers will get \$1.5 million and across the State \$35 million will be spent—will be well short of the promise made by Mr Carr in the *Sydney Morning Herald*. In the dying stages of the election campaign in 1995 he vowed a \$256 million boost for hospitals.

Something like \$81 million was provided from departmental resources, and some moneys directly from the Government, for that purpose from June 1995 to December 1995. All hospitals went over their budgets and went into debt. Now the Minister is going to advance funny money that has to be spent on reducing hospital waiting lists before December this year. He thinks he will get a beautiful set of numbers that somehow will show that waiting lists numbers are coming down. In excess of 50,000 people are now on hospital waiting lists, more than in March 1995.

The dissenting statement strongly disagrees with the committee's written report. The committee's findings are not supported by the weight of evidence received by the committee in seven months of sittings. Health professionals who provided written submissions and participated in public hearings will be shocked and disappointed by the committee's report. They will be unbelieving because they can see that the committee's report is not true. It does not reflect the reality of what has happened in New South Wales hospitals following the promise.

**The Hon. D. F. Moppett:** There is more in what it did not say than in what it did say.

**The Hon. Dr B. P. V. PEZZUTTI:** Absolutely. A major criticism of the report is that it begins with the astonishing statement that there was "a lack of clarity" about what the waiting list promise was. I will deal with that matter shortly. The entire report is flawed by this preposterous claim. Crucial and overwhelming evidence put to the committee was ignored in the report. Evidence that more than 60 procedures were omitted from final waiting list calculations proves that the Health Department changed the methodology used to assess waiting lists. This finding has been deleted from the parliamentary committee's final report, but it was included in the interim report.

The report does not reflect the evidence of independent witnesses that contradicted or conflicted with evidence supplied by the Health Department. The committee's report generally accepts the department's submissions as the final arbiter on most matters. This is unacceptable. The whole purpose of Parliament is to ensure accountability of government agencies. In fact, the department at times was the least forthcoming of all witnesses to appear before the committee.

I am sure the Hon. C. J. S. Lynn and the Hon. D. F. Moppett will be clear on that. In fact, the committee chair appointed Dr Shiraev as the adviser. He was hardly an independent adviser and could not

be brought before the committee on oath at any time. Therefore, he peddled the position of the department at all times, particularly as evidenced by the minutes of the last committee meeting. Even when the Hon. Elisabeth Kirkby was wavering about the percentage drop in the figures—and therefore the total number drop in the figures—Nick Shiraev insisted the department's figures were as stated by the department. The Hon. Elisabeth Kirkby took that at face value.

The report ignores the failure of the Government to fully fund the waiting list program, which was estimated by Professor Stephen Leeder—now Dean of the Faculty of Medicine at the University of Sydney—to be in excess of \$200 million. That was not met by the Government's \$81 million once-only injection of funds. The true costs of the short-, medium- and long-term damage inflicted on the health system by the waiting list program have been ignored, which is what Professor Ian Webster said about the program.

An ongoing funding crisis was caused by the inability of hospitals to manage the \$72 million debt generated by this program as at the end of June 1996. The futility of the waiting list program has been ignored. This was demonstrated when the waiting list numbers shot up after December 1995, however, that was not mentioned in the report. Even though it was recognised by everyone in the Parliament in December 1996 the committee would not recognise that fact. The minutes show that dissenting members made strenuous attempts to change the report and its findings.

I have a large folder containing a considerable number of amendments that Opposition members try to insert into the report. As soon as an amendment was read in the presence of the clerk, and with the entire committee assembled, one member of the committee—on almost every occasion the Hon. I. M. Macdonald—moved that the motion be put. On one occasion—to his eternal shame, I am sure—the Hon. B. H. Vaughan was the mover of such a motion. On every single occasion the minutes showed that debate ensued but nothing happened. There was no debate; the minutes are inaccurate. The Hon. Elisabeth Kirkby supported the gag debate every time. When I raised it with her she said it may have been rhetoric. However, in response to a statement by the Hon. D. F. Moppett in this House she said that she responds to evidence, not rhetoric. When caught short herself on one occasion by not being present in a committee—

**The Hon. Jan Burnswoods:** You should not attack her when she is not here.

**The Hon. Dr B. P. V. PEZZUTTI:** Yes, I can because I attacked her when she was here. She wanted the whole committee to reassemble to hear her comments on an amendment and insisted that the clerk circulate the amendments in plenty of time for members to consider them and be present for the debate. Had she been present at our committee with her amendments she would have been gagged. She would have been told that her amendment would not be discussed and that the motion would be put, which would have upset her enormously because it is not a tradition of the House. Committee members should behave in a manner similar to the standard of behaviour required in the House; in fact, I think they are bound by similar orders. I am sure objection could have been taken to my comments about the function of the committee.

In April 1995 the Minister for Health, Andrew Refshauge, ran out of a press conference—the reporters had simply asked if he could keep Labor's promise to halve hospital waiting lists. The Government has been running away from the promise ever since. Andrew Refshauge knew that he could never keep Bob Carr's key election promise to either halve hospital waiting lists or resign. The promise was made in blood. The waiting list reduction program has brought destruction to the New South Wales hospital system. This disruption, so graphically illustrated in evidence to the committee by health professionals, has compelled its coalition members to produce this dissenting statement.

The final report of the Select Committee on Hospital Waiting Lists is seriously deficient in key areas. Incredibly, it claims there was a lack of clarity over the waiting list promise. Despite Bob Carr's words in his election speech of 14 March 1995, "That's why a Labor Government—and this is our major undertaking tonight—will cut waiting lists by more than half", the committee believed the promise was not clear. Despite Bob Carr's press statement of the same date stating, "A Carr Labor Government will slash elective surgery waiting lists by 25,000—more than 50 per cent—in the first year of office", the committee found that the promise was not clear. If the committee could not understand the promise, it is difficult to see how it could properly access the delivery of it. This difficulty is evident throughout the report.

The committee's report fails to recognise the lasting damage, both in financial and medical terms, that has been perpetrated on the New South Wales health system. The bottom line is that \$200 million was spent trying to achieve an election promise that should never have been made. The \$81 million

once-only injection by the Government ensured that the health system was left with debilitating debt. The promise to reduce the waiting lists by 25,000 was not kept. Waiting lists were reduced by the stroke of a pen as much as by the surgeon's knife. Worse still, the health system was turned on its head as a result of this promise. Hospitals are still paying for the damage done to their budgets because the Government did not provide sufficient funding. It certainly did not provide \$64 million per annum, but merely a single, once-only injection that it is now trying to repeat.

Evidence given to the committee by senior health professionals supports this argument but it has been overlooked in the committee's final report. Instead, the findings of the committee reflect the evidence given to them by Health Department officials who were substantially involved in implementing the Carr Government's promise and keeping the waiting lists themselves. The Treasurer thinks he can add up and I am sure that at question time today the Minister for Public Works and Services will also be challenged about his ability to add up. I shall illustrate what happens with the adding up of people on waiting lists. For one month the hospital waiting list at Griffith Base Hospital was said to have 44 people on it.

Adding nine, 66, and three does not total 44. How can the department come up with a figure of 44? The same applied to Bega, Blacktown, Canterbury, Casino, Gosford, Macleay, Mount Druitt, Mudgee, Prince Henry, Springwood and Tweed Heads. In relation to all of them the same mistake was made: a discrepancy in simple addition. Those figures were calculated by Brent Walker of Actuarial Services Pty Ltd, who is a senior actuary in New South Wales and a person known to many members of this House. It is surprising that a government can disseminate such figures. The background information that one obtains under a freedom of information search does not equate with the wonderful, glossy publication that the Government issued. Normally one would take that sort of thing for granted. But of course with this Government and this department, one simply cannot do that on this issue.

The Government ignored or made only passing references to evidence that the Health Department regulations and definitions regarding waiting lists and treatments were changed significantly between the time of the coalition Government and the election of the Labor Government to assist Mr Carr to achieve his promise. To meet the promise, direct pressure was put on the system to administratively assist in removing numbers from the waiting lists—

and not necessarily by performing medical procedures. Monetary incentives forced management to change hospital practices to meet the promise. Administrators doubled the number of patients in category 4, that is those deemed to be not ready for care and not counted in the waiting list figures. To artificially reduce the waiting lists, some patients who refused a particular operating time were moved into category 4 and taken off the waiting lists.

A person is classified as category 4 if he or she is not ready for care; and a person may be not ready for care for a number of reasons. Category 4 includes people who are ready for a staged procedure, but we are not talking about them. For example, people waiting for a caesarean section cannot choose the day they will come in; they simply have to wait. They are in category 4 because they are not ready for care until the time of their expected delivery. We are not talking about those people. We are talking about, for example, people waiting for a hip replacement who live on the central coast and are telephoned and asked if they would like the operation tomorrow at Sutherland Hospital. If they say no they are taken off the category 3 "ready for care" list, and put on the category 4 "not ready for care" list.

**The Hon. Patricia Forsythe:** It's shonky.

**The Hon. Dr B. P. V. PEZZUTTI:** Exactly, they are shonky figures.

**The Hon. Carmel Tebbutt:** Give one example of when that happened.

**The Hon. Dr B. P. V. PEZZUTTI:** The Hon. Carmel Tebbutt should read the report. Even the report refers to this. She will find it in volume No. 1 of the report and she will find in the Prince Henry statements that the department asked for that to be stopped—but not until a whole lot of people were lopped off the list. Prince Henry Hospital drew the prize for this. The hospital wrote to people on its waiting lists to ask whether they would like to have surgery between Christmas Day and New Years Day. If they did not respond or could not be contacted, they were regarded as being not ready for care. There was only one communication; they were not contacted two or three times. If they wrote back and said, "Well, really, no," they were taken off the list. And the hospital had not even contacted the doctors who would have done the surgery between Christmas and New Year.

**The Hon. Patricia Forsythe:** The doctors were probably on holidays.

**The Hon. Dr B. P. V. PEZZUTTI:** We do not know; they were never contacted. But the patients certainly were. If the patients said no, they were put into category 4. What a clever thing to do! The department and the Minister said that this was unconscionable, that it was not going to happen. But it did not change the classification numbers at Prince Henry Hospital. More than 60 procedures were removed from the waiting list calculations. They included all the colonoscopies, the gastroscopies, the angiograms and all the other procedures that clearly were counted by the previous Government.

The difference was that the previous Government reported two sets of figures. It reported the figures on the basis of everyone who was waiting, and it also reported to the Commonwealth department the information it wanted, which was different. But we reported everyone who was waiting, twice a year. The most recent report was December 1994. That report included every single person who was waiting—for gastroscopies, colonoscopies, cystoscopies, angiograms, and the rest. When this Government was elected it restricted the report that it made to the people of New South Wales to the requirements of the Australian Institute of Health and Welfare, which is quite different.

The number of extra hospital admissions established in evidence before the committee could not possibly have reduced waiting lists by the targeted amount. Indeed, the additional admissions were not sufficient to keep up with the growth in demand. I will return to that in a moment. The waiting list reduction program had a detrimental effect on patient care, because elective surgical patients were given priority over medical patients. In other words, if a person was waiting for a colonoscopy or an angiogram, he or she waited and waited. It was easier to reduce the waiting lists for heart surgery by simply allowing the number of people waiting for an angiogram to blow out. A patient cannot have coronary artery bypass graft surgery until he or she has had an angiogram

St Vincent's Hospital is the classic example: it reduced its waiting lists by 600 by doing 300 extra operations. That is pretty clever! North Shore Hospital reduced its waiting lists by 2,300 by doing 1,300 extra operations. That is really clever—doing fewer operations and lopping off the waiting lists. Under Dr Refshauge, a patient was not counted if he or she was waiting for an angiogram. If that person had been waiting two months, he or she simply could not have the elective coronary artery bypass graft.

Waiting lists have now moved back beyond levels that existed before the program commenced, leaving no lasting benefit for the State's health system. Despite a promise to continue waiting list funding during the Carr Government's four-year term, the health Minister pulled the plug after December 1995. The funding did not even last until June 1995. Hospitals ran up debts totalling \$72 million during 1995-96 as they borrowed against the non-existent funding referred to.

After the program ended, and it was time to transfer patients temporarily parked in category 4 back onto the waiting list—2,600 between December 1995 and March 1996; there was no money to treat them—all the hospitals were in debt. Under the new arrangements after December, when they contacted people they had previously asked to wait and inquired whether they were ready for care, 2,600 people suddenly appeared on the list. Hospitals across the State have been left saddled with untenable levels of debt, and the result is not only that there has been no lasting benefit from the program but that long-term financial damage has been done to the State's hospital system.

The committee was forced to find that seasonal variation on the list was a major factor in the Carr Government's decision to use nine months as its measuring period and not the full 12 months, which again advantaged the Government's claim. But the Government would not make the adjustment. A lot of elective surgery is done between October and December. Often it cannot be done over winter because of winter ills, and after December there is the Christmas break and the Easter break, so most of the waiting list reduction occurs in those three months.

Obviously the figures are higher in March than in December, but the committee would not take note of that in determining whether the Government had halved the waiting lists. The committee failed to adequately consider the ramifications to the health system of this promise which, for nine months, became the sole focus of the health system, upsetting the fine balance of priorities in public health—as Professor Ian Webster said in evidence. Today it is clear to the committee from the evidence of front-line workers that New South Wales hospitals have been left with rising waiting lists, severe morale problems and major debts. Today's hospital system has myriad problems, and that was as true in December 1996 as it is today. There is no goodwill in the system and no prospect of controlling the waiting lists. The public's confidence in the system has been a great casualty.

The report, as written, reflects the political composition of the committee. Although designed to give Premier Carr and Refshauge an escape path from their rash promise, the committee was forced to acknowledge the damage to good health practices in New South Wales. However, the report failed to consider whether the promise was necessary. It is the view of the dissenting members that, had the committee considered that aspect, it would have concluded that the promise was reckless, irresponsible and dangerous. Indeed, this appears to have been acknowledged by the Minister for Health when in January 1997 he admitted that the waiting list promise had forced inefficiencies on the health system. He has now sharply turned his attention to waiting times—which was not mentioned in Labor's health policy. He has conveniently swept waiting lists under the carpet.

It is no good talking about waiting times when twice as many people as there were in 1995 are now waiting more than 12 months for surgery. That figure was falling under the coalition Government, but it is rising under Labor. When the coalition Government left office the Australian Institute of Health and Welfare survey acknowledged that New South Wales had the shortest waiting times in Australia and the world—an average of 25.5 days. That fact was acknowledged by the committee's report. It is well known that the State's enormous health system has worked better than any other State's health system in Australia, and that was true in 1997, 1996 and 1995. However, it is no longer true today. In fact, the average waiting time is 28 days. It has increased by 2½ days, which is not much, but spread over 50,000 people it is a lot of time.

In Opposition, in a speech that made the papers, Dr Refshauge termed the New South Wales health system the best in the world. He said, "I have stunning options." His Federal colleague Dr Carmen Lawrence agreed that New South Wales should be congratulated on leading the nation on waiting times. There was a balance that ensured each urgent treatment, and New South Wales had the fastest treatment times in Australia as well as good management of medicine in hospitals. That cannot be said in September 1998. The rash promise to halve waiting lists is the central reason acknowledged by health professionals for the medical and financial crisis in which New South Wales Health finds itself. The New South Wales health system will take many years, and a change of Government, to recover.

The coalition members on the Select Committee on Hospital Waiting Lists believed, and

still believe, that the committee's findings were flawed in many key areas. It is my intention, with the help of my colleagues, to address those findings. The first finding was that evidence to the committee established significant increases in activity and a substantial reduction in waiting list numbers during the term of the program. The main area of conflict related to the accuracy of all the reported reductions. All committee members agreed that the main axis of conflict related to the accuracy of the reported findings. We found no increased activity but, rather, a substantial drop in elective admissions for surgical or medical treatment—from 600,000 in 1993-94 to 463,769 between April 1995 and March 1996. That appears in the committee's report.

Attachment B—a report published by the Health Department, headed by Dr Nick Shiraev—details that about 60,000 operations were performed. The most common operations—surprise, surprise—were endoscopies of the small intestine, cataract extraction, colonoscopy, cystoscopy, removal of skin lesion, diagnostic laparotomy, gastroscopy, cardiac catheterisation, hysteroscopy and inguinal herniorrhaphy. Many of those 600,000 procedures were medical admissions. But the figures published by the Health Department—as set out in the report—reveal only 463,000 admissions. How could the waiting list possibly be reduced if fewer procedures were performed? One of the reasons is the reduction in the number of colonoscopies, gastroscopies and admissions for angiograms and the like.

Patients waiting for such procedures have to wait longer but they are not counted. With such a drop in activity, the only way the Carr Government could have cut waiting lists was to change the definitions or take people off the list. In its expanded findings the committee dealt only with Health Department figures, which are at the centre of the dispute over waiting list figures. Though we tried, there was no critical analysis of the figures to ensure their legitimacy. Several witnesses gave evidence of people being removed from waiting lists without being operated on. Hospitals were paid for waiting list reductions, even if the patient died prior to having the procedure. Such practices occurred at St Vincent's Hospital. We asked Dr Tony Sherbon, who is now the Chief Executive Officer of the Northern Rivers Area Health Service and a person known well to the deputy chairman, whether anyone died while waiting, and he answered yes. I asked whether they were counted as having being removed from the list, and he replied yes. The Director-General of the Health Department, Dr John Wyn Owen, gave the game away when he said:

One of the key elements in maintaining the numbers is the ability to not necessarily do more work but to be able to tackle the actual numbers on the list.

Other administrators confirmed the extent of the clerical auditing and the fact that they were receiving encouragement to cleanse their lists. Dr Dennis King, the Director of the Division of Surgery at St George Hospital, said:

If, for example, we conducted a clerical audit more vigorously than we might have done in the past and found patients who were no longer available for surgery for whatever reasons, we would be paid as though those patients had their operations. That was for whatever cause, whether or not they had changed their mind, had sought treatment elsewhere or had died.

Dr Timothy Porter, a general surgeon at Wagga Wagga, said:

It has simply been encouraged by the waiting list program to give far greater attention to these waiting list cleansing manoeuvres than was the case previously. I am aware that these definitions applied previously but in my own case I was not aware of any patient being removed from the waiting list by those mechanisms prior to the waiting list initiative commencing.

Dr Ashwell from Lismore said:

The operating lists, as I stated earlier, did not change over the 12-month period from February 1995 to February 1996. The time in February 1995 was 15 months disregarding a few patients who were obviously sick or just wanted to remain on the list and there were 115 patients on the main theatre operating list. In February 1996 there were 114 patients and the waiting list was effectively 16 months and that did not include day surgery.

Dr Randle in Lismore said:

I did two joint replacements per week, as I have done for a number of years.

I asked:

Were you encouraged to do more during the waiting list reduction program?

He answered:

Well, not really.

I asked Dr Geoff White from the Rural Doctors Association:

You made the statement in your submission that it was very common during the waiting list drive for patients to be rung at 9.00 a.m. from Sydney to be told to be there by 1.00 p.m. or they would go to the bottom of the list.

Dr White said:

I had at least four patients that happened to, and bear in mind Sydney is five hours away . . . my partner was the same; so on that basis it may have been common practice.

On 31 July 1996 Mr Brent Walker, an actuary, said:

I discussed with several of my colleagues the Department's treatment of transfers because it is very strong in its documents in defending the way it treats transfers. If the list is moved one way or the other in any dramatic fashion, doing it the way the Department does distorts the end result.

Finding No. 2 of the committee was:

The Committee finds that there was a lack of clarity over what constituted the promise. This resulted in conflicting opinions as to whether or not the promise had been achieved. The Committee also finds that the promise was made prior to the development of any detailed plan on how to accomplish it.

In other words, the committee found that the Government just pulled the promise out of a hat to make it look good; it had no plan. The Government did not think it was going to win. It lied about many matters, such as removing the motorway toll and reducing waiting lists. The Government said that an ombudsman would be appointed. It was not. The corresponding finding in the dissenting statement was:

It is incomprehensible that the Committee should suggest there is a "lack of clarity over what constituted the promise". The Minister's own Health policy document, released in March 1995, and the accompanying press release, stated unequivocally that the Government would cut waiting lists by "25,000—more than 50 per cent".

In case honourable members think that these figures are fabricated I have a copy of that brilliant press release and statement by the Minister. The press release stated:

At Labor's official election launch . . . Mr Carr pledged to spend \$64 million opening 500 extra beds in public hospitals and recruiting a further 1,300 doctors and nurses to end long delays for elective surgery.

Labor has boldly predicted that in its first year of office alone, it can reduce elective surgery queues by 25,000.

Campaigning in the National Party-held marginal seats of Murwillumbah and Coffs Harbour yesterday, he said the credibility of the Carr Government would rest on its commitment to rebuild the health system. He would have no choice but to resign, with his Health Minister, if he could not see his promises through.

The Minister did not say which promise; he was referring to all of them. The press release said further that the Premier also promised a health ombudsman and extra nurses. I will refer to that later in my contribution. It is baffling that the committee could arrive at finding No. 2. Labor's promise was clear and unequivocal. Equally, the

Government clearly broke that promise. The committee report talks about conflicting evidence as to whether the promise was achieved, but fails to criticise the Government on the key elements of the pledge, which clearly amount to broken promises in themselves.

The committee report does not mention the Government's failure to appoint an independent waiting lists ombudsman, as promised. The committee did not or would not comment on that in its report. The committee was set up because the Government did not appoint an independent ombudsman to oversee the department. This House was wise to set up the committee to expose and get behind the fabrications of the department and the Minister.

The Government also failed to appoint the 800 nurses that it promised. The committee confirmed the appointment of only 443 equivalent full-time nurses—but they were mostly existing staff doing overtime. The evidence that these were not additional appointments came from Ms Moait. The committee heard evidence that people were flown from Sydney to Lismore to do Saturday surgery. So much for weekend surgery, which the Minister also promised. Breaks over the Christmas-New Year period were to become a thing of the past and long breaks during the school holidays were going to stop. But they have not stopped, for good reason.

In addition, the committee report fails to criticise the Government for breaking its promise to continue the \$64 million annual funding for a further three years, as was announced at Coffs Harbour and Murwillumbah. The people of Coffs Harbour and Murwillumbah saw through that announcement, but people in Sydney believed it. The committee's failure to highlight these matters forced this dissenting report. On 31 July Sandra Moait, General Secretary of the New South Wales Nurses Association, told the committee:

I can tell you statements were made that nursing numbers had been increased in terms of full-time equivalent nursing positions. That was, in fact, not so . . . in no way was money provided to enable the full-time employment of additional nursing positions . . . I am unaware of any permanent funding for any full-time additional nursing positions which have stayed in place following the completion of the work of the task force.

Ms Moait was a member of the task force, trying to push it along. Dr Porter from Wagga Wagga said:

My understanding was that the [\$64 million a year] funding would not continue at the high level required for the reduction of the waiting list but there would be a net increase in the basal level funding in order to keep the waiting list at the reduced level achieved by the Waiting List Program.

That promise was made to me by the Minister for Health during an estimates committee. I asked the Minister:

Is it a fact that the amount of funding available has decreased?

The Minister said:

It is indisputable that the funding has been very much decreased.

**The Hon. Patricia Forsythe:** That was very honest of him.

**The Hon. Dr B. P. V. PEZZUTTI:** It was obvious to everyone in the Greater Murray area, and it is still obvious to them. Greater Murray had an overwhelming debt. Finding No. 3 of the committee stated:

It is the view of the Committee that "halving lists within twelve months" was perceived to relate to a reduction in waiting lists by 50% and then keeping them at reduced levels. It is also the view of the Committee that the Government did halve the hospital waiting lists as at 31 December 1995, but by March 1996 they had risen to 66% of the waiting list numbers at March 1995 when the program started.

The waiting lists figures have now risen by well over 120 per cent.

**The Hon. Carmel Tebbutt:** Because of your Federal Government.

**The Hon. Dr B. P. V. PEZZUTTI:** I was waiting for that. In her contribution to the debate the Hon. Elisabeth Kirkby said that the Federal Government had cut funding to New South Wales. That is simply not true.

**The Hon. Dr A. Chesterfield-Evans:** That is a fact.

**The Hon. Dr B. P. V. PEZZUTTI:** Every single year the Commonwealth's contribution to New South Wales has increased over and above the level of inflation. If the Hon. Dr A. Chesterfield-Evans can find evidence that that is not the case, he is a better man than I, Gunga Din. I and the committee checked with the department and it was not true. The dissenting report states:

The dissenting report agrees with the Committee's view that the Government has failed in its duty and obligation to keep waiting lists at the levels they claim to have achieved once they declared the promise had been achieved.

The Committee acknowledges the worrying trend that shows waiting lists have doubled since the Government declared the promise had been kept at the end of 1995.

However, the Committee's report has failed to adequately criticise the Carr Government for choosing December, historically a waiting list low point, as the cut-off for the promise.

In support, the dissenting report states that the blow-out in the waiting lists since December 1995 is well documented and that the cause of much of the disharmony is presently part of the New South Wales hospital system. Once the Government claimed victory the funding simply dried up. Dr Timothy Porter from Wagga Wagga said:

The number of operating sessions at the moment has been substantially reduced and I expect under current circumstances the waiting list will continue to blow out.

In evidence before the committee in May 1996, Dr Steven Wood said:

... prior to the Waiting List Reduction program starting in March last year, we were doing, in elective sessions, about 28 to 30 from memory. We went up to, at the height of the campaign, getting close to 36 to 38 and we have reduced now to 23 to 24.

Finding No. 4 of the committee was:

The Committee finds that 50% of the surgical lists, existing at the time the promise was made, was 22,350 and not 25,000.

The Premier nominated the figure of 25,000 as the target of production when he promised to halve the waiting lists on 14 March 1995, so this finding is irrelevant. The Government did not keep its promise to reduce the hospital waiting list by 25,000, nor has it ever said that it did. The committee did not find that it did either. Another finding of the committee stated:

During the Waiting List Reduction Program elective medical procedures in general did not suffer in favour of elective surgical procedures. In the Department of Health's published statistics for the month of December 1995, it was reported that the combined medical and surgical waiting list had been reduced by 50 per cent.

The dissenting finding continued:

Once again, the Committee's report has accepted the figures of the Department of Health—provided by those directly involved in the program's administration—in making an assertion that medical and surgical lists had been reduced by 50 per cent. Once again, it has failed to subject those figures to critical analysis.

Direct evidence was given that other, non-surgical treatment did suffer. The report stated:

There are numerous examples of health professionals who have told the Committee and the Opposition that medical patients, because they were not counted as part of this waiting list reduction program, were treated as second-class citizens.

Furthermore, evidence provided by the AMA, but not included in the Committee's report showed that at Sutherland Hospital, beds should have been used by—

**Pursuant to sessional orders business interrupted.**

### QUESTIONS WITHOUT NOTICE

#### VICTIMS COMPENSATION TRIBUNAL BACKLOG

**The Hon. J. P. HANNAFORD:** My question without notice is directed to the Attorney General. Is it a fact that the Victims Compensation Tribunal now has a backlog of cases so large that claims dating back to 1996 are still waiting to be given a listing date? Is it also a fact that the tribunal has advised applicants that they should not even contact the tribunal on the status of claims and that they cannot even provide a time estimate on when applications for compensation will be finalised for determination? What action will he take to rectify this problem to ensure that persons seeking assistance are not left waiting for up to two years?

**The Hon. J. W. SHAW:** It is certainly the fact that there is a backlog at the Victim's Compensation Tribunal. There is nothing particularly unusual about that. Whether the backlog is to the extent as asserted by Leader of the Opposition, I am not sure, but certainly I accept that there are problems in the disposal of cases in that tribunal. The Government has made available sufficient magistrates, or at least the number of magistrates that have been requested by the tribunal from time to time, and I do not recall any extant application for additional resources made by the tribunal. Although I have received reports from time to time about the progress of matters before the Victims Compensation Tribunal, I undertake to have another look at the issue in light of the matter raised by the Leader of the Opposition. In short, I do not suggest that all is satisfactory with that tribunal and its lists, but I believe that the Government has done what it can to provide reasonable resources for the disposition of those cases.

#### GRAFTON JUVENILE JUSTICE CENTRE

**The Hon. P. T. PRIMROSE:** My question without notice is directed to the Minister for Public Works and Services. What progress is being made on the new Juvenile Justice Centre in Grafton?

**The Hon. R. D. DYER:** I know that the Hon. P. T. Primrose takes a keen interest in matters

relating to public works and juvenile justice. The House will be aware that I have had a longstanding interest in the Grafton Juvenile Justice Centre, both in my current role as Minister for Public Works and Services and in my previous capacity as Minister for Community Services with responsibility for juvenile justice. Last month I inspected the construction works at the centre, which is located a short distance outside Grafton. I am pleased to report that the \$10.8 million centre construction is on time and on budget and is scheduled to open early next year. Construction is complete on earthworks, landscaping and, most importantly, perimeter security and is well advanced on the central building shells.

The construction has created enormous job opportunities for local businesses in Grafton and for local contractors, with 12 subcontracts for the project totalling \$1.8 million being awarded to Grafton-based firms and suppliers. In addition, a further eight subcontracts worth \$2.8 million have been awarded to firms in surrounding centres. The Grafton economy is reaping a substantial benefit from this facility, both in construction and in the later stages of operation following the opening of the Grafton Juvenile Justice Centre. The project has the strong backing of the Minister for Regional Development, and Minister for Rural Affairs, who has argued consistently in every forum for government investment in that region.

Up to 40 people are being employed at the site at any one time during construction, and permanent staffing will consist of 45 people, including teachers and youth workers. The 30-bed centre also includes considerable green open space and does not convey the grim impression seen in other centres, including the main Grafton Gaol. The layout and design work were developed in consultation with the local Aboriginal community and are based on a design by the Merrima Aboriginal Design Unit in the Department of Public Works and Services. The planning, materials and colours of the building have been selected to represent Buurga, the golden eel, a totem of the local Aboriginal peoples.

Given the rise of anti-Aboriginal sentiment generated by One Nation and some of their conservative allies, it is especially pleasing to see this example of a government working closely with an Aboriginal community. Construction supervision is being managed by the North Coast Regional Office of the Department of Public Works and Services and is a large part of the \$17 million worth of projects my department is undertaking in Grafton. A further \$70 million worth of projects are underway throughout the rest of the north coast. The location of the juvenile justice centre allows for the

incarceration of younger members from the north coast without necessitating their transfer to Sydney. This is significant as it permits friends and family to visit the young offenders without a prohibitive transport cost.

The role of parents and friends assisting with the rehabilitation of young offenders is a very important matter. Might I conclude on this note: the decentralisation of juvenile justice centres is a policy that I have been committed to in the past and up to the present time, and I believe the principle of distributing juvenile justice centres to regional areas of the State should be supported by both sides of the House. I note that not only is this Government creating a juvenile justice centre in Grafton, one is also being constructed at Dubbo and I am pleased to say that has the very strong support of the honourable member for Dubbo.

#### CREDIT BETTING LAWS

**The Hon. R. T. M. BULL:** I address my question without notice to the Minister for Public Works and Services, representing the Minister for Gaming and Racing, and Minister assisting the Premier on Hunter Development. Is it a fact that the Department of Gaming and Racing has never attempted to prosecute a hotel or club for a breach of the credit betting laws even though the necessary evidence has been provided by the Wesley Gambling Counselling Service on six or seven occasions? If so, why? How many other examples are there when the necessary evidence has been provided to the department but no action has been taken to prosecute? Will the Minister ensure that the law is enforced and that those gaming venues that are flouting the law are prosecuted?

**The Hon. R. D. DYER:** The Deputy Leader of the Opposition has raised an important matter in his question and I will obtain a response for him from my colleague the Minister for Gaming and Racing.

#### SMALL BUSINESS INVESTMENT

**The Hon. E. M. OBEID:** My question without notice is directed to the Treasurer, and Minister for State Development. What is the Government doing to assist small businesses to attract investors to help them expand?

**The Hon. M. R. EGAN:** Opposition members are not interested in small business; Government members are the only ones interested in small business. Not only have I not had any questions on small business from the Opposition; today I have not

had any questions from the Opposition. Half a dozen questions have been asked already and not one has been addressed to me by the Opposition. That is an absolute disgrace. I am pleased to inform the House that today—

**The Hon. J. H. Jobling:** That shows how hopeless you are at answering them.

**The Hon. M. R. EGAN:** I was just reading yesterday's questions and answers in *Hansard*. We did you like a dinner yesterday, as we do every day.

**The Hon. Dr B. P. V. Pezzutti:** But only by telling fibs.

**The Hon. M. R. EGAN:** What is Frutti-Tutti up to now?

**The Hon. D. J. Gay:** On a point of order. Yesterday in this House the Treasurer promised never to call the honourable member "Tutti-Frutti Pezzutti" again. And one day later this Labor Minister has broken a core promise.

**The Hon. M. R. EGAN:** On the point of order. Yesterday I vowed to this House that I would never call the Hon. Dr B. P. V. Pezzutti "Tutti-Frutti" again. Today I called him "Frutti-Tutti".

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

**The Hon. Dr B. P. V. Pezzutti:** On a separate point of order, Madam President, the Minister is obviously toying with your decision of yesterday. I find the term offensive and I want it withdrawn.

**The PRESIDENT:** Order! The honourable member finds the term offensive and asks that it be withdrawn.

**The Hon. M. R. EGAN:** Madam President, I certainly will withdraw it. I will stand by my promise of yesterday that I will never again refer to the Hon. Dr B. P. V. Pezzutti as "Tutti-Frutti" and I will try—but I make no promise—never to refer to him as "Frutti-Tutti".

**The Hon. Dr B. P. V. Pezzutti:** On a point of order. The Minister is obviously trivialising your ruling and I would ask you to deem the term "Frutti-Tutti" not just offensive but disorderly in the same way as "Tutti-Frutti" was deemed disorderly.

**The PRESIDENT:** Order! The Treasurer has withdrawn the term and that is the end of the matter.

**The Hon. M. R. EGAN:** I am pleased to inform the House that today the Government launched a pilot training program in partnership with Australian Business Limited to help small to medium size businesses secure investment. The Government's first pilot investment readiness seminar was launched by my Parliamentary Secretary for small business, Sandra Nori, at the Australian Technology Park this morning. Earlier this year the New South Wales Innovation Council and the Department of State and Regional Development investigated why many small firms find it difficult to obtain growth capital. The research revealed that managers and owners can recognise opportunities for expansion but have difficulty securing the capital they need to seize them.

One of the key findings was that many firms were not ready for investment and there was little or no training available to change that. To remedy this situation the Government and Australian Business Limited have developed a pilot training program consisting of a series of investment seminars. The pilot program will help refine an effective program to help businesses find the growth capital they need to expand, win new orders and create jobs. It is this kind of partnership between Government and the private sector that builds an environment for business growth.

The pilot investment readiness seminar covers topics including how Australia's equity markets work, where to go for advice and the steps a company can take to make it attractive to potential investors. The series of one-day pilot seminars will be held during the next six months. A minimum of 50 companies from across the State will participate and the program will include companies from the Australian technology showcase. Feedback from the participating companies on the content of the seminar and the course materials during the pilot stage will be used to develop a first-class investment training program specifically for small business.

I have great faith that the program will help small businesses around the State turn their ideas and inspiration into solid finance plans for expansion. I thank the Hon. E. M. Obeid for his important question. It is just a pity that those on the Opposition side do not show bipartisan support for small business and support the many initiatives which the Government has taken.

#### **COURT INTERPRETER SERVICES**

**The Hon. HELEN SHAM-HO:** My question is addressed to the Attorney General. As the

Minister is aware, because of language difficulty, people of non-English speaking background always suffer injustice and disadvantage under our criminal justice system. Does he agree that having an interpreter for a person of non-English speaking background in court should be a matter of right in our multicultural society and should be a matter of administrative process? If so, is that happening in the court system? If not, why not? What has the Government done to improve the unfair situation in relation to the treatment of people of non-English speaking background in the criminal justice system?

**The Hon. J. W. SHAW:** The question raises an important issue pertaining to the justice system. I do not accept the proposition that people from non-English speaking background are always under a difficulty or disadvantage within the justice system. Through interpreters and other techniques the justice system makes reasonable attempts to accommodate the difficulties. But the difficulties cannot be gainsaid; they need to be recognised. Obviously, an English-speaking court system must accommodate those who do not speak fluent English or who have other difficulties with the English language. The interpreters provided through our court system, in my understanding, are under the superintendence of the Ethnic Affairs Commission, and there is therefore liaison between the court system and the commission to facilitate the provision of interpreters.

After many years of observing the court system I have to say that it has not always worked appropriately. An interpreter is not always available when the court perceives the need for a person before it to have interpreter services. So there are defects, and there have been defects for many years.

I would agree with one of the observations contained in the honourable member's question: a person with difficulty in speaking English who has to give evidence in a court or who is a party to a court case should be provided with an interpreter as of right. It should not be regarded as a privilege to be applied for or begged for. A person embroiled in our court system, whether in civil or criminal litigation, ought to be given an interpreter as of right. I do not have the details of current administration of the interpreter system in my mind at the moment but I will undertake to get further information for the honourable member about how the system is working currently and provide that as soon as I can.

#### **FLOOD RELIEF**

**The Hon. D. F. MOPPETT:** My question is addressed to the Treasurer, and Leader of the

Government. Is the Minister aware of the extensive and repeated flooding that has happened in the north-west of New South Wales? In view of the fact that the rivers are in full spate and more rain is predicted, what is he, as the Treasurer of this great State, planning to do to mitigate the catastrophic economic effects of the loss of agricultural production? In particular, what will he do about the serious effect on small businesses throughout the whole region, especially in the smaller towns such as Pilliga, Mungindi, Burren Junction, Walgett and Collarenebri, and to a lesser extent perhaps the smaller towns of Louth and Tilpa where work in the district has stopped and incomes have stopped?

**The Hon. M. R. EGAN:** The Hon. D. F. Moppett has raised a very important issue. I assure him that the Government is aware of the impact of the recent floods, and not just in the north-west of the State. Indeed, there has been flooding in a number of parts of the State. As the honourable member I am sure is aware—

**Reverend the Hon. F. J. Nile:** In Wollongong too, at Wollongong university.

**The Hon. M. R. EGAN:** Yes. In the event of a natural disaster the Government provides a range of assistance schemes to help local councils and the community recover from the event. Since June 1998 New South Wales has been hit by a number of large storms that have caused significant damage and flooding in various parts of the State. I have recently issued four natural disaster declarations. In the period 23 to 30 June there were storms and floods in the Sydney metropolitan area, Newcastle, Port Stephens, the Hunter, the Blue Mountains and Wollongong. In late July and early August there was flooding in the central west, the north west and the upper Hunter. From 6 to 9 August there were storms and floods in the Sydney metropolitan area, and in the central coast, Hunter and Illawarra regions. On 17 and 18 August there were severe storms and floods in southern Sydney and in the Illawarra region and the damage was considerable.

**The Hon. J. H. Jobling:** Gunnedah and Narrabri are experiencing their fifth flood.

**The Hon. M. R. EGAN:** Yes, I saw a report about that on the television last night. Therefore, I wonder why the Commonwealth Government, which normally provides assistance from the military, is not doing so on this occasion. The New South Wales Government has to hire and pay for the planes used to provide this assistance. The Commonwealth has withdrawn any assistance and that is scandalous. Nevertheless, the people of New

South Wales can be assured that the New South Wales Government will fill that breach. The Hon. D. J. Gay looks acutely embarrassed at the lack of action and support from his Federal colleagues. If Opposition members were genuine they would condemn the Commonwealth Government's actions and support the efforts of the New South Wales Government.

It is estimated that government assistance under natural disaster relief arrangements resulting from all those events will cost approximately \$100 million. The severe flooding in Wollongong on 17 and 18 August has caused significant damage to council and private assets. To date the Government has spent \$1.4 million on disaster relief for the Wollongong community. In Wollongong 945 families registered with the Department of Community Services for assistance and were provided with emergency assistance. Of those, 627 families applied for financial assistance. Approximately 40 per cent of those 627 families have structural or contents insurance and are awaiting a response from their insurance companies.

The flooding in the north-west and central west of the State and in the Hunter Valley during late July and early August caused considerable damage to assets and imposed considerable hardship on families. To date the Government has directly assisted 696 families in the north-west of the State and 285 families in Bathurst. It is estimated that the Government will provide assistance of \$85 million to relieve personal hardship and to repair asset damage

Last weekend, 5 and 6 September, heavy rainfalls in the north-west of the State resulted in renewed flooding. Two fatalities occurred as a result of those storms and I assure the House that the Government will continue to provide a full range of natural disaster assistance to this area. The Hon. D. F. Moppett will be interested to know that as Treasurer I have recently revised the interest rate for natural disaster loans to farmers from 6 per cent to 4 per cent per annum. The interest rate on other natural disaster loan assistance is currently being reviewed.

**The Hon. D. F. MOPPETT:** I ask a supplementary question. Will the Treasurer extend that interest rate for natural disaster loans to the small business operators in the towns that I have mentioned who are experiencing a cessation of cash flow?

**The Hon. M. R. EGAN:** I will certainly refer the honourable member's suggestion to my

ministerial colleagues who are more directly involved in this area for their advice and consideration.

### WORKING HOURS

**The Hon. J. KALDIS:** My question without notice is directed to the Attorney General, Minister for Industrial Relations, and Minister for Fair Trading. A recent study entitled "International and Comparative Employment Relations" released by Greg Bamber and Russell Lansbury of the Griffith University Graduate School of Management shows that by international standards Australians are overworked and underpaid. What is the New South Wales Government doing to address this issue?

**The Hon. J. W. SHAW:** I am aware of the study. One of its authors is Professor Lansbury, Professor of Industrial Relations of the University of Sydney. It is true from the material in that survey that employees in Australia are working longer hours. That trend has developed over the past decade or so. It seems that the average full-time hours of work for Australian employees has increased. More people are working overtime and a large portion of that overtime is unpaid. Fewer people are working between 9.00 a.m. and 5.00 p.m. and there is an increasing trend towards less secure forms of employment, such as part-time and casual employment.

The New South Wales Government recognises that those issues are of critical importance in the sense of security and stability in employment that employees should have. This Government is the first to take steps to deal with the complex issues surrounding working time. I readily concede that there is no simple or single solution to these problems, but at least they ought to be examined. The New South Wales Government is trying to address working time. Some months ago I asked the New South Wales Department of Industrial Relations to investigate issues associated with working time in this State. The investigation is examining the social, economic and fiscal impact of working time on the community. It is expected that the project will not only diagnose the contemporary issues associated with working time but provide a cost-benefit analysis of rostering and planning of working time.

The first stage of this project—the development of an issues paper on working time—is now complete. The paper deals with the changes that have occurred in working hours, the reasons for those changes, their impact on equity, occupational health and safety, employment and the quality of

working life. The issues paper offers a basis for consultation and public debate, and will be released shortly. I believe that it is important for New South Wales to have a policy framework for working time that will promote greater flexibility for employers and workers, increase employment security and have the primary objective of improving the quality of working life for all. The Government wants to create a landscape for employment which is responsive to the changing needs of workers and which places New South Wales in a position of national and international competitiveness as it moves into the twenty-first century.

### JURY VERDICTS

**The Hon. FRANCA ARENA:** I ask the Attorney General, Minister for Industrial Relations, and Minister for Fair Trading a question without notice. Is the Attorney aware that in many European countries and, indeed, in Scotland it is open to juries to return a verdict of not proven guilty? Will he give consideration to a similar verdict being open to New South Wales juries? This would assist juries that might have difficulties in establishing the guilt of an accused person because of insufficient evidence but would, however, establish the fact that the jury did not think that the accused person was innocent.

**The Hon. J. W. SHAW:** As a person of Scottish descent I am obviously attracted to anything that occurs in the wonderful political system in Scotland. However, European criminal proceedings are fundamentally different from proceedings in the English tradition. In other words, they are inquisitorial rather than adversarial. The journalist and writer Mr Evan Whitton is a great advocate of the inquisitorial system and is a critic of the adversarial system. I respectfully disagree with much of his criticism of our system.

But that is not the precise point that the Hon. Franca Arena raises. The honourable member says that in Scotland and in many European countries a person facing a criminal charge may be either convicted, that is, found guilty, or acquitted, that is, found not guilty, or the jury may bring in a verdict of not proven. I have not given comprehensive thought to this, but my predisposition is to think that our system is superior to that. The English system depends on the theory that unless the prosecution can prove the criminal charge beyond reasonable doubt, the person accused is entitled to an acquittal.

My preliminary reaction is that if a person walks out of a criminal court with the verdict of not proven, there is always a question mark, a doubt and an ambiguity about that person's criminality, which

may be unjust to the defendant. At the risk of being accused of being a traditionalist in this area, I consider that our system is better: a person is either guilty or not guilty, and the onus of proof is on the prosecution to prove guilt beyond reasonable doubt. At the same time, our criminal justice system should always be open to reconsideration, and it is appropriate that the honourable member raises the possible intermediate verdict that occurs in Scotland, that is, the verdict of not proven.

#### **ELECTRICITY COMPANY FINANCIAL RISK MANAGEMENT**

**The Hon. Dr MARLENE GOLDSMITH:** My question without notice is addressed to the Treasurer, Minister for State Development, and Vice-President of the Executive Council. Has New South Wales Treasury undertaken an audit or requested information from the six government-owned electricity distribution companies in relation to long-term contracts into which those companies have entered?

**The Hon. M. R. EGAN:** No, that would not be the normal role of Treasury.

**The Hon. D. J. Gay:** It might save you some money.

**The Hon. M. R. EGAN:** One must understand that the electricity distributors and electricity generators operate in a competitively commercial environment. If Treasury, or the Government, attempted in any way to influence the commercial decisions of those bodies not only would we run the risk of being in breach of the national competition agreement but we would also be at risk of breaching the Trade Practices Act. Certainly, for purposes of the annual meeting that I have with the utilities, Treasury monitors the financial plans of the organisations, but it is certainly not involved in any day-to-day role in—

**The Hon. J. H. Jobling:** You just take the dividends.

**The Hon. M. R. EGAN:** And they are very important dividends for the State.

**The Hon. D. J. Gay:** They won't be after the legal costs come out.

**The Hon. M. R. EGAN:** The Hon. D. J. Gay is having himself on again. No, it would not be an appropriate role for Treasury, as the Hon. Dr Marlene Goldsmith puts it, auditing the normal commercial arrangements which those bodies enter into.

#### **WALSH BAY REDEVELOPMENT**

**The Hon. B. H. VAUGHAN:** I direct my question without notice to the Minister for Public Works and Services. What are the heritage and cultural benefits resulting from the recent Walsh Bay project agreement?

**The Hon. R. D. DYER:** The Hon. B. H. Vaughan is an inner-city resident and takes a close interest in these matters. Without doubt the principal benefit of the Walsh Bay redevelopment is the creation of 2,700 long-term jobs, including 450 in the construction phase. These construction jobs are especially important in that they will come on line shortly after the completion of the Olympic facilities at Homebush. This ensures an ongoing source of employment for building workers currently engaged at the Olympic site. However, there are also a number of significant heritage and cultural gains from the redevelopment, which will start to be delivered to the people of Sydney in the coming months.

In terms of heritage protection, the Walsh Bay development provides for the retention of more than 80 per cent of the heritage structures at the wharves, including wharves 2-3, 4-5 and 8-9, the shore sheds and the bond stores. Consultation on heritage protection was undertaken with the Heritage Council, the Heritage Office, the National Trust and the Australian Heritage Commission. This lengthy consultation process reflects the significance the Government attaches to protecting the wharves, the first of which was constructed early last century and the last of which was built in 1915. Wharf 8-9, which is the oldest wharf, contains a range of historic maritime machinery used to assist in the loading of wool bales. This machinery will be restored and displayed, and an interpretative centre will be constructed to showcase the history of the wharf area.

Some of the Walsh Bay structures have regrettably fallen into disrepair over time. Where public safety requires that structures be removed, the damaged timbers will be remilled and re-used around the rest of the site to maximise the use of historic materials in construction. Controlled programs will also be instituted to prevent ongoing borer and termite damage, particularly under the wharves where the pilings have splintered.

The project also provides for the construction of a 1,000-seat, publicly owned drama theatre, managed by the Sydney Theatre Company, which is currently located on wharf 4-5. I know that the Hon. J. M. Samios will be interested in that, as he takes an interest in cultural matters. This new theatre will

cement Sydney's place as the pre-eminent Australian city for the performance of major arts productions—another win for Sydney; another loss for Melbourne, where Premier Kennett has been struggling to retain his State's position as a cultural centre.

The Government also required that additional funds be invested to upgrade existing arts facilities, and I am pleased to say that this requirement has been met. An amount of \$3 million is being invested in maintenance and restoration work for wharf 4-5 to support the ongoing use of the wharf by the Sydney Theatre Company and other arts groups. The 4-5 shore sheds will also be upgraded, providing better accommodation for the Australian Theatre for Young People, the Arts Council and the Sydney Philharmonia Choir.

The Walsh Bay redevelopment represents the largest single construction project in New South Wales at the present time, and will be a major contributor to our economy for years to come. The estimated benefit to the State's gross annual product is in the realm of \$55 million. It will generate a massive flow-on effect, with not only the thousands of permanent job created as a result of the facilities but also the hundreds of construction and supply jobs in the initial phases. On behalf of the Government I welcome the green light for this project, secured a few weeks ago after some years of negotiation, and look forward to Walsh Bay becoming another major attraction for the city's visitors and the general community, including the Hon. B. H. Vaughan.

#### REGIONAL WATER QUALITY

**The Hon. I. COHEN:** I ask the Treasurer, Minister for State Development, and Vice-President of the Executive Council, representing the Premier, Minister for the Arts, and Minister for Ethnic Affairs, a question without notice. Are regional potable water supplies tested for the presence of cryptosporidium and giardia and heavy metals such as lead? If so, who carries out the testing? Are the results publicly available? If not, will the Premier assure regional water consumers that their water is fit for consumption?

**The Hon. M. R. EGAN:** My colleague the Minister for Land and Water Conservation would be in a better position to answer the question of the Hon. I. Cohen. I will refer the question to him and obtain a reply.

#### REGISTRY OF BIRTHS, DEATHS AND MARRIAGES CLIENT SERVICE

**The Hon. Dr MEREDITH BURGMANN:** My question without notice is addressed to the

Attorney General. Will the Attorney inform the House of initiatives currently being undertaken by the Registry of Births, Deaths and Marriages to improve its level of client service?

**The Hon. J. W. SHAW:** I think most members who have taken an interest in the activities of the Registry of Births, Deaths and Marriages would agree that a high level of service is provided to its clients, but of course there needs to be ongoing development of that service. As part of that process, the registry is developing options for its telephone service. The existing service includes telephone operators and an automated component for answering the most common questions received by the registry. The service has generally worked well.

The registry assumed responsibility for all change of name registrations in April 1996, which has led to an increase in clientele of approximately 10,000 per annum and a resulting increase in telephone calls to ascertain the necessary forms and fees. The increasing volume of calls being received by the registry has prompted a review of its client telephone services.

The registry already provides a local call number for use by clients in its country interfax certification application service. With the increasing range of telecommunications products and services on offer the registry is evaluating extending a similar service to all its non-metropolitan clients. I hope that can be extended as a service to regional and rural New South Wales. The provision of additional toll-free services for clients outside the metropolitan area and adjusting the existing messages are options being examined. The steering committee will consider long-term options, including a call centre where all aspects of some standard registry transactions might be completed in a single call. New technology options are also being investigated for the registry's call centre, including screen-based support for common queries.

An internal steering committee was appointed in June 1998 to examine these options and, depending upon feasibility, implement the new call centre by December 1999. The registry has also improved access to its services with the launch of its successful Internet home page. This site enables clients to download client application forms or even e-mail a message for registry staff, and access the fees and contact details for all other Australian registries. The web site has received an industry award and is among the most visited within my portfolio. The Registry of Births, Deaths and Marriages provides a highly efficient service for the people of this State. The current review of client contact services will ensure that the registry continues to provide a quality response to the needs

of the people of this State in a timely manner through the continuing application of new technology and administrative reforms.

#### GREENHOUSE GAS EMISSIONS

**The Hon. J. M. SAMIOS:** I ask the Attorney General, Minister for Industrial Relations, and Minister for Fair Trading, representing the Minister for Energy, Minister for Tourism, Minister for Corrective Services, Minister for Emergency Services, and Minister Assisting the Premier on the Arts, whether it is a fact that in November 1996 he stated that licences would be removed from any operator who did not comply with mandated targets to reduce greenhouse gas emissions to 1990 levels by the year 2000? How many operators have had their licences removed for not meeting the licence conditions?

**The Hon. J. W. SHAW:** I will refer the honourable member's question to the Minister for Energy and obtain a response.

#### POLICE CAPSICUM SPRAY USE

**Reverend the Hon. F. J. NILE:** I ask the Attorney General, Minister for Industrial Relations, and Minister for Fair Trading, representing the Minister for Police, a question without notice. Is it a fact that the New South Wales Police Service has delayed issuing capsicum spray to its officers due to the shortage of canisters, holsters and trained officers? Will the Minister explain why the Police Service has delayed the training of officers in the use of the spray and its introduction for use by officers when apprehending suspects? Are the Government and the Police Service considering other products, such as those used by the South Australian police, which might be more effective in the apprehension of criminals and threatening persons in view of the recent failure of capsicum spray in Melbourne to subdue a sword-wielding man? Will the Minister indicate how soon all New South Wales police officers will be trained and equipped with capsicum spray, or other products to be used in the apprehension of threatening persons?

**The Hon. J. W. SHAW:** The honourable member's question is one of detail and concerns the administration of the Police Service. I will refer it to the Minister for Police and obtain a response for the honourable member.

#### SMALL BUSINESS SUPPORT

**The Hon. D. J. GAY:** My question is to the Treasurer, Minister for State Development, and

Vice-President of the Executive Council. The Minister will recall that earlier today he asked why he had not been asked any questions on small business. The coalition did not want to embarrass him, but as he has asked for a question I ask: what excuse does he have for the figures presented in the 1998 *Yellow Pages Small Business Index*, which demonstrate small business support for the Government's policy in New South Wales is languishing at a tiny 4 per cent, the lowest approval rating in all of Australia? Victoria has small business support of 40 per cent and the conservative Government in the Northern Territory has 59 per cent. A total of 68 per cent think the Minister has no impact. That is another way of saying he is useless. What will he do to reverse the situation and regain the support of small business for this useless Government?

**The Hon. M. R. EGAN:** It is no wonder the Hon. D. J. Gay is not the Leader of the National Party in this House. The House will be interested to know that the document to which he referred shows that 61 per cent of small business owners in New South Wales express confidence in their business prospects for the next 12 months. In addition, a net 38 per cent expect their sales value will increase—that is 46 per cent believe their sales value will increase in the next 12 months—as against only 8 per cent who expect a decrease; 14 per cent believe the size of their work force will increase, as against only 4 per cent who predict a decrease; 25 per cent think their wages bill will increase; and 44 per cent expect their profitability will increase, as against 7 per cent who expect a decrease. Only yesterday the *Australian*—

**The Hon. Dr B. P. V. Pezzutti:** You are getting older.

**The Hon. M. R. EGAN:** Yes, I am getting older. I recently visited my general practitioner for the first time in six years and I was concerned when he said that my cholesterol level was not bad for someone my age. My level was about 13.2, and I am trying to get it up to 20 as soon as I can. The higher the better. I remember the days when the Hon. Dr B. P. V. Pezzutti and his colleagues told us that potatoes and bread were bad for us. Does he remember that? When all the trendies in the 1960s—

**The PRESIDENT:** Order! The Treasurer will address his remarks through the Chair.

**The Hon. M. R. EGAN:** You will remember, Madam President, that they would not let us eat bread or potatoes, and even prawns were off the permitted list. Now they are all back on it. I recently

saw a report in the *Sydney Morning Herald* referring to an article in the *Lancet* that pointed out that those with a high intake of sodium live longer than those with a low intake of sodium. I would not trust any information provided by the Hon. Dr B. P. V. Pezzutti or his colleagues.

**The Hon. Dr B. P. V. Pezzutti:** On a point of order. The people on my side of the House are very concerned at the Treasurer exciting himself when he has a cholesterol level of 13.2.

**The PRESIDENT:** Order! No point of order is involved.

**The Hon. M. R. EGAN:** I am just making the point that the higher the figure the better—and that also applies to the figures released only yesterday by the Australian Bureau of Statistics. The figures show that in the past 12 months domestic economic growth in New South Wales, which is measured by the State's buyer demand figure, shows a 5.5 per cent increase compared with only 3.8 per cent in Victoria. It is a stunning achievement for the great State of New South Wales. Let us get those figures up as high as we can.

#### TELECOMMUNICATION CALL CENTRE REGIONAL HEADQUARTERS

**The Hon. I. M. MACDONALD:** My question without notice is directed to the Treasurer, Minister for State Development, and Vice-President of the Executive Council. Will the Minister inform the House of the Government's progress in securing the Asia-Pacific call centre regional headquarters?

**The Hon. M. R. EGAN:** I would have expected Opposition members to ask me this sort of question, but I see that the Leader of the Opposition has retired from the front bench. He is sitting next to the devil on the back bench, no doubt doing some sort of deal. Is he doing a deal to save his own skin or is he making arrangements for an orderly transfer when the Hon. C. J. S. Lynn becomes Leader of the Opposition in this House? The Hon. M. J. Gallacher wants to get in on the act as well. He is spending all of his time trying to knife his leader in the other place, together with the Hon. C. J. S. Lynn.

The Leader of the Opposition is now in cahoots with them. He has spent all of question time sitting between the Hon. C. J. S. Lynn and the Hon. M. J. Gallacher. I hope the Leader of the Opposition in the other place and the Deputy Leader of the Opposition know what they are up to. I hope they

know that those members are ready to rat on them. The future for the Leader of the Opposition in this place is not looking too bright.

**The Hon. J. P. Hannaford:** Ask the Attorney General about mates.

**The Hon. M. R. EGAN:** The Attorney General is following in the footsteps of his leader in this place—that is the way we do it in the Australian Labor Party. We have our little preselection bouts but we end up on the top of the ticket with unanimous support. The Opposition will never understand how we operate—and sometimes it is a bit of a surprise to us, but we get there.

I am pleased to inform the House that New South Wales continues to lead all other Australian States as the preferred location for Asia-Pacific regional call centres. Last month the Premier opened Thorn Australia's \$45 million Asia-Pacific call centre. With the new call centre Thorn now employs 300 people in south-west Sydney. Thorn has a further 60 staff in its regional headquarters, a facility that was moved to Sydney from Hong Kong two years ago. Thorn Asia-Pacific will invest \$10 million initially in its call centre, followed by a further \$35 million over the next five years. I just remembered that I have to call a plumber.

**The Hon. Dr B. P. V. Pezzutti:** That is an age-old problem for men your age.

**The Hon. M. R. EGAN:** I am not referring to that sort of plumbing! The Thorn call centre offers customers one telephone number to make all their account inquiries, hire or update rental equipment, change payment details, inquire about purchasing equipment and arranging repairs, if needed. The Thorn call centre was set up to handle 100,000 calls a month, but took more than 170,000 calls in July. Call centres inject \$1.5 billion into the New South Wales economy and employ some 30,000 people in 700 centres. It has become a huge industry. For those members who have difficulty understanding, \$1.5 billion is \$1,500 million—I say that particularly for the benefit of the Hon. Dr B. P. V. Pezzutti. The Hon. Dr B. P. V. Pezzutti thinks it is his turn to ask a question. He can wait. If he is not called before 1.00 p.m. he will not be able to ask his question today because an hour is a bit long for me to go without a cigarette.

**The Hon. Dr B. P. V. Pezzutti:** The Treasurer smokes, is under stress, and has blood pressure and bladder problems.

**The Hon. M. R. EGAN:** I am not stressed in this place, not as the Leader of the Government. When we won the election we were worried about question time; we were in a lather of sweat for a couple of weeks. After the third question we looked at one another and said, "What were we worried about?" We come here for respite from the heavy burdens of office. We look forward to question time—it is our rest and relaxation. As I mentioned yesterday, half of the 135 call centres servicing the Asia-Pacific region have their headquarters in Sydney.

In a recent report to the New South Wales Government Andersen Consulting estimated that thousands of new call centre jobs could be created outside the Sydney central business district. Therefore, it is not merely an industry for Sydney. It is an industry of great potential for the Illawarra and the Hunter. Thorn Asia-Pacific is simply one of a growing number of companies to take advantage of the opportunities presented in Sydney's greater western region. The majority of those companies come here because of the good and stable Government, and the great economic conditions they find in New South Wales.

**The Hon. D. J. Gay:** Businesses.

**The Hon. M. R. EGAN:** The Hon. D. J. Gay should look at how many are putting on staff and making new investments. He should look at the Australian Bureau of Statistics non-residential building figures—that is, business building figures—which show the shops, offices, factories and other business premises being built in Australia. New South Wales, with only 34 per cent of the nation's population and 34 per cent of the share of the national economic output, is getting more than 40 per cent of all the new business building in Australia. They are phenomenal figures. I do not know what is going to happen to the other States. Poor old Victoria gets approximately 20 per cent, but is way out in front of the other States. I do not know what South Australia, Western Australia, Queensland and Tasmania are going to do.

#### PARALYMPICS CHILD TICKET ALLOCATION

**The Hon. A. G. CORBETT:** I ask a question without notice of the Treasurer, Minister for State Development, and Vice-President of the Executive Council. Given the importance of role models for children, will there be a special allocation of tickets for children with a disability, especially during the Paralympics? If not, why not?

**The Hon. M. R. EGAN:** Unfortunately, I do not know the answer to that question. I will refer it to the Minister for the Olympics.

#### DEPARTMENT OF PUBLIC WORKS AND SERVICES NORTH COAST STAFFING

**The Hon. Dr B. P. V. PEZZUTTI:** My question is directed to the Minister for Public Works and Services. Is it a fact that employment in the Department of Public Works and Services offices on the north coast has decreased from 100 staff in 1995-96 to 79 staff in 1997-98? Is it also a fact that the number of people employed in the Sydney central business district offices has increased from 1,178 staff in 1995-96 to 1,498 staff in 1997-98? Is this yet another example of the Carr Government neglecting and punishing regional New South Wales? Yesterday, in response to a question from the Hon. Janelle Saffin, did the Minister seriously mislead the House or did he give us an example of his inability to add up, thus joining the Minister for Health and the Treasurer?

**The Hon. R. D. DYER:** I am advised by the Department of Public Works and Services that the north coast operations, in fact the operations throughout the State, include two staff components: the salaried staff, who are the permanent placements such as project managers and engineers, and day labour. A decision was made some years ago to begin a shift from publicly employed day labour to the hiring of private construction firms. That is not to suggest that there has been some reduction in the quantity of projects or the investment being made in north coast communities, which I detailed to the House yesterday. It simply reflects a change from construction work contracts being compulsorily provided to the public sector to private companies and local towns gaining the opportunity to perform building work on government jobs.

For the benefit of the House I will outline north coast staff numbers as advised by the Department of Public Works and Services. In 1995-96 the number of salaried staff in the Department of Public Works and Services north coast offices was 65. In 1996-97 the number of salaried staff in the region was 62. I am advised that in 1997-98 the number of salaried staff in the north coast region was 76. Even the Hon. Dr B. P. V. Pezzutti would realise that 76 staff is more than the previous year's 62.

As I said earlier, there have been changes to the day labour work force. The reasons for the decision to shift from public day labour to the

employment of local firms are as follows. First, the hiring of local private firms assists to keep project money within the region where projects are based. This has become a cornerstone of the department's rural and regional operation. Earlier this week I detailed the benefits to the north coast and far west communities—and I did so again in question time today when speaking about Grafton—of keeping the millions of dollars spent on major infrastructure projects within the towns where projects are being built.

The second reason for the shift to contracting out day labour is simple economics. In a great many cases local firms are able to meet tender specifications more cheaply than the previous government day labour work force did. Those two reasons are the rationale for contracting out day labour and shifting to the employment of local firms. The shift to local firms has resulted in a more efficient use of public funds and a massive boost for rural and regional construction firms.

I am surprised—perhaps I should not be—that the Hon. Dr B. P. V. Pezzutti seems to feel that that is a bad thing. I can only assume he is arguing for a return to the days when all government construction was carried out by government day labour work forces, to the disadvantage of local workers in towns across the State. There has been a massive transformation from the old days of having a large day labour work force and the present model of contracting out to the private sector.

Even the Hon. Dr B. P. V. Pezzutti should understand that the Department of Public Works and Services is not a central budget sector agency. With my previous portfolio responsibility I had to line up and ask the Treasurer for money. I now pay the Treasurer an annual dividend, and that makes the relationship between the Treasurer and me very good. In fact, I very much prefer it. I do not now have the hard time before the budget committee that I used to have. The decision to employ private firms does not in any way reflect a reduction in public projects on the north coast.

I detailed a number of those projects yesterday, and again today when I spoke about the juvenile justice centre in Grafton. My department is investing more than \$100 million in north coast works, the details of which I have already outlined to the House. If the Hon. Dr B. P. V. Pezzutti did not listen, works are in progress on 25 sites across the region, including major construction at Evans Head, Grafton, Macksville, Camden Haven and Coffs Harbour.

Once again, I am pleased to report to the House that the Government is investing at least as

heavily in essential services for country residents as it has ever done in the past. In fact, on the north coast, where activity is almost at white-hot level, the Government is doing very much better than this Government has done in previous years and certainly better than the coalition Government did when in office.

**The Hon. M. R. EGAN:** If members have further questions I suggest they place them on notice.

### HEALTH AND RESEARCH EMPLOYEES ASSOCIATION ELECTIONS

**The Hon. J. W. SHAW:** Yesterday the Hon. M. J. Gallacher asked me a question about the Health and Research Employees Association elections. I am now in a position to give the member the following additional information:

Leaving aside the political aspects of his question, the honourable member asked that I overturn the Health and Research Employees Association of Australia election, which I am advised took place on 24 November 1997. He then asked why I have not responded to correspondence of June on this issue. If I may take the second part first, I can advise that I have this day responded to the representations in question. This is the first occasion that I have personally received advice that would allow me to do so. I apologise for the unacceptable delay in responding to this correspondence but I assure the House that I will raise this matter with the relevant departmental officer to ensure that it does not happen again. I might add that this delay has nothing whatsoever to do with the absurd political accusations made by the honourable member.

It was alleged in correspondence to my office that the election in question was invalid as a rule change approved by the State Council of the association had not been registered in accordance with the Industrial Relations Act. Under section 245 of that Act, a rule change does not take effect until it has been registered. I am advised by the Industrial Registrar that an aggrieved party may take action in the Industrial Relations Commission to obtain a declaration that the rules of the association contravene the Act and that the rules must be observed. I understand that the person who raised this issue has been provided with information about bringing that action. Let me make it clear that it is not my role either as Attorney General or as Minister for Industrial Relations to overturn an election. To attempt to do so would be to interfere in the operation of the Industrial Relations Commission, an independent judicial body. It would not only be impossible for me to interfere in the way requested, but it is grossly improper for the honourable member to suggest that I do so.

### DISTINGUISHED VISITOR

**The PRESIDENT:** I draw the attention of honourable members to the presence in my gallery of Ms Jan Davis, the Clerk of the Legislative Council of South Australia.

*[The President left the chair at 1.05 p.m. The House resumed at 2.35 p.m.]*

## SELECT COMMITTEE ON HOSPITAL WAITING LISTS

### Report

#### Debate resumed from an earlier hour.

**The Hon. Dr B. P. V. PEZZUTTI** [2.35 p.m.]: Before the debate was interrupted for question time I was referring to finding No. 5 of the Select Committee on Hospital Waiting Lists, which is as follows:

During the Waiting List Reduction Program elective medical procedures in general did not suffer in favour of elective surgical procedures. In the Department of Health's published statistics for the month of December 1995, it was reported that the combined medical and surgical waiting list had been reduced by 50%.

Coalition members of the committee objected to, and dissented from, that finding. In particular, we found that the evidence provided by the AMA, but not included in the committee's report, disclosed that at Sutherland Hospital beds that should have been used for emergency patients were quarantined for elective patients. A memorandum from Sutherland Hospital, which we included in our dissenting report, stated:

Until such times as appropriate staffing levels are established on 3E, ten beds on 1 East will close. As a consequence, effective 1700 hours on Thursday 10 July 1995, all surgical beds are to be quarantined until further notice. It is envisaged that when 1E returns to its routine bed establishment the quarantine will be lifted.

In other words, the memorandum shows that the ward was closed except for the surgical beds. That impacted dramatically on both the budget and the treatment of medical patients. This turns on its ear the entire hospital ethos that emergency patients should be and must be given priority for beds when needed. Doctors told the committee of this ethos turnaround. Dr Dennis King from St George Hospital said:

I had general practitioners making the comment that they could not get patients with pneumonia into hospital yet we were holding aside resources. Funds were being diverted into this program yet we were holding aside resources to do lists of varicose veins, circumcisions and vasectomies . . . because they got numbers down quickly.

They did the quickies to get the numbers down but they turned away patients with pneumonia. Professor Stephen Leeder, a man of considerable reputation, stated:

I spent last evening at a community consultation in Mt Druitt where I heard yet again about the long waiting lists for such things as podiatry, speech therapy and outpatients' physiotherapy, none of which are covered by the waiting list

program and all of which we expect to grow in the coming year when the finances are down—

how true that was—

when for example this area will be having to compensate for the budget overruns which are in part associated with the surgical waiting list reduction program.

Dr Michael Eagleton from the New South Wales branch of the Australian Medical Association stated:

Emergency theatres and emergency cases were sometimes used in preference for waiting list patients and this led, we believe, to the added risk to those emergency patients . . . There was inappropriate prioritisation of patients; in other words, non-urgent cases were sometimes given priority over urgent cases because the non-urgent cases were on a waiting list.

Finding No. 6 of the committee states:

Evidence before the Committee indicates that there were instances where patients whose procedures came within the ambit of the Waiting List Reduction Program were given priority over other patients, including those awaiting elective medical procedures. The Committee considers that medical as well as surgical patients should have been addressed in the program.

That finding is in complete opposition to the finding that I just read, but that did not worry the majority members on the committee, the Labor Party members, including Ms Staunton, the chair. This finding was a complete vindication of the position of coalition members. The dissenting report condemns the Carr Government for abandoning medical patients at the expense of surgical patients. Committee finding No. 7 states:

The Committee finds that, even though there is some question as to the precise reduction, between March and December 1995, elective surgery lists were halved.

The committee did not know what the precise number was but it was convinced that it was halved. The finding continues:

The total waiting list was also halved. The reductions were achieved predominantly, but not entirely, by increasing the number of procedures performed during this period. Clerical methods such as auditing were also used to bring about significant reductions in some hospitals. The Committee finds that these clerical methods were more stringently applied by some Areas and Districts during the Program than was previously the case, but did not contravene established Department of Health waiting list policy and guidelines.

What a joke! Coalition committee members dissented from that finding. We said:

Once again, the Committee has favoured evidence provided by Department of Health officials and dismissed out of hand evidence provided by health professionals such as Dr Michael

Eagleton . . . Dr Dennis King . . . Dr Ron Spencer (St Vincent's Hospital) and Dr Tim Smyth—

who is from your area, Madam President, and is now the Director of Health.

**The Hon. M. R. Egan:** Sir Timothy Smyth.

**The Hon. Dr B. P. V. PEZZUTTI:** No, Dr Timothy Smyth.

**The Hon. M. R. Egan:** No, he is Sir Timothy Smyth.

**The Hon. Dr B. P. V. PEZZUTTI:** Wasn't Dr Sir Timothy Smyth in *Doctor at Large*?

**The Hon. M. R. Egan:** Sir Timothy Smyth is the gentleman you are referring to—and you will refer to him by his proper title.

**The Hon. Dr B. P. V. PEZZUTTI:** I beg to correct you. At the time he was Dr Timothy Smyth.

**The Hon. M. R. Egan:** He has been Sir Timothy Smyth for at least 15 years. He assisted the Public Accounts Committee in its inquiry in 1981. He shortly thereafter became a baronet. His grandfather, who was a Conservative member of the House of Commons, died.

**The Hon. Dr B. P. V. PEZZUTTI:** He never told us that.

**The Hon. M. R. Egan:** At the time he was the President of the Panania branch of the ALP.

**The Hon. Dr B. P. V. PEZZUTTI:** I have no doubt about that. All of that will have added weight to what he said to the committee. Time and again senior health officials gave evidence to the committee that waiting list reductions exceeded the actual number of operations performed. I said earlier that St Vincent's Hospital reduced its waiting list by 600 by doing 300 extra procedures, and that the Royal North Shore Hospital reduced its waiting list by 2,600 by doing 1,300 extra procedures. Dr Vaughan—Lord Vaughan I suppose—will remember that.

Similarly, information contained in the Northern Sydney Area Health Service annual report states that in 1995, 700 fewer operations were performed than in the previous year. However, in the same document the area health service claims to have reduced its waiting list by 64 per cent. That is incredible. Evidence provided by St Vincent's Hospital indicates that it did about 300 fewer

operations during the year but somehow managed to cut its waiting list by 600—a drop of 900 procedures that cannot be explained other than through clerical auditing. In evidence Dr Ron Spencer admitted that of the 600 people removed from the St Vincent's Hospital elective surgery waiting list, only 300 had surgery. Therefore, 300 were just wiped off the list. Those figures were also given by Dr Tony Sherbon, who is, or should be, a relative of Dr Refshauge.

Mr George Jepson of the Royal North Shore Hospital told the committee that the number of patients was reduced by 1,030, although the number of extra operations totalled only 700. Dr Michael Eagleton from the Australian Medical Association added further credence to this argument when he told the committee that at Ryde Hospital only half of the hospital's 50 per cent waiting list reduction was achieved by a procedure being performed. The remaining half was as a result of the patients being offered surgery on a date when they were not available. I say that for the benefit of the Hon. Carmel Tebbutt. This practice, which has extended throughout the entire State health system, has seen the number of category 4 patients—those not counted on a waiting list—more than double, a fact the committee conceded.

Clerical auditing was used to such an advantage by health administrators that one chief executive officer, Sir Timothy Smyth from the Hunter area, lamented that his area "did not benefit to the same extent as some others from the use of clerical audit in order to reduce waiting lists" because they had already conducted list cleansing under the former Government. It would come as no surprise that the Hunter did not achieve its target of a 50 per cent reduction. Sir Timothy said that if his operating list was to be reduced by 50 per cent he would want \$14 million. That was not forthcoming, and with the money he was given he achieved a reduction of only 30 per cent—but he came out without a budget overrun. Sir Timothy Smyth is a very responsible man. He was very honest and said that all the other areas had fudged their figures.

**The Hon. M. R. Egan:** I am sure you are misrepresenting him.

**The Hon. Dr B. P. V. PEZZUTTI:** No, I am not. The extent of the clerical auditing practice was identified by Mr Brent Walker, the consulting actuary commissioned by the AMA to audit the waiting list reductions. In evidence Mr Walker stated:

Between March 31 and December 31, 1995, the real reduction in the numbers waiting for elective treatment appears to be somewhat less than 50 per cent—

which is a nice way of putting it. Dr Dennis King said:

. . . for the first five months of the program there were 25,500 elective operations performed in south-eastern Sydney, and I applaud that. However, what it also showed and what really concerned me was that in that same time some 28,500 patients had actually come on to the waiting lists—

so they were not even keeping up—

Yet our waiting lists . . . had fallen by 3,500.

The situation was that 25,500 operations were performed, 28,500 people came onto the list, yet somehow or other the list was magically reduced by 3,500. Perhaps some 7,000 of them died while waiting. He continued:

So although we treated 25,500 we had actually put 3,000 on the list, but the list showed we had 3,000 less. We in fact had a backlog of 6,000 patients that we were going to have to deal with after the program finished, for which we were not funded.

In other words, they were moved to category 4; they still had to have the operations but they were not funded. The hospitals were paid to take them off the list. Evidence in an anonymous letter sent to the AMA was accepted by the Hon. Elisabeth Kirkby because the person's name could not be used in case that person was later targeted. This happened in a later inquiry in which a person was targeted by the Minister for Health in a most outrageous fashion and that matter is now under investigation by the Standing Committee on Parliamentary Privilege and Ethics. The letter stated:

There is no doubt in my mind because of the highly political nature of this waiting list reduction program that certain rorts took place. The whole thing was structured to make sure that if the program failed the medical profession and the hospital administrators would get the blame. . . .

In finding No. 8 the committee found that the basic policies and definitions did not change during the program despite the inconsistencies in implementation of departmental policy which were brought to the attention of the committee—though not by the department. The dissenting finding reads:

The Committee has found that the definitions of what constituted a waiting list did not change during the program. The NSW Coalition has never disputed this point.

However, the Government certainly did change the definition of a waiting list prior to the scheme beginning.

And there is ample proof.

It was about semantics. The Government set up its new program. However, it was completely different to the way in which things were dealt with by the previous Government in 1994-95. The Government changed the whole program even before it started. The Opposition has taken issue with the fact that the definition of a person waiting for elective surgery and counted on a list was changed by Labor upon its coming to office. The committee's report does not deal with that issue, even though the interim report released in August 1996 did. The dissenting statement has included that important information, whereas the committee's report failed to do so. The committee's interim report also contains a comprehensive list of the procedures counted by the coalition but excluded by Labor. That list is made up of 60 medical procedures.

For members who are interested in reading, there is an attachment to this document that lists the medical procedures that were excluded. They include all cosmetic surgery, biopsies of the kidney, biopsies of the lung, bronchoscopy, colonoscopy, endoscopic retrograde cholangio-pancreatography, endoscopy of the biliary tract, oesophagoscopy, endoscopy of the small intestine, gastroscopy, panendoscopy, proctosigmoidoscopy, sigmoidoscopy, endovascular interventional procedures—one has to look in the MBS book to see which ones are included—and miscellaneous cardiac procedures. Quite a few procedures were excluded by the Government when it came to office—not during the program, but before it commenced. It was not possible to compare apples with apples, oranges with oranges, or even Newcastle with Sydney.

Right up until the March 1995 State election the coalition Government counted all medical and surgical procedures on its waiting list. During 1994 the Australian Institute of Health and Welfare reported on waiting lists, excluding the procedures I have referred to, and in the second half of 1994 and the first quarter of 1995 the coalition publicly released both sets of figures—that is, its own comprehensive figures and the AIHW's selective figures. The committee's report contains evidence that the coalition's December 1994 figures included both surgical and medical patients. The Director-General of the Health Department, Dr John Wyn Owen, wrote to the committee in February 1996 as follows:

The scope of the tabled December 1994 waiting list data is as follows . . . medical and surgical patients are included.

The committee heard, but gave little or no credence to, evidence from the chief executive officers of the Tamworth, and the Central Coast Area Health

Service that there was "an exclusion list under the waiting list program". The chief executive officers provided information to the Health Department on the size of lists, but that information was not included in the Government's reported figures. The Government, by its own admission, has not included medical patients in its waiting list reports. Certainly the Government has adopted the definition established by the AIHW, but this was a change from the previous Government's definitions and from when the Premier made his promise. The committee heard other evidence that the Government had changed the system. The select committee's interim report reads:

The definitions for collection required by the Department of Health were unchanged but the reported information was varied.

Between March and November 1995, Department of Health monthly waiting list reports included information on elective surgery patients as defined by the Australian Institute of Health and Welfare. This was a change to previous reporting.

Dr Dennis King of St George Hospital told the committee:

... a series of directions from the Department, both written and verbal, indicated that we were to take a different view of the way patients were categorised in order to meet the aims of the program.

Mr Ian Southwell, Chief Executive Officer of the Illawarra Area Health Service, also confirmed that there were some changes in the definitions used. Mr John Layhe, the director of nursing of the area health service, gave evidence on 31 July 1996 that "the actual procedures excluded were bronchoscopies, colonoscopies, gastroscopies, endoscopies, cosmetic surgery, and both medical and dental procedures". Suddenly, dental procedures that were previously counted are not counted. 9,000 people are waiting for dental procedures from the Northern Rivers Area Health Service. The area health service has closed its books and no longer takes bookings, because the Government has reduced its dental funding.

In order to buy votes in the 1993 election, Mr Keating announced a three-year program of dental funding. Even when that program was running, 9,000 people were waiting for dental procedures with the Northern Rivers Area Health Service. Those people were not counted. More importantly, people waiting for cataract surgery were not counted because their procedures were being done on contract at St Vincent's Private Hospital. There were a lot of shifties in this process. Finding No. 9 reads:

The Committee concludes that in general, hospitals targeted the longest waiting elective surgery patients at the beginning of the program, and towards the end of the program showed a bias towards simpler procedures.

That was to get the numbers down. The dissenting finding reads:

The dissenting statement concurs with the Committee's finding that the cheaper, simpler procedures were focused on at the end of the Waiting List Reduction Program at the expense of the more complicated operations.

In making this finding the Committee has failed to adequately criticise the Government for what is a major breach of service quality and failure in its duty of care.

Opposition members have long been concerned—a concern supported by evidence to the committee—that in order to meet their waiting list reduction targets, hospital administrators filled their operating theatres with cheap and quick operations rather than treat those most in need. This is contrary to the accepted practice, whereby clinicians determine which patients will be given priority based on need. The committee acknowledged that towards the end of the list reduction period hospitals forced through cheap operations in order to meet the Government's targets. Yet, remarkably, there is no criticism or acknowledgment that this impacted on patient care and service quality.

The basic tenet of Australian health—that patients most in need, regardless of the cost or complications of their operation, receive their treatment first—has been turned on its head by this process. The dissenting statement rejects that fundamental flaw in the committee's report. In an astonishing letter to Ms Noelene Salmon, Industrial Officer of the Australian Medical Association, the Central Coast Area Health Service confirmed that practice and the motivations behind it. The letter reads, in part:

The patients who were to be operated on between Christmas and New Year for example were short stay and not long stay admissions as what was required, for political means, was indeed numbers rather than patient care.

The outcome has been undesirable throughout the State.

Finding No. 10 reads:

The Committee found no evidence that the scope of procedures reported during the Waiting List Reduction Program changed. Analysis of Department of Health reports on the Program from May 1995 to December 1995 show consistent data relating to the procedures included.

The dissenting finding reads:

The dissenting statement agrees with Finding 10. Again, it is irrelevant because the Committee has failed to address the fact that the Government changed the definitions prior to the Waiting List Reduction Program commencing.

**Finding No. 11 reads:**

In spite of any discrepancy, the Committee accepts that there was an increase in admissions during the program of between 22,000 and 26,000.

**The dissenting finding reads:**

The finding by the committee misses the point. While there may have been an increase in activity over the year, the Department of Health itself states that this increase is insufficient to have reduced the waiting list by the promised 25,000.

The committee was told that only an extra 22,000 operations were performed. The committee's report states that the Health Department advised the Government that an extra 40,000 admissions would be required in order to achieve a 50 per cent reduction in the waiting list. That is because there is significant annual growth in demand for hospital services due to an ageing and ever-increasing population, and as extra services come online. For example, during the last year of the former coalition Government an extra 40,000 patients were treated than were treated in the previous year. In other words, 40,000 is the annual growth. The committee found that during the program there was an increase in admissions of between 22,000 and 26,000. The dissenting finding rejects the proposition that the waiting list could be reduced by 25,000 when the required extra number of admissions had not been met.

I am sure the Hon. Carmel Tebbutt will find that fascinating, given her background. The only available conclusion, one which the committee ignored, is that thousands of patients were transferred into non-counting categories and others with medical conditions were excised from the list. That phenomenon is dealt with later in the dissenting statement. Dr Timothy Porter from Wagga Wagga said:

I am sure that my waiting list reduced substantially during the time of the initiative . . . and by the best calculations I can make, only half of that was due to additional operations. I am not sure quite what happened to the other patients. No notification was given to me.

This report, different from other select committee reports, has not been subject to a Government response in this Chamber. After a lot of money was spent and a lot of effort was expended, the report was tabled in this Chamber and it is being debated for the second time. I turn now to committee finding

**No. 12, which states:**

Urgency 4, or not-ready-for-care patients, who had never been reported in official waiting lists, more than doubled during the course of the Waiting List Reduction Program. Their number increased by about 7,600. This occurred through practices such as more frequent and thorough clerical auditing of the lists. Although clerical auditing was mandated by long-standing policy, there is no doubt the increase in not-ready-for-care patients shows that hospital administrators increasingly used this category to reduce numbers on urgencies 1-3 of the waiting list. In a few cases this audit activity was contrary to Department of Health policy. Where identified, the Department of Health appears to have addressed the situation.

We dissented from that finding as well. Finding No. 12 proves that the Government cooked the books during the waiting list reduction program. The committee found, and the dissenting statement concurred, that as a result of clerical auditing 7,600 patients were transferred from the ready-for-care to the not-ready-for-care category, and were thus removed from the waiting list—despite the fact that they were still waiting for treatment. They were not taken off all lists, they were transferred from category three to category four administratively. They did not disappear. They were not dead. They were still waiting for care but they were not ready for care, so to speak.

**The Hon. B. H. Vaughan:** When did you discover this?

**The Hon. Dr B. P. V. PEZZUTTI:** We discovered it and the Hon. B. H. Vaughan knows we discovered it. As I have mentioned previously, he was part of the reason we were not able to debate that aspect of the final report. He moved to gag the debate. That 7,600 figure does not include patients who were totally removed from the list by clerical audit. Dr Stephen Christley from the Central Coast Area Health Service, now the Northern Sydney Area Health Service—I suppose he has been knighted, as well—told the committee on 20 May that in August-September 1995 "900 people were removed from our waiting list as a routine audit". Some 900 people were wiped out within one week without any problem at all.

The figures provided in the annual report of the Northern Sydney Area Health Service are a classic indication that the number of patients on waiting lists did not decline as claimed. The report states that the area conducted 700 fewer operations in 1995 than in the previous year, yet the waiting list reduced by a remarkable 64 per cent. Brent Walker, the Australian Medical Association's consultant actuary, uncovered this accounting. He determined that the percentage of urgency four—not ready for care—patients on the total official waiting

list had increased from 10.6 per cent on 31 March 1995 to 34.5 per cent on 31 December 1995. He argued that this trend would:

lead to the ridiculous result of more waiting patients being categorised 'Urgent 4' than the number of urgency 1, 2 and 3 waiting patients.

Dr Michael Eagleton, State President of the AMA, backed up that statement when he said:

Disproportionate numbers of patients were being assigned to staged, deferred, not contactable and treatment not required groups—disproportionate to what had happened previously.

On 27 May 1996 I asked Dr Wood from Wagga Wagga:

Can I ask you to confirm the figure that you have got half boxed in December 1995 showing that 45 per cent of the people were removed from the ready for care list by means other than being operated upon and if you go to March 1996 it is now 51 per cent?

Dr Wood replied yes. The chairman asked Miss Gavin from Wagga Wagga, who was part of the management team, the following question:

Can you give the committee any explanation as to why there is such an enormous increase in the number of patients removed from the ready for care?

Miss Gavin replied:

It was partly the categorisation of patients into staged and deferred categories . . . that accounts for most of that number . . . and there were more resources and finances put into auditing of waiting lists and booking lists and more effort was taken monitoring waiting lists during this period of time.

It was not more surgery but more monitoring. I asked Molly Strong, a great nurse and medical administrator, at the hearings in Lismore:

Can you give us the number of people who are category 4 in March 1995, in December 1995 and in March 1996?

Of course, being a good bureaucrat, she had the figures at her fingertips. She said:

Category 4, yes, in March 1995 we had 87 and in December 1995 we had 221.

The figures increased from 87 to 221 in a six-month period. Lismore had to reduce its waiting list from 400 to 200, and it is obvious how that was achieved. Dr Michael Eagleton from the AMA said:

Classification of patients were altered such that there was an enormous increase in the number of patients in category 4, which is not ready for surgery. They had been moved out of other categories for reasons which are not clear. Disproportionate numbers of patients were being assigned to

staged, deferred, non-contactable and treatment not required groups . . . disproportionate compared to what had happened previously.

What he did not tell us was how many patients died while they were waiting. Dr Dennis King from St George Hospital said:

Again there is a memo that says quite clearly that we were to take them out of categories 1, 2 and 3 after one offer and put them in category 4 and not bring them back onto the list until after December 31, which is when the program was due to finish, or shortly after. In other words, quite clearly they were being moved out of categories 1, 2 and 3 into category 4 to get them off the books.

The Government cooked the books.

**The Hon. Carmel Tebbutt:** You wish.

**The Hon. Dr B. P. V. PEZZUTTI:** I seriously wish it had not happened. I seriously wish the Minister had been able to reduce the waiting list by half. I seriously wish he had been able to reduce the waiting times, but he did not do so then and he still has not done so.

**The Hon. D. F. Moppett:** I do not think he ever thought it was possible.

**The Hon. Dr B. P. V. PEZZUTTI:** He knew it was not possible. He knew he was fibbing. He knew he was forcing people to do something they did not want to do and something they thought was illegal. They are not my words, that is the evidence. Committee finding No. 13 states:

The Committee finds that the claims that patients in Illawarra were offered surgery in the Christmas period and reclassified to Urgency 4 if they declined that offer were not supported by the evidence. The Committee further finds that with respect to the South Eastern Area Health Service that:

1. A letter was sent to patients containing material in contravention of existing policy.
2. The Department of Health dealt with the matter.
3. There has been no removal as a result of that incident.

In our dissenting statement we said the committee had accepted that there were widespread changes to longstanding practices by hospitals desperate to reduce the numbers on the lists. Concerns raised by doctors and administrators about these practices were substantially ignored by the committee. In support of that we found that the South Eastern Area Health Service, through Prince Henry Hospital, sought to reclassify patients from category four to urgency four, not counted, in a desperate attempt to meet the targets set by the Government. Patients received a letter asking whether they were prepared

to be admitted on only 24 hours notice, whether they were prepared to change doctors or hospitals, or whether they were prepared to be treated in a holiday period, including Christmas. That letter is attached to the report I tabled today and is readily available. The letter stated:

The Prince Henry Hospital is currently doing more surgery in an effort to reduce its waiting list.

The hospital was closing down. The letter continued:

This letter is to establish whether or not your admission is still required and, if so, to ask you your preferences.

The first question asked was:

Is your admission still required?

If the answer was yes, the patient was still in the running. If the answer was no, the name was taken off. Fair enough. The next question was:

Are you prepared to come to hospital with only 24 hrs notice?

Answer yes, and the patient was still in the hunt. Answer no—a person might need to care for children or an elderly person—and the patient became category four, not counted. The third question was:

Are you prepared to change doctor if this means a shorter waiting time for the procedure?

If the answer was yes the patient was still in the hunt. If the answer was no, perhaps because the patient chose to wait five or six months, or even a year, for a particular doctor, the patient became category four, not counted. The next question was:

Would you consider going to another hospital if your procedure could be done earlier? (This may involve a change of doctor.)

If the answer was yes, the patient was still in the hunt, although the numbers were getting smaller. If the answer was no, the patient became category four, off the list. The next question was:

Are there times when you would not be able to undergo procedure (eg because of holidays, special events, etc)? Please indicate these times.

If the answer was yes the patient was out of the hunt, category four, not counted, treated as being no longer ready for care. The next question was:

Are you able to have the procedure done over the Christmas period?

An affirmative answer to one of those six questions or a negative answer to the rest would result in a person being listed category four. Not many patients would be left on the list. When the letter was brought to the department's attention by the committee, the department denied knowledge of it. It cannot be checked because the Prince Henry Hospital waiting lists are now included in the Prince of Wales Hospital waiting lists. The AMA said that this administrative tactic represents a totally unacceptable approach to meeting the political demands placed on hospitals to reduce waiting lists. There was good reason to be critical of these practices. Although it had plenty of evidence, the committee failed to comment. Committee finding No. 14 stated:

The Committee finds that, in a number of Areas and District Health Services patients who were offered faster treatment by another Medical Practitioner but who declined the offer were reclassified urgency 4, resulting in the removal from the Ready For Care list (urgency 1-3). While this practice was in accordance with the 1994 waiting list policy documentation issued and applied by the previous government, the Committee is of the view that the priority given to reducing waiting lists during the program led to a more rigorous approach, particularly by some Area Health Service Administrators during the Program.

It certainly did. Our dissenting finding stated:

As stated elsewhere in this Dissenting statement thousands of patients were removed from the "counted" waiting list (urgency 1-3) by reclassifying them as Urgency 4 and were therefore not counted as officially waiting patients.

This practice resulted in a preoccupation with statistics at the expense of patient care, as hospitals were actively encouraged to get as many patients as possible to defer their treatment by whatever means.

People residing on the central coast could be offered surgery at a day's notice—at Sutherland hospital and performed by a surgeon they did not know. If they refused, they were listed category four. Mr Christley gave that evidence. In a stepped-up campaign designed to make it appear that the waiting lists were reduced, hospitals were actively encouraged to embark on whatever means possible to cleanse the list. It sounds like something that happened in Germany!

That resulted in the doubling of urgency four patients. Those patients were not counted despite the fact that they were still waiting for treatment. Clerical auditing techniques used by hospitals, which were pressured to reduce waiting lists, took many forms. Commonly, letters were written, such as the one I referred to, directly to patients asking if they still needed surgery. If no reply was received within a certain date they were shifted to category four.

They might have been away visiting a sick friend, but if they did not reply quickly they were gone.

In a memorandum written by the South Eastern Sydney Area Health Service waiting list co-ordinator to all hospitals in the region, advice was proffered about two strategies which would "assist your hospital to meet the waiting list reduction project target due by 31 December 1995". The strategies were, firstly, the use of urgency four deferred and, secondly, the use of excluded IPCs. By using this technique patients, who still had to be cared for, were taken off the counted list until after the program ended. The memorandum from the South Eastern Sydney Area Health Service waiting list co-ordinator stated:

The deadline for meeting targets as part of the Waiting List Reduction Program is 31st December 1995. Therefore, bookings that are transferred to U4D (urgency 4 deferred) should be given a Status Review Date that falls after that date.

Once patients were transferred to category four deferred they could get another date for reclassification, but not until after 31 December. It was thought the program would continue for a year but the people within the system knew that it would last for six months and not a day more. Committee finding No. 15 stated:

The Committee finds that, for many years, the Department of Health has taken transfers into account when comparing the length of lists at two different points in time and that this practice is warranted and should continue.

That was the subject of the most important dissenting finding, which stated:

This finding relates to transfers of patients from waiting lists kept in doctors' rooms to those kept in hospitals.

The Committee's report acknowledges that a new system of handling transfers was adopted in 1995.

The committee was told that by the Government. The dissenting finding continued:

This is confirmed in a letter to the Committee from Mr Michael Reid, Chief General Manager, Department of Health, which indicates that if the methodology used by the Coalition were applied to the period of the Waiting List Reduction Program a substantially lower reduction would be found.

Surgeons with patients waiting for their care in a public hospital could either give the lists of names to the public hospital and let the hospital manage the list in consultation with them, or they could keep the lists in a drawer and send them in batches. The hospital would say that it did not know what the doctor had in his drawer and, therefore, not count them. The previous Government, under the Deputy

Leader of the Opposition, asked for all the numbers to properly manage the system. The lists came in droves. Thousands of patients were discovered and they were counted. However, the counting was adjusted to compare apples with apples to see how the system had coped during the previous year. Even though those patients were reported as waiting, the number who were transferred was also reported.

A small number of patients was transferred in the years during the waiting list reduction program, but a change occurred. The Government changed its formula. Michael Reid, in a letter to the committee, said that if the formula used for the previous six years were applied a lower reduction would have occurred. Up until November, when patients became part of the waiting list reduction program, they were part of the transfer. Once November came those transfers were on the books. Those transfers that started in March 1995 under the current Government still persist. If a surgeon sent a list of 100 patients to the hospital and operated on all of them, they were still listed as transfers in 1998. It is staggeringly dishonest. The surgeon might have died or ceased operating but those patients are still counted. The supporting evidence for the dissenting finding stated:

This important acknowledgement—of a change in the transfer system—is completely ignored by the Committee's report."

The Hon. Elisabeth Kirkby would not listen to argument on this one but Warren Cahill and Dr Shiraev were in agreement with me about this matter. She would not listen to an argument about it. They were all numbers. That is what the waiting list reduction program is all about, numbers. The supporting evidence continued:

Under the new system all those transferred are deleted as though they had been operated upon, whereas the methodology used by the Coalition Government assumed that the transferred patients were operated upon at the same rate as other patients on the list.

That was expected and that is what the previous program did. Further supporting evidence comments were:

There were 3,438 transfers during the period of the Waiting List Reduction Program and according to the department's new methodology every one of them was operated on whereas under the previous methodology about 1,788 would have been calculated to have been treated.

That is the difference. The comments continued:

A letter to the Committee from Mr Michael Reid, Chief General Manager, Department of Health, indicates that if the methodology used by the Coalition were applied to the period of the Waiting List Reduction Program a substantially lower reduction would be found.

I calculated that to be about 35 per cent or 40 per cent versus 100 per cent under their methodology. This decision about the way in which they handled the new method developed by Dr Shiraev was a lie from the beginning and treated as a joke by mathematicians and actuaries to whom I showed it. They thought it was funny, until it became deadly serious. The reputations of the Government, Mr Reid, Dr Refshauge and Premier Carr were built on this lie. The Government continues to live the lie, but the people of New South Wales know it is a lie. Committee finding No. 16 was:

The Committee further finds that having an exact count on list transfer during 1995 means that a simpler and more accurate methodology was employed.

What a joke! The Hon. B. H. Vaughan and the Hon. I. M. Macdonald, who are on the committee, thought it was a real joke, but they were included in it. The Hon. Patricia Staunton used to tell me what a joke it was. I was alarmed. The dissenting statement continued:

The committee received no evidence to substantiate this finding and this dissenting statement disputes the assertion. In fact the two examples given by the Department to explain its new methodology produces two completely different results.

That is what we could not work out. That is how we smelled a rat. It continued:

The new methodology assumes that all patients 'transferred' are operated upon. This is clearly nonsense.

But, they were not, they were operated on at the same rate as anybody else. If not, one surgeon would have had more access to theatre time than anybody else, which is obviously not true. That was the evidence from Dr Ashwell and Dr Randle in Lismore, to name just two. The report continued:

This Government insisted on this methodology to help overestimate the change.

Committee finding No. 17 stated:

The Committee finds that Mr Walker's premises and reasoning related to the transfers remains unclear to the Committee and therefore his case remains unproven.

The dissenting finding stated:

This finding demonstrates that the Committee has not understood Mr Walker's reasoning which is based on comments under Finding 15.

The arrogance of people who have absolutely no training in statistics is amazing: the Hon. I. M. Macdonald, Patricia Staunton, the Hon. B. H. Vaughan and Elisabeth Kirkby, not one with a

science background, not one with a background in mathematics. Not one of them was able to say that, because they did not understand. They were not clear about what Mr Walker was saying; it was therefore unproven. They did not take the time or the trouble to understand. They would not allow the committee to debate the issue, and they arrogantly said, "Who is Brent Walker? He is just talking about numbers. We do not understand this. It is not clear to us, therefore it is not proven." What a joke! If this was Justice Bruce, they would have thrown him out the door. The dissenting finding continued:

The Dissenting members are thoroughly satisfied with Mr Walker's methodology, which they consider to be more rigorous than the limited audit undertaken by the Government.

They therefore conclude that Mr Walker's case is proven.

We used a whole series of numbers throughout and they came up every time. It was crystal clear to me, to the Hon. D. F. Moppett and to the Hon. C. J. S. Lynn because they bothered to listen and tried to understand it. Committee finding No. 18 stated:

The committee finds that patients with a confirmed date of admission were not removed from the waiting lists.

The dissenting finding stated:

The Department's own figures show that the number of people on the list with an admission date almost halved during the program period. However, the capacity of the hospital system does not change. Therefore while there were 17,000 patients with an admission date in March 1995 there should be an equal number with admission dates in December.

There were not. The system is so big one would think that the number of people with admission dates in their pockets would remain the same, but it did not. It dropped dramatically. In fact, if you had an admission date, for example, 15 August, and they asked if you could be done on 15 July and you said no, you were taken off the list, but you were still done on 15 August. This is the stupidity of this audit and the method of getting people off the list. That is precisely what happens. The Hon Dr A. Chesterfield-Evans understands what happened and I understand what happened. Patients were offered an artificial early date and their names were taken off the list. The dissenting finding continued:

This confirms the allegation that thousands of patients were removed from the waiting list without being admitted and treated.

The Committee's report ignores the evidence by Dr Denis King that when patients were offered a date and refused they were placed in Category 4 (thus not counted) and they were reviewed in January after the program finished.

Dr Michael Eagleton, President of the Australian Medical Association, said:

Patients were removed from waiting lists after being allocated a date for admission, on the premise that they were no longer waiting.

That was the other trick and it is in contradistinction to the finding of the committee. The committee had no contrary evidence. The committee did not believe Michael Eagleton. Those members of the committee had blinkers on. They were being driven along that path by the Minister for Health and by Patricia Staunton. Mr Cahill in the Chamber. He will remember the discussions on these matters. Committee finding No. 19 stated:

The Committee finds that the procedures of processing requests-for-admission forms was not modified under the Waiting List Reduction Program.

The Committee's nineteenth finding ignores evidence provided to the Committee that the definition of transfers was altered.

The Committee's own report states that under the new definition doctors who increased their recommendations for admission by 50 per cent or more or recommended 50 patients in a month were handled as transfers and therefore not counted.

That is what happened. Doctors who had the temerity to recommend 50 people in a month were treated as though they had a long list in a drawer, and they were called transfers. What a joke! Committee finding No. 20 stated:

The Committee finds that there was a substantial reduction, (18,991 or 49 per cent) in surgical lists between December 1994 and December 1995.

The Committee further finds that the change in the lists between March 1995 and March 1996 was a net reduction of 15,152 or 33.9 per cent.

In other words, comparing apples with apples, December with December and March with March, they did not come up with the 50 per cent figure, yet they were able to say in the middle that they could. It is extraordinary. The dissenting statement continued:

The committee has already accepted that December is a seasonally low period for waiting lists, while April/May is traditionally high in demand.

The fact that the Government chose to use the December figures to announce a 25,000 reduction is a blatant case of comparing apples with oranges.

Not apples with apples or oranges with oranges, but apples with oranges. It continued:

Mr Walker, the consultant to the AMA, estimates that by choosing the low December period the Government achieved an artificial reduction of over 5000 patients.

The response by the Government, convoluted and confused, does not succeed in contradicting Mr Walker's evidence.

In fact, the wording of Finding 20 itself says if you compare December 1994 to December 1995 the reduction was considerably less than the Government claimed.

Furthermore, comparing March 1995 to March 1996 the reduction falls to only 15,000.

Neither of these go vaguely close to the 25,000 reduction claimed by the Government.

In the months following the Government's announcement, the waiting lists rose dramatically. In March of this year [1996] the elective surgery waiting list had jumped 10,000 patients or almost 50 per cent.

Well over what it was in March 1995. It continued:

This can further be accounted for by figures which show patients were being reclassified back into Category 3, after being placed on the non-counted categories during the reduction period. Between December and March 2,400 patients miraculously went back on the official waiting list.

The committee has comprehensively ignored these figures to its detriment. Mr Brent Walker said:

... a considerable proportion of the reduction of 5,112 (net of transfers), in the waiting lists in December was due to seasonal factors and perhaps due to names not being put on the waiting lists in some areas.

We had evidence from one of the doctors who said that when he asked in March about when a certain patient was going to be operated on the hospital did not have the booking date. So he went to the hospital booking clerk. After rummaging around on the floor it was found that five of his recommendations for admission dated November had not been put on the list because it would have looked bad. So they never got on to the list. Clever! Committee finding No. 21 stated:

The Committee finds that there are seasonal variations in lists and that this was a factor in the Government's decision to target 31 December 1995 as the closing date for the Waiting List Reduction Program.

This is the most significant finding by the committee. It stares one in the face. The finding is absolutely correct. Yet once again there is no criticism of the Government in the report in this regard. The committee found it, said it and left it. It also failed to seasonally adjust figures. Finding No. 22 stated:

The Committee finds that there were additional resources provided for the Program:

- A) \$81M was allocated to the Waiting List Reduction Program.
- B) Correspondingly, there were additional staff (nurses, doctors, ancillary staff) employed, although many or most of these may have been employed on a temporary basis or may have been permanent staff doing extra (paid) work. Further, hospitals were able to purchase extra equipment, open extra beds and run extra theatre sessions.
- C) Some Areas did employ many permanent staff and after the end of the Program they found that they were overcommitted and this led to end-of-year budget difficulties.

The dissenting finding is that this finding, along with a later one, completely ignores the fact that the Government's promise was the major factor in the \$72 million budget blow-out—a problem hospitals are still suffering from, even in 1998. Far from putting money into the system, the Government's promise drained funds from other parts of the hospital system. Professor Stephen Leeder of Westmead Hospital, now dean of the faculty of medicine at Sydney university, told the committee that the full cost of the list reduction program is "probably closer to \$200 million" and the notion that "somehow or another that \$60 million set aside for this project covers the cost is a fantasy". He further confirmed the consistent assertion from the New South Wales coalition that funds were diverted from other areas of the hospital system to pay for the list reduction program.

Professor Leeder told the committee, although it is not contained in the report, that community health services are "stretched beyond breaking point. It makes the surgical waiting lists look like a joke". The Government's promise that the waiting list reduction program would extend beyond one year and that \$64 million would turn into \$256 million over four years has also been shown up as a joke. During evidence to the committee Dr Stevens from Wagga Wagga Base Hospital said that as soon as the waiting list scheme ended the number of available operating theatres was immediately slashed from 38 to 23—38 in December and 23 in February. After claiming to have met the promise, Bob Carr and Andrew Refshauge immediately changed tack to focus on waiting times not lists—despite the benefit to people's health that the list reduction scheme was meant to have achieved.

As previously stated, the Government's claim that it employed an extra 443 nurses falls well short of the promised 800 and the Nurses Association itself admitted that most nurses were simply working harder. The Government drove the system harder. The Government promised an extra 500 beds but the committee's report identified only 385—beds that

disappeared as fast as they arrived. The Government promised 500 more doctors and ancillary health workers and delivered barely 99 full-time and ancillary positions. There was not one more doctor. Finding No. 22 admits, but once again fails to adequately criticise, the budget blow-outs. The committee was told by Professor Leeder that the waiting list reduction program cost around \$200 million whereas the Government provided only \$81 million. This view was supported by numerous other witnesses. Mr Ron Tindale said that Westmead Hospital's budget blow-out was \$15 million on 13 June 1995 and the budget of the Western Sydney Area Health Service had blown out by \$5 million.

Evidence was also given that Illawarra Area Health Service spent over \$1.5 million more on the waiting list reduction than was provided. Dr Dennis King advised that St George Hospital spent "in the order of \$3.2 million more than provided". Dr McLaughlin from Wagga Wagga Base Hospital advised that "the greater Murray is anticipating being around \$4 million unfavourable to budget at the end of June". He said that the full cost of the program was probably "closer to \$200 million" and that "somehow or another that \$60 million set aside for this project covers the costs is a fantasy". The long-term problems were confirmed by two of the witnesses. Professor Leeder said that community health services were "stretched beyond breaking point. It makes the surgical waiting lists look like a joke". Ms Sandra Moait, General Secretary of the New South Wales Nurses Association, stated:

I am unaware of any permanent funding, for any full time additional nursing positions which have stayed in place following the completion of the work of the task force.

Finding No. 23 stated:

The Committee finds that there is little evidence to suggest that patient care was adversely affected by the Waiting List Reduction Program. Urgent and high priority patients continued to receive priority. It should be noted however that in a number of cases Area and District Health Services admitted to undertaking "easier" elective procedures towards the end of the program in order to achieve the 50 per cent target required.

The dissenting statement said:

In view of the above finding of significant hospital budget blowouts the only conclusion to draw is that patient care must have suffered.

As stated previously in this Dissenting statement, complicated, expensive procedures were abandoned for easier operations. We have highlighted how hospitals, faced with budget blowouts, diverted resources from other areas.

These are matters of record, yet not a matter for criticism by the Committee.

The Dissenting members are greatly concerned over the current financial position of most, if not all, rural and Area Health Services.

#### Supporting evidence

This dissenting statement has already outlined numerous ways in which patient care was compromised as a result of this program.

Complicated procedures were sacrificed for cheaper, shorter ones.

Patients were reclassified as "not ready for care" and therefore not counted even though they may have been desperate for an operation.

Emergency patients at hospitals such as Sutherland were prevented from faster access to hospital because beds designated for their use were diverted to help meet this promise.

Hospitals and Areas which suffered budget blow-outs as indicated in Finding 22 were forced to cut patient services.

In short, this dissenting statement finds that patients were treated like statistics not humans—patient care was sacrificed for a political promise.

The evidence to support this is overwhelmingly clear yet has been ignored by the Committee.

#### Finding No. 24 stated:

It is clear from the evidence provided to the Committee that pressure was placed upon hospital administrators and clinicians to achieve the aims of the Hospital Waiting List Reduction Program by 31 December 1995. The pressure appears to have been as a result of the payments to flow to Area and District Health Services from the Department of Health based upon the amount of net reductions achieved. On the whole, however, the pressure was not seen to be undue, and was in the nature of assuming extra work in the form of theatre sessions and more frequent and thorough clerical audit in order to achieve the targets set.

#### The dissenting members found:

It is clear from the evidence that hospital staff worked very hard to treat more patients. But they were all totally disillusioned when the Minister reneged on his promise to fund the program on an ongoing basis for the life of the Carr Government.

The Committee has ignored this well documented problem. The Dissenting Report will not.

Dr Curtis, director of clinical services at Wagga Wagga hospital—an appointee of the Government—stated that morale was "on the lower edge of trending downwards rather than upwards". Dr Dennis King stated:

The impact on the rest of the hospital has been quite bad. Staff morale across the organisation is poor anyway at the moment for a whole lot of reasons, and this program has been a large contributor.

Dr Simon Kinny from Lismore stated:

When the brakes went on, they [hospital staff] felt really demoralised. So all the proceduralists; we felt that the whole achievement that we had made over the previous few months was then unravelled again . . . we felt there was not anything durable going to come out of it.

#### Finding No. 25 stated:

The Committee finds that there are both positive and negative longer term effects of the Waiting List Reduction Program. The positive effects include improvements in overall productivity, the increased use of same-day surgery, increased incidents of day-of-surgery admissions and peri-operative clinics, better networking of services, better collection and use of data, pooling of lists between practitioners, the development and use of benchmarks and the significant reduction in the number of patients waiting long periods for their surgery. The negative effects of the Program include financial problems in those hospitals which could not switch off the increase in activity and the opportunity costs of not spending the funds elsewhere.

#### The dissenting members found:

The Committee's report puts a very positive gloss on the long-term impacts of the Waiting List Reduction Program.

In reality the long-term effects of the promise were severe. Budgets were blown out, waiting lists remain high, morale is critically low, staff are in turmoil, the Minister does not have the confidence of the system.

The Minister lost control and lost the confidence of the system. Ms Jennifer Collins stated in a survey conducted by the Department of Health on 8 December 1995 that at most 15 of the 117 hospitals which took part in the program showed any long-term benefit in the way of "models of care". She further stated:

As previously noted, the Government pulled the plug on funding for the Waiting List Reduction Program after December 31, 1995 despite a promise by the Minister that it would be ongoing.

This left hospitals in the lurch as they'd borrowed against these funds, leading to a total budget deficit during 1995-96 of \$72 million.

It also created a financial nightmare for hospitals which had temporarily parked patients in Category 4, as they relisted them as ready for care and found the money wasn't available to treat them. 2,600 patients were moved back onto the list between December 1995 and March 1996.

Dr John Ashmore from Lismore Base Hospital gave the following evidence in May 1996:

This has had, and will continue to have, a long term detrimental effect on patient care as hospitals are now having to cut back services to pay back the debts. Savings strategies being forced on hospitals include bed closures, operating theatre closures, staff reductions, part-time hospitals over

holiday periods, crowded emergency departments and pressure on intensive care beds.

... a better solution would be more surgeons to do the work rather than handing out money for a quick fix of the problem over a short term.

The same problem exists today, and the Minister's response is that he will do the same thing again. This year the Northern Rivers Area Health Service received a boost to its budget of \$4 million. Last year it had an overrun of \$3 million, so where is the boost? One might say \$1 million, except that \$1.5 million has to be spent between now and December—a rapid quick fix. How will that area health service operate until March next year without going over budget again by \$3 million, given the growth in the north coast?

When Mr Reid was asked about meeting the resource distribution formula—RDF—the profit funding, he said it was about \$18 million shy. I calculate it is \$60 million on the formula given to the General Purpose Committee No. 2 by the department. No wonder Dr Sherbon is looking older by the day, driving himself crazy and spending an enormous effort trying to manage things. More resources are desperately needed to provide fairness to the people in the Northern Rivers Area Health Service and every other country region, which is in the same boat.

The debts for regional New South Wales alone stand at about \$43 million. Currently the Northern Rivers Area Health Service debt is \$3.5 million or \$4 million, and the Greater Murray Area Health Service debt is approximately \$12 million. These are big figures compared to their budgets. I do not know what the debt is for city hospitals. When regional New South Wales is allocated their budgets this year, they must first pay back that money. Bob Carr issued a press release on 14 March 1995, before anyone could cost it. It stated:

A Carr Labor Government will slash elective surgery waiting lists by 25,000 patients—

which it didn't do—

more than 50 percent—in the first year of office.

State Labor leader, Mr Bob Carr, unveiled his Plan to Slash Hospital Waiting Lists while launching Labor's Health policy in Penrith tonight.

He repeated that statement in Murwillumbah and Coffs Harbour. The press release continued:

This is great news for those waiting in pain and discomfort for hip or knee replacements, cancer treatment or coronary care.

Coronary care is not even surgical. It continued:

Labor will invest in a \$64 million per year plan to employ 800 more nurses, and 500 more doctors and general health workers.

This will staff an extra 500 beds—slashing hospital waiting lists.

This is an achievable plan offset by savings in other areas.

An extra 25,000 patients will be treated in the first year and 100,000 extra patients will undergo surgery in Labor's first term of government.

They did not even get close to 30,000 extra. The former Government had 40,000 extra. The press release further stated:

The Fahey Liberals have closed more than 5,000 public hospital beds, resulting in more than 45,000 patients waiting up to two years for surgery.

Labor will re-open our public hospitals to slash waiting lists.

Every extra dollar Labor commits to hospitals will be paid for by savings cut from the Liberal's waste.

Labor's plan to slash waiting lists includes:

- stopping productivity cuts which will release \$280 million over four years to reduce waiting lists;

Honourable members may be interested to know that the rumour is spreading that every area health service will have a cut of 10 per cent after the election. It continued:

- ensuring the full health budget is spent on health services—last year the health budget had a surplus of \$325 million.

He promised waiting list second opinion clinics and a waiting list ombudsman, but they were never delivered. Not one of these promises was kept.

**The Hon. D. F. Moppett:** And he did not resign.

**The Hon. Dr B. P. V. PEZZUTTI:** No, Dr Refshauge did not resign. I wish he did—and I bet he wishes he had. He looks like an old man now; he looks a lot older than he should. The Opposition is sad that in spite of the waiting list reduction and all the money that has been spent—and there is no doubt that 6,000 extra people had their surgery and benefited from the \$200 million—we do not know how many people suffered and had to wait longer for their coronary angiogram, gastroscopy and colonoscopy. We do not know how many people developed advanced cancer. This has been a tragedy and a travesty of justice. Dr Refshauge has turned the system on its head and nobody believes him

anymore. He does not have the co-operation of the medical profession, nurses or ancillary staff. He is isolated, as is his administrator, Mick Reid.

Sir Timothy Smyth has tried to help them out. He has made sensible suggestions which the Government is not prepared to take up because the Commonwealth Government will not pay for them. Under the nose of public patients Dr Refshauge sought to bring private patients into public hospitals not in the sequence required for admissions to make a few quid on the side to pay for more public patients. It is a good idea but Medicare requires that patients be admitted to hospital on the basis of clinical need not payment. Timothy Smyth, Mick Reid and Dr Refshauge tried to make a few dollars so that the system would look better and not go broke. A few more dollars may have gone into the system but it is more unfair than ever before, particularly to country New South Wales and to patients who cannot afford private care.

**The Hon. D. J. Gay:** He said, "I will write it in blood, if you like."

**The Hon. Dr B. P. V. PEZZUTTI:** Bob Carr wrote it in the blood of Andrew Refshauge, Mick Reid and the Hon. B. H. Vaughan. No wonder the Hon. I. M. Macdonald is losing preselection. He has been on the hospital waiting list committee and has been targeted by the unions. He lied to the people of New South Wales, who are now taking out their revenge on him. They will take out their revenge on the Treasurer also because he cannot add up. The people will not take out their revenge on the Attorney General because he would not have allowed this to happen if he had been Minister for Health. I wish he were the Minister for Health because he is basically honest and does not tell lies.

This is a lengthy report which has required significant commitment, effort and stamina by many members of Parliament. I applaud the chairmanship of the Hon. Elisabeth Kirkby, who set the tone and the pace until towards the end when she wanted the report to be finished because it all became too hard. I congratulate the parliamentary committee support, which came out of nowhere. I congratulate Warren Cahill, who worked extremely hard and did what could be done. He made the necessary arrangements. He produced the dissenting report and a new report, which was an improvement on the one initially produced because the report of Dr Shiraev was totally out of whack.

I congratulate the House on its inquiry and the diligence with which my colleagues the Hon. D. F. Moppett and the Hon. C. J. S. Lynn stuck to the

onerous task. I thank the committee staff for their assistance during the inquiry, which was conducted without the receipt of extra money from Bob Carr. He saved money because he did not appoint a health service ombudsman, but he would not contribute financially to the inquiry. He did not want to find the money.

This report is a disgrace because it does not reflect the evidence received by the committee. The report is not accurate. It should have included the dissenting statements, but it did not. I will rest easy because I have exposed the Government's rorts, which I hope a new coalition government will fix next year. I have written an article for this week's *New South Wales Doctor*, which the Hon. Carmel Tebbutt may like to read. I have also written a major article for a newspaper, which has been applauded by many phone calls.

**The Hon. CARMEL TEBBUTT** [3.50 p.m.]: The Hon. Dr B. P. V. Pezzutti made a lengthy contribution to this debate. I assure honourable members that my speech will not be quite so lengthy because other members wish to contribute to this debate. I am pleased that the Hon. Dr B. P. V. Pezzutti has provided the House with the opportunity to compare the health record of the Carr Labor Government and the former coalition Government. I welcome the challenge. The purpose of the motion before the House is, in part, to take note of the final report of the Select Committee on Hospital Waiting Lists.

The committee examined the outcome of the waiting list reduction program, which was one of the first major health initiatives of the Carr Labor Government. The Hon. Dr B. P. V. Pezzutti made a lengthy dissertation on his view of the waiting list reduction program. However, the House did not hear one word from the honourable member about the coalition's record on health. The honourable member went back to March 1995. Why stop at 1995? It is interesting to look at the state of the New South Wales health system that was inherited by the incoming Labor Government. Let us go back a little further, and then the Hon. Dr B. P. V. Pezzutti might not be feeling so comfortable and confident.

**The Hon. Dr B. P. V. Pezzutti:** How many new hospitals have you built?

**The Hon. CARMEL TEBBUTT:** I will come to that. Firstly, let us look at the coalition's record. The coalition Government presided over a sustained attack on health care services in New South Wales. The coalition's annual productivity cuts of 1.5 per cent devastated the budget of every hospital in New South Wales.

**The Hon. Dr B. P. V. Pezzutti:** That's not true.

**The Hon. CARMEL TEBBUTT:** The Hon. Dr B. P. V. Pezzutti knows it is true. John Howard has admitted that the New South Wales coalition Government cut health funding. The coalition closed, wound down or privatised 30 health facilities—one hospital was under attack every five months. With that record of the coalition Government on health, it is little wonder that the people of New South Wales turned to Labor in 1995. They were sick of hospitals being closed or privatised. They turned to a party that had a commitment to cut hospital waiting lists, strengthen public hospitals and focus on community health, Aboriginal health and mental health. The Labor Party was elected in New South Wales with a clear commitment to improving the public health system and to reducing hospital waiting lists—that is, the waiting list reduction program.

The Hon. Dr B. P. V. Pezzutti is upset about the outcome of this committee report, which is understandable. He thought that the establishment of this committee would be his big chance to prove his credentials so that he could be the coalition's shadow health minister. Unfortunately, the Opposition's political stunt in setting up this committee failed and backfired. The Hon. Dr B. P. V. Pezzutti quoted at length from the report, and I shall also quote from it. The establishment of the committee backfired on the Hon. Dr B. P. V. Pezzutti—which was not the Opposition's grand plan—because it found, as set out in finding No. 7:

... the Committee finds that even though there is some question as to the precise reduction, between March and December 1995 elective surgery lists were halved. The total waiting list was also halved.

Clearly the findings of the committee are not to the Opposition's liking. It did not want the committee to make that finding. The Opposition now attacks the credibility of a committee that it was instrumental in establishing and that it participated in. When the findings come out and they do not like them they attack the credibility of the committee. Even worse, they attack the credibility of the chair of the committee. The Hon. Dr A. Chesterfield-Evans, who will be speaking in the debate after me, will no doubt address those issues.

The waiting list reduction program was an ambitious mobilisation of the New South Wales health system to deal with the years of neglect from the former coalition Government. The program was introduced as a 12-month program with funding of \$75 million. Between 31 March and 31 December

1995 the elective surgery waiting list in New South Wales decreased by 25,118 patients, or 56.2 per cent. The combined medical and surgical list was reduced by 50 per cent. The number of patients waiting more than 12 months reduced by 78 per cent, and waiting lists, expected waiting times and average waiting times decreased in all categories.

The improvements to patient management in the New South Wales health system were as important as the reduction in waiting lists. The program resulted in most area and district area health services introducing or improving their systems of management of elective surgery. Hospitals improved their clerical audit practices and patients were given a wider range of choice in treatment options. A number of area health services introduced models of care for the first time. The great and lasting success of the waiting list reduction program was that doctors, nurses and administrators worked together to achieve fundamental change in the management of waiting lists.

The people who work in health—the people who try hard to ensure that New South Wales has the best health system; and I know that the Hon. Dr B. P. V. Pezzutti has acknowledged we have the best health system in Australia—might appreciate the Hon. Dr B. P. V. Pezzutti's acknowledgment of their hard work during the waiting list reduction program. The hard work of the health practitioners was recognised in the select committee report, which includes some of the positive effects of the waiting list program as being improvements in overall productivity, the increased use of same-day surgery, better networking of services, pooling of lists between practitioners, the development and use of benchmarks, and the significant reduction in the number of patients waiting long periods for their surgery.

There is no doubt that, by any measurement, the waiting list reduction program was a success. The Coopers and Lybrand audit and the select committee found that to be so. Opposition members do not like to hear this because they thought the select committee would find something different. However, the select committee found that waiting lists were halved and long-term reforms were introduced that have improved the quality of care and access to public hospitals in New South Wales. Opposition members can make all the politically motivated claims they like, but the report's findings speak for themselves.

The select committee identified areas for improvement and change. In particular, it recommended that waiting times be used as the

indicator of choice rather than waiting list numbers, and that the resourcing of elective surgery should not be pursued to the point where a disproportionate burden is placed on other services, such as emergency care and community health. The Government has, in effect, addressed these and a number of other recommendations of the select committee. We are talking about a report that is nearly two years old. Time has moved on, and it is time we looked at some of the significant impacts on health policy in New South Wales since the completion of the waiting list reduction program. One of the most significant was the election of the Federal coalition Government. The three budgets of the Howard Government have cut more than \$2 billion from the New South Wales health system.

**The Hon. Dr B. P. V. Pezzutti:** That is not true.

**The Hon. CARMEL TEBBUTT:** I will tell you what is true: the major loss suffered by New South Wales is the totally unjustified cut of \$103 million from the hospital funding grant—that is \$34 million per annum. The abolition of the Commonwealth dental health program has resulted in the accumulated loss of more than \$95 million for the New South Wales public dental health system—another cut by the Commonwealth Government. The Commonwealth's changes to aged care will shift costs to the States and will disadvantage older people. The impact on waiting lists is also compounded by the Commonwealth's abject failure to address the decline in private health insurance levels. In the past five years the exodus from private health insurance across Australia means that now over 1.3 million more people are relying on public hospitals.

This year alone the fall in private health insurance is costing New South Wales public hospitals \$288 million. The Commonwealth has failed to compensate the State for the additional financial burden transferred to the public hospital system. The Howard scheme to halt the decline in private health insurance is a failure. Not one patient has benefited from the Commonwealth's \$1.8 billion health insurance incentive program. This money would have been better spent on the public hospital system. The biggest impact on waiting lists in New South Wales is the failure of the Commonwealth Government to address the decline in private health insurance. Every time private health insurance in New South Wales drops by 1 per cent another 3,000 people are added to the public hospital waiting lists.

**The Hon. Dr B. P. V. Pezzutti:** That is not true. You are swallowing the Refshauge line.

**The Hon. CARMEL TEBBUTT:** This is not just the line of the Minister for Health in New South Wales. Even the Opposition's Liberal counterparts in other States acknowledge this. The Victorian Minister for Health, Rob Knowles, has publicly said that the Federal Government's failed private health insurance scheme had forced more people into public hospitals and added to waiting lists. Even members of the coalition acknowledge that the Federal Government has failed to address the declining levels of private health insurance, which has added to waiting lists. The Carr Government has been trying to protect New South Wales from the worst excesses of the Howard Government's failed health policies. To protect New South Wales patients the Government has dramatically increased health funding.

Since 1995 health funding has increased by \$1.3 billion to an historic \$6.6 billion. Funding for rural areas has increased by a significant 34.3 per cent. In fact, during the estimates committees in March, the Hon. Dr B. P. V. Pezzutti applauded the Government for putting record funding into rural health. Even he acknowledges the increased funding that has gone into New South Wales health since the election of a Labor Government. The Carr Government has also embarked on a massive capital works program. Some 68 new facilities have been opened, including new hospitals, health facilities and major redevelopments. Another 107 capital works are on their way. Blacktown, Illawarra, Sutherland, Nepean, Blue Mountains and Broken Hill are just some of the hospitals that are being significantly redeveloped.

Most pleasing of all is the re-opening of Kiama hospital, one of the 30 hospitals closed or wound down by the former coalition Government. The huge investment in health by the Carr Government has enabled New South Wales hospitals to continue to perform well, despite reductions in Commonwealth funding. Patients in New South Wales continue to have some of the shortest waiting times in Australia for surgery. This has been made possible by a substantial increase in services delivered in 1997-98. In that year a record 1,346,000 patients were admitted, or 30,000 more than in the previous 12 months. In July 1998, average waiting time for booked medical and surgical patients was just under six weeks. At the end of July, 96 per cent of targets were met for patients waiting longer than 12 months and 92 per cent of targets were met for urgent and high priority patients waiting longer than 30 days.

During July an average of 3,771 patients per day attended emergency departments in New South

Wales public hospitals. Despite the fact that in the past three months nearly 4,000 people per day have been leaving private health insurance—which has added 1,800 people to the waiting list—and the traditional winter impact, waiting list figures for July fell slightly by 73 to 49,641. The pressure on the public health system across Australia is well documented. In New South Wales the Carr Government has staved off the worst impacts by its huge funding commitment. This is in stark contrast to the Opposition, whose only commitment to health is to privatise hospitals, such as the spectacularly unsuccessful Port Macquarie Base Hospital. I would like to know how the coalition can justify that.

The New South Wales Government is continuing to work to improve all aspects of the management of elective surgery by incorporating best-practice principles. For example, streamlining admission and discharge processes, increasing the number of same-day admissions and day surgery, and increasing the emphasis on specific groups of patients, including urgent category patients waiting longer than 30 days and patients waiting longer than 12 months. This year \$650 million has been spent on elective surgery. The system is treating more patients than ever. More than 20,000 patients per day receive treatment in our public hospital system. Two patients come through the doors of New South Wales emergency departments every minute.

In keeping with the select committee's recommendations, the health system is meeting the challenge of finding the balance between emergency admissions and elective surgery through the priority access strategy. The New South Wales health system is world class, based on the principles of universal coverage and equity of access to our hospitals on the basis of clinical need. Despite the best efforts of the Howard Federal Government, New South Wales is much better placed than the other States because the Carr Government has massively increased funding to health. Despite Mr Howard and the huge number of patients, New South Wales still has the lowest waiting lists per capita compared with every other State in Australia.

One of the most useful recommendations of the select committee was that the focus of political debate should change from that of waiting lists to that of waiting times. The Hon. Dr B. P. V. Pezzutti knows this, because he participated in the committee, and he knows what the committee said on that matter; it is set out in the committee's recommendations and the body of the report. If we are serious about addressing the administration of our public hospitals, we must start talking about waiting times, not waiting lists. The Government is

doing its bit; it is time the Opposition did likewise. If the Hon. Dr B. P. V. Pezzutti is so concerned about the New South Wales health system, his time would be better spent trying to convince his Federal colleagues to give New South Wales a fair deal in health funding, rather than discussing a report that is nearly two years old.

**The Hon. Dr A. CHESTERFIELD-EVANS** [4.09 p.m.]: Honourable members have listened to a tirade from the Hon. Dr B. P. V. Pezzutti about the findings of the Select Committee on Hospital Waiting Lists. As my predecessor, the Hon. Elisabeth Kirkby, is no longer here to defend herself, I will defend her.

**The Hon. D. J. Gay:** You do not have to; she was all right on this committee.

**The Hon. Dr A. CHESTERFIELD-EVANS:** She was attacked by the Hon. Dr B. P. V. Pezzutti in his contribution. There is no better way for me to lend her support than to quote her contribution to this House on 6 May 1997. Strangely, nothing much seems to have changed since then. She said:

I was selected as chair of the committee—not because of any real desire by the committee to have a crossbench member, an Australian Democrat, as an impartial adjudicator but because the Opposition members of the committee would not accept a Government member as chair and the Government members would not accept an Opposition member as chair. So I was placed in a position of peril from the start. I would go so far as to say that my position as chair was untenable from the beginning.

She continued:

... not one single submission was received from a member of the public. So the evidence presented to the committee was either from departmental sources on the one hand or sources in opposition to the Premier's promise on the other. In a previous debate, the Hon. Dr B. P. V. Pezzutti, a committee member... referred to the way the recommendations were finally voted. He said, quite rightly, that on the majority of occasions on which there was an equality of votes the chair cast her vote with the noes. I do not resile from that. It was essential; I had no alternative. I did not like using a casting vote on so many occasions. However, during the time the report was being written, which was long after the evidence had been heard, Opposition members of the committee, particularly the Hon. Dr B. P. V. Pezzutti, were determined to rewrite what had been previously agreed should be contained in the report.

The Australian Democrats' position is, first, that waiting lists were reduced by the surgeons' knives, not merely by the stroke of a pen. For example, my former mentor, Dr V. A. James, came out of retirement to do extra work at Kiama District Hospital. He commented that when he finished his extra session there were no waiting lists in general

and vascular surgery. While there was some bickering about waiting lists, some progress was made. Second, priorities were distorted by the promises. Money was spent in advance, and later in the financial year hospitals were correspondingly short of money. Third, a promise was made by the Premier in election mode, not by the health Minister in sober judgment. As my predecessor, the Hon. Elisabeth Kirkby, said again in her speech of 6 May 1997:

... my view was that reducing waiting lists or waiting times alone would not solve the problems of the hospitals or the problems relating to the delivery of health care in this State; many other matters had to be tackled.

I made it clear that although I did not believe the promise made by the Premier was a sensible one, I certainly did not accept the view that had been expressed by some people that the whole exercise had been a total waste of money, was responsible for the blow-out in the budget of the Department of Health and, in fact, was responsible for everything that had gone wrong in the department since the Labor Party took office.

She continued:

The new coalition, economic rationalist government decided to cut funding to the States. It did so very savagely, thus making it almost impossible for the Labor Government in New South Wales to deliver both health and community service needs. Rather than attempting to politicise hospital waiting lists it would be far better if the Opposition, whose Federal colleagues are now of their own parties, lobbied the Federal Treasurer, the Federal Minister of Health and Family Services and the Prime Minister for greater funding for the States for both health and community services.

I endorse those views. The situation is probably made worse by the private health insurance subsidies. Overall, the Australian health system has done well at cost containment. That is somewhat surprising given that Australia has a high component of private health insurance by Organisation for Economic Co-operation and Development—OECD—standards, running at about 32 per cent of the population. It should be noted that Australia spent 8.9 per cent of gross domestic product on health and is one of only three countries in the 25 countries that form the OECD that did not have an increased in GDP spending on health in the decade 1980 to 1990.

**Pursuant to standing orders business interrupted. The House continued to sit.**

#### REGULATION REVIEW COMMITTEE

##### Report

**The Hon. Janelle Saffin**, on behalf of the Chairman, tabled report No. 15/51 entitled "Report on Regulations", dated September 1998.

**Ordered to be printed.**

#### SPECIAL ADJOURNMENT

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

That this House at its rising today do adjourn until Wednesday, 16 September 1998, at 2.30 p.m.

#### QUESTIONS WITHOUT NOTICE

##### Supplementary Answer

#### ELECTRICITY COMPANY FINANCIAL RISK MANAGEMENT

**The Hon. M. R. EGAN:** In question time the Hon. Dr Marlene Goldsmith asked me about electricity distribution. Since then I have had the opportunity to ascertain from Treasury whether it initiated any work in relation to electricity contracts of the eight State-owned corporations and Pacific Power. I can confirm that as part of a shareholder's monitoring role Treasury has commissioned Macquarie Risk Advisory to assist in improving the monitoring, from a shareholder perspective, of energy trading activities. In particular, it has been asked to review the risk management policies put in place by agencies; develop and implement an appropriate level of disclosure for each agency in the statement of corporate intent of each agency which sets out capital at risk and performance benchmarks; and, develop the parameters of an ongoing monitoring program to coincide with quarterly reporting.

In order to undergo this task Macquarie Risk Advisory has also been asked to review, as at 30 June, existing contract portfolios and to advise on the performance to date. It must be noted, as I said in response to the interjection of the Hon. D. J. Gay, that the purpose of the exercise is to improve the existing shareholder monitoring framework. I emphasise that it is not to enable Treasury to substitute its commercial judgment for those of the utilities commercial managers.

#### ADJOURNMENT

**The Hon. R. D. DYER** (Minister for Public Works and Services) [4.16 p.m.]: I move:

That this House do now adjourn.

#### BROTHELS LEGALISATION

**Reverend the Hon. F. J. NILE** [4.16 p.m.]: Last Thursday night I was privileged to take part in a protest meeting, attended by a large number of people, at the Islington Baptist Church Hall in Newcastle. The meeting discussed the problems

faced by Newcastle City Council about the implementation of the Disorderly Houses Amendment Act, which legalised brothels in New South Wales. Honourable members have been flooded with complaints from all over the State—from councils, churches and individuals—since the Act was passed in 1995.

The results of a statewide survey conducted by the New South Wales Council of Churches show that the Government's decision to legalise brothels has clearly not worked. It must be noted that the legislation was introduced by the Labor Government and supported by the coalition, the Australian Democrats, the Greens, the Hon. R. S. L. Jones and the Hon. A. G. Corbett. In releasing the survey the council's President, Reverend John Edmondstone, labelled the Government's legislation as buck-passing and window-dressing. He said:

This legislation is now two and a half years old and we now have had plenty of time to evaluate just how successful the Government's decision to legalise brothels has been. In a word, it has been a disaster.

When the Government pushed for community support for the legislation, the cry was that a legalised brothel would be a safer and more hygienic environment for workers in the sex industry to work and that there would be tighter health controls on the sex industry.

At the time, we were told that with local government monitoring brothels more stringent controls could be made on brothel establishment; the spread of sexually transmitted diseases would be reduced; infiltration of crime elements would be a thing of the past; and street prostitution would disappear as sex workers moved indoors.

I note that Mr Edmondstone used the misnomer "sex workers". The true definition of "sex worker" is a person who provides counselling or medical treatment for people with sexual problems. It is misleading to seek to define "prostitutes" as "sex workers"; to do so creates confusion. Mr Edmondstone did use that term; I just make that point. He continued:

What has happened is that the state government has passed the buck to local government giving them responsibility to administer brothels but with very little authority. Local Council's hands are tied if they are given the responsibility but little or no authority.

We have seen many cases where a local council has refused to grant a licence to an applicant to operate a brothel only to see the applicant gain state government approval to override the local council decision through the Land and Environment Court.

Mr Edmondstone said that the survey revealed the following facts:

That crime has not been eradicated from the sex industry.

People (particularly Asian visitors on tourist visas) are still being bashed, raped and forced to participate in unsafe sex practices for their unscrupulous bosses.

I note that the Disorderly Houses Amendment Act also legalised living off the earnings of a prostitute—in other words, legalised pimping. The survey also showed:

Many Asian visitors are forced into sex slavery situations.

Numbers of people infected with sexually transmitted diseases are still high and cases of some strains have increased dramatically since the laws governing brothels were changed.

Mr Edmondstone said:

With the number of cases of some types of hepatitis and some sexually transmitted diseases dramatically increasing since brothels were legalised, why would anyone try to suggest that legalisation would produce a safer or more hygienic environment? It's absurd.

The public meeting at Islington resolved unanimously that the New South Wales Labor Government and the New South Wales Parliament should reintroduce the laws prohibiting brothels in New South Wales, the laws prohibiting street prostitution and the laws against living off the earnings of a prostitute, and called on the New South Wales Government to restore the powers of local councils to reject brothels anywhere in their council areas of responsibility. Newcastle City Councillor John Tate and other community leaders were present at that meeting. [*Time expired.*]

## LEGAL SYSTEM SCRUTINY

**The Hon. B. H. VAUGHAN** [4.21 p.m.]: I draw to the attention of the community the fact that the legal system, certainly the judiciary, is being increasingly scrutinised by a well-educated, well-informed, assertive public, particularly after the appearance of Justice Vincent Bruce in this Chamber. I have distilled from two publications, the first, *Justices and Presidents: A Political History of Appointments to the Supreme Court (United States)*, Oxford University Press, 1992, and *Inside the Canadian Judicial System, Judges and Judging*, James Lorimer and Company Publishers, Toronto, 1990—the authors being the eminent American jurist, Professor Henry J. Abraham, and in co-authorship the Canadian jurists McCormick and Greene—that the ideal prerequisites for a judicial officer are industry, diligence, a judicial temperament—for example, patience and empathy—professional expertise and competence, and absolute personal as well as professional integrity.

As the arbiters of justice, members of the judiciary must perform their functions fairly, thoroughly, efficiently and with appropriate dignity. In my view, a person invited to take up an appointment as a judicial officer ought to undertake, as well as a superannuation dictated health examination, a psychological examination. Only such an examination can gauge especially the matter of judicial temperament. Let us seriously investigate benchmarking the bench.

We cannot afford to condone the perception of judicial incapacity with the rationale that the individuals appointed are such an elite that demonstrated extremes of injudicious performance, say whilst at the bar or as an attorney, exist unchecked. A few simple steps may be suggested. It is a maxim that justice must not only be done, but must be seen to be done. Historical methods used by the judiciary to ensure quality performance and accountability have not always succeeded. Benchmarking compares performance to a standard, preferably to objective standards of best practice.

A psychologist indicated to me that the process of identifying and describing accurate assessment of competencies critical to successful conduct by a professional group can in itself significantly contribute to enhanced performance. Psychological assessments can be designed specifically to test temperament, aptitudes and competencies in relation to performance in simulated experiences. A judge's fundamental role is to make decisions based on enormous amounts of information. The ability to make decisions can be assessed using various methods, including appropriate psychometric instruments; assessment centre methodology; and behavioural interviewing techniques. Remember: there is no decision worse than failure to make a decision because the failure to make a decision is the only decision that can be rectified by making a decision.

Independence of the judiciary is one of the pillars of a pluralist democratic society and is based on public confidence. All here know that removal of a judge can only be exercised by both Houses of Parliament based on incapacity, yet we avoid defining "competence". Recent events in this House aroused concerns regarding the process by which we make decisions in the public interest in relation to this critical issue. Retaining judicial independence does not mutually exclude developing systems of accountability. The Judicial Commission already has responsibility for the education of judges and dealing with complaints against judges. To add the responsibility to develop a recruitment appraisal component would seem to us most logical.

Excellent comprehensive competency testing and performance assessment systems have been developed and applied to numerous public and private sector organisations. Successful implementation is contingent upon the quality of research, excellence in design, standards of training of assessors, and level of co-operation of subjects. It behoves us to protect and support the independence of the judiciary. Applying appropriately targeted, suitably developed recruitment procedures would assist in improving both the output of the justice system and the community perception of our legal system. Many an outstanding counsel has been a disastrous judge.

### FLOOD RELIEF

**The Hon. D. F. MOPPETT** [4.26 p.m.]: Earlier today I referred to the successive floods that have been visited on the north-west of New South Wales since July of this year. During the course of the exchange between myself and the Government Leader on the topic, he gave us a timely reminder that there have also been very damaging floods in Wollongong, in particular, and also in Bathurst. I would certainly like to extend my sympathy to the people in those communities who have suffered quite severe damage. But I wanted to come back to the damage that is being experienced in the west, in particular in the Namoi, Gwydir and Macintyre Valleys in this great State of New South Wales.

It is easy to become involved in the instant news that is served up to us every day on the television and to think that all the suffering has been centred on, for instance, Gunnedah or Narrabri, or perhaps even Wee Waa, and to forget that on those vast plains in the north-west of the State the water has moved out over a huge area and is ever so slowly moving away. The damage, of course, has been assessed in terms of agricultural production, which is at a critical point. Any further rain will virtually write off the winter cereal crop and will impinge on proposed summer plantings of a wide variety of crops, including sunflower and cotton in the north-west, which worth literally hundreds of million of dollars.

A particular aspect of the suffering of those communities—and most honourable members would be aware that I live in the area—is the length of time over which the floods will be sustained. When it commenced in July, I was travelling from Wee Waa through Burren Junction to Walgett. I could see then that the area was at absolute saturation point. Many of the cereal crops were already in jeopardy. We have had successive rain events that have caused five and, in some particular valleys, six floods of major proportions.

I had the privilege yesterday of flying over the worst affected areas. Around Wee Waa, Walgett and through to Burren Junction, there is literally a sea of water. It is a matter of speculation when the water will finally drain off and evaporate. However, further rain is forecast for the weekend and beyond, for a further two or three days. A major catastrophe is threatening. The suffering extends beyond that of a farmer losing a crop season; many small towns will suffer adversely.

Shearers have not had work for months. Itinerant workers in the cotton industry have been delayed and now their whole season will pass by without any income for them in that area. I heard of a family in the Mungindi area that went to Victoria to seek work in the fruit season. It started to rain there and they spent two or three weeks waiting before returning to Mungindi in time for the next flood. The interruption to the average income of families in the area is of great concern and impinges on small businesses such as grocery stores. Suppliers to agriculture are finding that there are no orders. It is difficult for them to maintain their staff, which is of tremendous concern.

Beyond that, schooling and normal social functions have been grossly interrupted. Children have been boated across the water to continue their education. I think I speak on behalf of all members of the House in saying that our sympathy goes out to these people. I hope that my request to the Treasurer which was taken on board today will be sympathetically dealt with by all arms of government and whatever funds are necessary will be made available to the deserving people affected.

#### FOREST ASSESSMENT PROCESS

**The Hon. I. COHEN** [4.31 p.m.]: I wish to state my concerns and the fears of the conservation movement in relation to the New South Wales Labor Government's potential backsliding on the forest assessment process. I hope the fears are not justified but I need to state them in the Parliament. For many years, particularly in the 3½ years of the Carr Government, the conservation movement has made an intense and sincere attempt to work on a compromise with all players in the industry—unions, government departments and others.

In September 1996 New South Wales Cabinet adopted a timetable to complete four comprehensive regional assessments before the completion of its first term in government. These involved the Eden forestry management area, the upper north-east region, the lower north-east region and the southern region. So far the Government's performance in

delivering on these commitments has been lacklustre in many areas. This is of great concern to the environment community.

The Eden regional assessment has been a debacle. It suffered a seven-month delay earlier this year because the Commonwealth Government wanted to rig the results of social and economic studies to favour the timber industry. The Commonwealth Government has played political football, to the detriment of this vital issue. The Commonwealth produced a document riddled with mistakes and misinformation, and the New South Wales Government let it do it. I now understand that the final decision on the Eden forest assessment will be announced next week and that all those who were hoping for a conservation outcome will be disappointed.

It seems that the Construction, Forestry, Mining and Energy Union has insisted that its members' jobs come before the protection of the State's threatened species or the proper implementation of the Government's policies. I am on record in this House clearly stating concern about sustainability in the forestry industry in perpetuity and about funding of job guarantees over time by the Environment Trust Fund so that there is balance in the industry.

The conservation movement, the Greens New South Wales, of whom I am a representative, have bent over backwards to facilitate a balanced package that would maintain as many jobs as possible in an industry that was otherwise dying. The assessment of the southern region, including the Tumut area, has now been abandoned as unachievable before March 1999 because of the inability of the Government to organise the timely commencement of the necessary studies. The regional assessments for the two north-east regions have now been seriously, and possibly fatally, delayed because of the bullying of the CFMEU. Never mind the smokescreen about the non-participation of the Commonwealth holding up the negotiations for the upper and lower north east regions; the strongarm tactics of the CFMEU are responsible for the delay.

This week has seen the most ugly developments in this dispute which has been going on for over 10 years. On Monday the CFMEU and the industry groups, the Forest Products Association and the National Association of Forest Industries, walked out of the negotiations over the future land use of the publicly owned native forests in the State's north-east demanding that they be postponed until after the Federal election. Despite its public commitments to complete the forest assessments and

introduce legislation, the Carr Government caved in this week and put off the start of negotiations until 6 October.

What has the Federal election to do with the forest assessment process? In reality, nothing. There are no legal or constitutional conventions which would prevent Commonwealth officials from completing routine processing of information or the forwarding of already developed maps and data layers to the New South Wales Government. A great deal of work has been put into the process. The conservation movement has used best practice in science to analyse the situation.

The Carr Government has the opportunity to go into the next century with a conservation position second to none. I am very fearful that this failure could lead to more discord in the forests and a breakdown of communication between many sections of society that should be capable of compromising, as the conservation movement has, to achieve a situation in which we can maintain our wonderful forestry heritage and create sustainable jobs on plantation areas in perpetuity for an efficient timber industry.

#### MUTAWINJI HAND-BACK CEREMONY

**The Hon. JAN BURNSWOODS** [4.36 p.m.]: I place on record my appreciation of the ceremony which took place at Mutawinji National Park last Saturday. I and many other Labor members of Parliament took part in the handover of Mutawinji National Park to the traditional owners. The ceremony was the culmination of many years of work by many people, dating back to the blockade by the Aboriginal people in 1983. Maureen O'Donnell, who participated as one of the Aboriginal elders, spoke movingly about that blockade.

The handover was a wonderful occasion, particularly for Colin Markham, the Parliamentary Secretary for Aboriginal affairs. When he was the shadow minister he fought hard to get the necessary legislation through. I was glad to see Tim Moore included on the list of speakers. As honourable members opposite will know, he tried to get the former Government to pass the necessary legislation, but he failed because that Government was so ungenerous. I was proud to be there with numerous other members of the Labor Party's Aboriginal and environment committee who had played a role, no matter how small, in making the handover possible.

Mutawinji is a fantastic place. On Saturday it seemed even better than it had on my previous visit—partly because the rain showed what the countryside must have looked like throughout all those thousands of years when Aboriginal people from all over Western New South Wales used

Mutawinji as a meeting and ceremonial place. I pay tribute to those who took a leading part in the ceremony: members of the Mutawinji Local Aboriginal Land Council; William Bates, the chairman of the council; Mark Sutton, the master of ceremonies; and the people from other Aboriginal groupings, including the traditional owners of Uluru, who had come from the Northern Territory.

It was a great moment when Premier Bob Carr handed the documents over to the traditional owners, who in turn handed the lease back to him. Then there was a symbolic stencilling of the hands of the Premier and Councillor Bates onto the rock. It was the latest stencilling in a tradition extending back 15,000 years. The previous day, with a number of other Labor members, I visited Lake Mungo, where we took part in an official ceremony at the new display at the visitors' centre. We also had another opportunity to inspect the lunette and the record of Aboriginal civilisation dating back 40,000 years.

I am certainly looking forward to the continuation of the process, as provided by the legislation, of handing over these national parkes to the traditional Aboriginal owners. Lake Mungo, Jervis Bay, Mount Grenfell and others are under discussion at the moment. This important symbolic process is also part of reconciliation. I conclude by quoting Bill Bates, who showed great emotion but also a great sense of humour in reminding conservationists in this House and elsewhere who opposed the legislation that it is unlikely that the Aboriginal people would start to eat the yellow-footed rock wallaby, because it was their totem and they had been looking after it for some 15,000 years.

#### OPEN HOUSE

**The Hon. PATRICIA FORSYTHE** [4.40 p.m.]: During the parliamentary break I took the opportunity to visit many community-based welfare organisations in many parts of New South Wales. Among the groups that I was pleased to meet was the management committee of Open House, a medium-term youth service operating in the lower Blue Mountains. Open House is the only youth service of its type between Bathurst and Pendle Hill and, therefore, in a geographic sense alone fills an important void.

Open House provides an important service. Sadly, for a variety of reasons some young people cannot live at home. Some are not wanted, others have difficulty getting on with parents, siblings or other family members. Illness or disability of another family member may make being cared for at home difficult. I regret that so many young people are in some form of out-of-home care, but it is important not to make value judgements about such

young people. Open House provides care for a group of young people—up to six at any time generally aged 12 to 18 years—and also supports two other young people in semi-independent living. Most of the young people in its care will attend a local high school, though at this time one resident chooses to attend the high school she has always attended. As there is no other closer accommodation for her, this necessitates her travelling about one hour each way each day.

I was pleased to meet a number of the staff of Open House. They struck me as being caring and dedicated, yet at the same time frustrated by a system that has made it difficult for the service to operate to the maximum of its capacity. Caring for the young people who stay at Open House requires a caring approach, and staff are required to give 24-hour care. That is no longer possible because of cutbacks in the grant to Open House. On Monday to Friday between 9.30 a.m. and 2.30 p.m. it is now necessary for the service to close, and staff have had to take cuts in their hours.

Most young people would be at school or TAFE at those times, but the reality is that in a group of six young people it regularly happens that one of them is at home. We heard of one young person who had a pupil-free day at school. She had to be given a packed lunch and sent off to the pictures because of the lack of adult supervision. In another case one resident had to go to school unwell because there was no-one to care for him. Families often have to make these decisions, but these young people are in different circumstances and they simply cannot be left in the house; the responsibility is too great. The solution to improving the care provided by Open House lies in the hands of the Carr Government. I call on the responsible Minister, Faye Lo Po', to be generous in her response to the needs of Open House, its residents and its staff.

**Mr PETER MICHAEL HORE**

**The Hon. M. J. GALLACHER** [4.43 p.m.]: I raise concern about the distasteful incident that occurred recently at the funeral of T. J. Smith. I am sure all honourable members would have been shocked to see the unemployed dancer and musician Peter Michael Hore run up onto the altar at T. J. Smith's funeral, calling out offensive comments to the family and friends of T. J. Smith and then make a move towards the coffin. Apparently this fellow was taken from the cathedral and police later released him without charging him.

This is not the first time Peter Michael Hore has acted in an offensive way. I ask honourable members to cast their minds back to the recent funeral of Michael Hutchence. In the course of that service Mr Hore ran forward, holding a cord around his neck, and shouted, "This is how he did it, Paula," in front of all the family and friends of Michael Hutchence. He was led away from the cathedral but once again he was not charged.

Last year Mr Hore delayed the Melbourne Cup. That was in Victoria, and he was gaoled for one month, yet in New South Wales he gets absolutely zero. Is this what the Carr Government means by zero tolerance? Does zero tolerance equal zero action? This fellow obviously fancies himself as Australia's answer to Neil Godden, the man who likes to throw custard tarts or cream pies in people's faces, such as he did last year to Bill Gates. The actions of the New South Wales Police Service have to be brought to account. Why was this fellow not charged? I have written to the Commissioner of Police and I expect him to give an explanation in reply.

I am sure all honourable members in this Parliament would condemn the unacceptable actions of Mr Hore. Funerals are no-go zones. He seems to take every opportunity he can to put forward his pathetic views, but he is committing a criminal offence by acting in this manner. If he wants to protest, there are proper ways to do so. His actions are totally unacceptable in this country and he should be held accountable.

I am assured that each honourable member in this Chamber would support me on that. This type of action cannot be allowed. Mr Hore was also seen before the World Cup soccer game between Australia and Iran. After the event the Australian players said that the hold-up in the game caused them a fair degree of distress and loss of concentration, with Australia failing to qualify for the World Cup. He continues with this unacceptable behaviour not only in New South Wales but elsewhere throughout Australia. He has built up a modus operandi that shows he has contempt for the courts. He should be brought before a court in New South Wales and held accountable, consistent with comments bandied around by the Government.

**Motion agreed to.**

**House adjourned at 4.45 p.m. until  
Wednesday, 16 September 1998, at 2.30 p.m.**