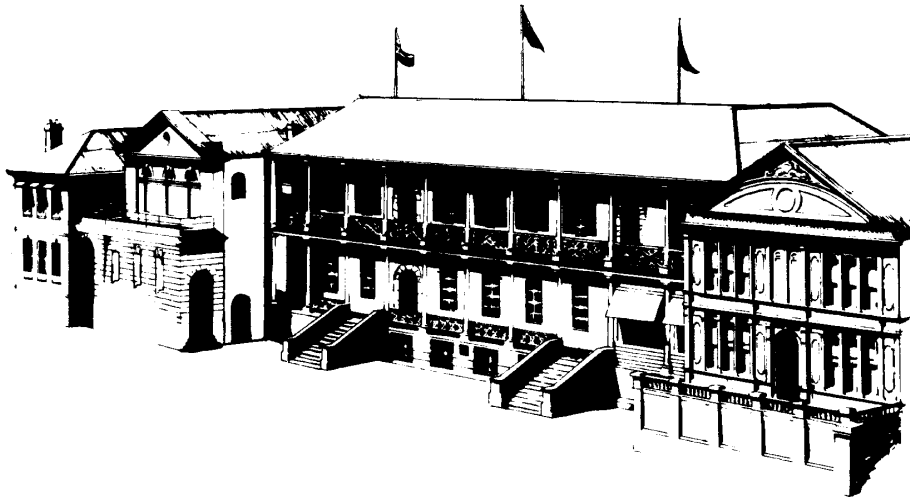




New South Wales



Legislative Council

PARLIAMENTARY DEBATES (HANSARD)

FIFTY-SECOND PARLIAMENT
FIRST SESSION

OFFICIAL HANSARD

WEDNESDAY 10 NOVEMBER 1999

Authorised by the
Parliament of New South Wales

LEGISLATIVE COUNCIL

Wednesday 10 November 1999

The President (The Hon. Dr Meredith Burgmann) took the chair at 11.00 a.m.

The President offered the Prayers.

M2 PROJECT FINANCING

Motion by the Hon. R. S. L. Jones agreed to:

1. That under Standing Order 18 and further to the order of the House of 21 October 1999, there be laid on the table of the House by 5.00 p.m. Wednesday 18 November 1999 and made public without restricted access:
 - (a) the legal advice referred to in the undated letter from the Acting Chief Executive, Roads and Traffic Authority [RTA] to the Director-General, Premier's Department, relating to the M2 Motorway, lodged with the Clerk of the House on 28 October 1999, and any document which records or refers to the production of documents under the previous order of the House,
 - (b) the M2 Motorway equity information memorandum issued on 29 March 1994, referred to in privileged document No. 60,
 - (c) a list showing the description of all RTA files relating to the M2 Motorway,
 - (d) any document which records or refers to the production of documents as a result of this order of the House.
2. That anything required to be laid before the House by this resolution may be lodged with the Clerk of the House if the House is not sitting, and is deemed for all purposes to have been presented to or laid before the House and published by authority of the House.
3. Where it is considered that a document required to be tabled under this order is privileged and should not be made public or tabled:
 - (a) a return is to be prepared and tabled showing the date of creation of the document, a description of the document, the author of the document and reasons for the claim of privilege, and
 - (b) the documents are to be delivered to the Clerk of the House by 5.00 p.m. Wednesday 18 November 1999, and:
 - (i) made available only to members of the Legislative Council, and

- (ii) not published or copied without an order of the House.

4. That in the event of a dispute by any member of the House communicated in writing to the Clerk as to the validity of a claim of legal professional privilege or public interest immunity in relation to a particular document:

- (a) the Clerk is authorised to release the disputed document to an independent legal arbiter who is either a Queen's Counsel, a Senior Counsel or a retired Supreme Court judge, appointed by the President, for evaluation and report within five days as to the validity of the claim, and
- (b) any report from the independent arbiter is to be tabled with the Clerk of the House, and:
 - (i) made available only to members of the Legislative Council, and
 - (ii) not published or copied without an order of the House.

BILLS UNPROCLAIMED

The Hon. J. W. Shaw tabled a list detailing all legislation unproclaimed as at 9 November 1999.

GENERAL PURPOSE STANDING COMMITTEE No. 5

M5 East Ventilation Stack Inquiry

The Hon. R. S. L. JONES [11.08 a.m.]: I inform the House that, in accordance with the provisions of the resolution of the House of 13 May 1999 establishing the General Purpose Standing Committees, General Purpose Standing Committee No. 5 resolved at its meeting on 28 October 1999 to adopt terms of reference for an inquiry into the M5 East ventilation stack. As the terms of reference are lengthy, I seek leave to have them incorporated in *Hansard*.

Leave granted.

1. That General Purpose Standing Committee No. 5 inquire into and report on the changes and current plans for the M5 East ventilation stack, and in particular:
 - (a) the environmental impact of the new single stack,

- (b) the evidence for the current design of the ventilation stack and alternative possibilities for the management of air polluting substances,
 - (c) a rigorous and open risk assessment integrated as part of any ventilation proposal, and
 - (d) appropriate guarantees for all affected residents and businesses.
2. That the committee report by Wednesday 8 December 1999.

LEAVE OF ABSENCE

The Hon. J. H. JOBLING [11.08 a.m.]: I move:

That leave of absence be granted to the Hon. Dr B. P. V. Pezzutti from 15 November to 18 December 1999 for service with the peacekeeping force in East Timor.

I have no doubt that some of my colleagues will speak to this motion as they are very keen to see our colleague's service and medical skills extended and put to great advantage. The purpose of the motion, however, is simply to place on the record of this House, for future generations to note, the fact that one of our colleagues, the Hon. Dr B. P. V. Pezzutti, a colonel in the medical corps, has on a number of occasions served with distinction, both overseas and in this country.

It is pleasing to note that one of our own has chosen to volunteer for active service in an overseas location that is fraught with danger and numerous potential hazardous situations. The Hon. Dr B. P. V. Pezzutti has in fact served his country on a number of prior occasions in areas that could only be described as war zones. Such an opportunity is not granted to many of us, and I feel certain that in supporting the motion honourable members will commend the Hon. Dr B. P. V. Pezzutti by granting him leave of absence so that he will have the opportunity to actively serve with the peacekeeping force in East Timor. I commend the motion to the House.

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [11.10 a.m.]: The Government was tempted to amend the motion to extend the period of leave of absence, but, on balance, has decided to support the motion as it stands. The Hon. Dr B. P. V. Pezzutti is indeed a very brave and courageous man to be going to East Timor at a time of great instability and uncertainty within the Liberal Party of New South Wales. We nevertheless wish

him well, and we wish him a safe but not necessarily early return.

We also offer him the following advice. When he returns from his tour of duty he should make no concessions and no admissions. I am reminded of one of my predecessors, the Hon. Ambrose Campbell Carmichael, a famous Labor member of the Legislative Assembly who was Colonial Treasurer of New South Wales between 17 April 1912 and 5 May 1912—not a very long stint, but nevertheless he was the holder of that office. Ambrose Campbell Carmichael is famous for putting together, during the First World War, a battalion known as Carmichael's 1,000.

The Hon. Ambrose Campbell Carmichael took leave of absence from this Parliament, toured the length and breadth of this State to put together a battalion of 1,000, and went off to fight with them in World War I. After their tour of duty the battalion returned. He was putting together another battalion when the First World War came to an end. Ambrose Campbell Carmichael returned to Parliament, to be welcomed by his old Labor colleagues. In his absence, meantime, there had been a great conscription split within the Labor Party.

On his return to Parliament his Labor Party colleagues asked him, "What would you have done on this conscription issue?" He said, "I probably would have supported conscription." With that, they summarily suspended him from the Labor Party, took away his endorsement, and he was never heard of again. The Hon. Dr B. P. V. Pezzutti should take our advice. When he comes back he should make no concessions. We wish him well. As the Hon. J. H. Jobling said, this is not the first time that the Hon. Dr B. P. V. Pezzutti has served with the Australian armed forces overseas.

The Hon. J. F. Ryan: The only soldier that could put them to sleep!

The Hon. M. R. EGAN: I am not sure that he would put them to sleep. In fact, to encourage all the troublemakers in East Timor to leave the place, all we have to do is put him on a soapbox.

The Hon. J. R. JOHNSON [11.12 a.m.]: I support the motion before the House. I wish the Hon. Dr B. P. V. Pezzutti well in the endeavours that he is undertaking. Many men of this institution have gone forth to serve their country. Indeed, women have gone forth, not as serving members of the House but as persons who subsequently became members of it. I would like to remind honourable members that many heroic people have done so.

Although many engage in considerable verbal "bashing" of the trade union movement, I would remind honourable members that during the first great conflict in which we were engaged, 30,000 members of the Australian Workers Union and their sons went forth to fight on the battlefields of France and Flanders. I repeat, 30,000. Let the record so show. The Hon. Dr B. P. V. Pezzutti joins many illustrious people who have gone forth to serve their country. In the other Chamber there is a plaque of two men, serving members of this Parliament, who went forth to battle and lost their lives. We wish the Hon. Dr B. P. V. Pezzutti well. God speed. Do return.

The Hon. Dr A. CHESTERFIELD-EVANS [11.14 a.m.]: I congratulate the Hon. Dr B. P. V. Pezzutti on his humanitarian undertaking. Given the number of trouble spots in the world, it is extremely important that members of Parliament and people of influence actually go to where the problems are, learn to understand them and try to solve them. It is important that when they return they have that level of understanding so that we do not merely pontificate from afar without getting our hands dirty actually doing the work that needs to be done.

I believe it is important that this House gives it total support to the honourable member and to other honourable members who undertake humanitarian work, especially when that work is to be performed in dangerous situations, and when moral support from those in high office is sorely needed. I congratulate the honourable member and I regard it as important that the House endorse what he is about to do. Also, should anything happen to him, I sincerely hope that all due benefits, insurance-wise and so on, are paid to his family. One might chuckle, but these are realities that must be faced in war zones.

The Hon. H. S. TSANG [11.16 a.m.]: I also congratulate the Hon. Dr B. P. V. Pezzutti on his efforts to serve Australia. I would particularly like to acknowledge that the honourable member is not merely an Australian, but an Australian of Italian origin—an ethnic Australian. I mention that to demonstrate that people of all ethnic origins also serve Australia well, and they deserve our congratulations.

I mention in passing that my brother, a dentist and a major in the reserve, will join the Hon. Dr B. P. V. Pezzutti in East Timor soon. All Australians, no matter whether first or second generation Australians, including first generation Asian Australians, are all Australians who want to serve Australia. Again I congratulate the Hon. Dr B. P. V. Pezzutti.

The Hon. Dr B. P. V. PEZZUTTI [11.17 a.m.]: I had thought that this matter would be dealt with formally, but the debate attending it gives me the opportunity to thank honourable members of this House for the kind wishes they have expressed to me privately. It gives me also the opportunity to say a few things about what has happened in East Timor in terms of army deployment. As honourable members would be aware, Australia has 4,500 of its troops in East Timor, along with 5,500 troops from other nations.

The Australian Army Medical Corps is supplying the major health facilities to support those 10,000 troops. I would like to give the House some idea of the professionalism of the Medical Corps and its experience in such areas of conflict. The first of the Medical Corps to go in was the parachute surgical team, who basically went in with the hospital strapped to their backs. The team went in on day one with our troops. That team was then augmented by a light field hospital, which is tented but is a little more elaborate and has a higher holding capacity.

Barely three weeks after that first involvement the major heavy field hospital was in place and operating. That comprised not just tented accommodation but a series of con-exes, cleverly designed and built in Australia. They are remarkable facilities. Behind the Medical Corps is a force of 155 highly trained people. Their training is, by dint of a memorandum of understanding between the field hospital at Holsworthy and the Liverpool hospital under which they train with real troops, treating real injuries such as gunshot wounds and other injuries of a sort that are likely to be suffered by those serving in a war.

A good arrangement between the Liverpool hospital and the New South Wales Department of Health and a formal memorandum of understanding enable our medical assistants, nurses and young doctors to gain that sort of experience. They are, therefore, able to go forward to an area of conflict with confidence that they will be able to handle what presents before them.

Augmenting that professional regular force, which includes reservists, is the specialist team. That team consists of a general surgeon, an orthopaedic surgeon, an anaesthetist and an intensivist. Those specialists are drawn from the Army Reserve—there are no regular Army specialists in those areas—because they have the continuing ability to update their skills. They are very experienced specialists with Army training in the field hospital.

The specialists who will accompany me are: Dr Sue Winter of Careflight, a very experienced

anaesthetist; Colonel Bob Lusby, Professor of Surgery at Concord Hospital, a very experienced vascular and trauma surgeon; and Colonel Sharwood, a highly reputable and very experienced orthopaedic surgeon. These specialists are of high reputation, are highly skilled and serve in the Army Reserve. I inform the Treasurer that the reason I am going for only a month is because most practitioners in private practice cannot afford to take more time off. If they did, their patients would be seriously disadvantaged.

The Army Reserve would not be able to retain these skilled professionals if it asked them to serve for a longer period. My current job in the Army Reserve as Director of Health Services, Army New South Wales, is to recruit specialists. The most effective recruiting tools I have are Major Bernie Hanrahan, the anaesthetist who went first, and Lieutenant Colonel John Crozier, the hero of Vainimo, who served in Papua New Guinea after the earthquake and tidal wave and also in Rwanda and Bougainville.

After the tidal wave struck in Papua New Guinea, the parachute surgical team was deployed at a day's notice and arrived a day and a half later. In 10 days the team set up the hospital, performed 135 operations, including amputations, mostly on children, and was out in seven or eight days. The doctors did a very professional job saving lives and limbs. That is the sort of operation that can be undertaken with a highly trained team, suitable equipment and well-drilled people.

The Army can insert those people within a minimal time with the expectation that they will do a good job. At the end of the day, surgical and anaesthetic skills are required. It is a very professional operation, of which we can all be proud. The insertion of teams into East Timor was at the request and with the full support of the Australian people. In speaking to this motion and thanking the House for granting leave, I pay tribute to another member of this House, the Hon. Janelle Saffin.

At the beginning of the crisis, she went to East Timor to supervise and assist, and she went there under much more trying circumstances than I will. She very bravely went at a time of great civil unrest and did not go with a team of professional warriors to protect her. This is the fourth time the House has given me leave to serve. I was given leave to serve in the Gulf War, but the war finished the day I was to leave—which was lucky for both the House and me.

I also served in Rwanda and Bougainville, and now in East Timor. Should similar circumstances arise again, I will volunteer and again seek leave to serve. I was to go on 14 October but my daughter was sitting the Higher School Certificate at that time. The Army accommodated my request to be put on the third rotation rather than the second. There are now enough specialists recruited to support this professional service in East Timor until August next year. The medical profession has responded to the call and is prepared to serve. It is a great privilege for me to serve.

The Hon. I. COHEN [11.24 a.m.]: On behalf of the Greens I strongly support the humanitarian effort that is being undertaken by the Hon. Dr B. P. V. Pezzutti. I listened with great interest to his contribution. His effort is part and parcel of what is recognised as humanitarian support, both militarily and medically. This support was called for by the Australian people, including members of the Greens and others who have a tradition of being strongly opposed to activities in theatres of war. However, I am convinced this is a just humanitarian cause, and I am also convinced that the role the Hon. Dr B. P. V. Pezzutti will play will be just, humanitarian and worthwhile. The Greens strongly support his service in East Timor.

The Hon. J. F. RYAN [11.25 a.m.]: As a member of the Liberal Party I am intensely proud of the Hon. Dr B. P. V. Pezzutti. Honourable members would be aware that the Hon. Dr B. P. V. Pezzutti has served in other fields of war. When he served in Rwanda I penned a note and sent it to him as a gesture of support. Much to my surprise, I received a 10-page letter from him. It was written by a doctor, so I am still deciphering it.

The letter was a very moving account of Brian's observations in Rwanda and the effect on the country. It is an illustration of a pleasing part of the human spirit that Brian, one of us, had gone to personally observe the situation in Rwanda and had been moved by the extremely distressing circumstances he saw and encountered. One day I will return his letter to him because I am sure he recorded those matters to keep for the future. I kept the letter because it was so interesting.

Perhaps I should make a copy of that letter available to the Parliamentary Library. The letter was a first-hand account by the Hon. Dr B. P. V. Pezzutti of his experiences in Rwanda. I sincerely hope that he does not experience the same distressing circumstances in East Timor. We all wish him every level of safety. We are proud of what he

is doing. The Liberal Party is proud of him as a member of the Liberal Party, and I am sure the entire House takes pride in one of its own going to East Timor to do a difficult job. We wish him all the best.

The Hon. Dr P. WONG [11.26 a.m.]: I join with many honourable members to congratulate the Hon. Dr B. P. V. Pezzutti on volunteering for service in East Timor. I had the pleasure of sitting with him on the Committee on the Health Care Complaints Commission. I was impressed by his medical knowledge and his thoughtful comments—most of which I agreed with, some I fully disagreed with. This type of military operation is very rare in Australia, and I am sure very much needed in East Timor. I am touched by the honourable member's action. The decision of our Prime Minister John Howard to send troops to East Timor and the action of the Hon. Dr B. P. V. Pezzutti highlight the benefit of foreign aid, be it in monetary terms or in personal effort. I wish our good Samaritan all the best.

The Hon. D. E. OLDFIELD [11.27 a.m.]: Some honourable members would know that I take great personal interest in the military. I am particularly proud, not as a member of this House but as an Australian, that the Hon. Dr B. P. V. Pezzutti is taking up this mission. I have always been grateful for all the work he has done over many years as a member of the Army Reserve, where he has reached the high rank of colonel. My nephew, who is a captain in the Military Police, will be joining the Hon. Dr B. P. V. Pezzutti in January. I will put my nephew in contact with the honourable member.

The Hon. D. J. Gay: Brian will find him.

The Hon. D. E. OLDFIELD: I will ask my nephew to take particular care of you, Brian. I am very proud as an Australian to know the honourable member. I am grateful that he has volunteered to go. Because he is going, someone else does not have to. That in itself is a great sacrifice. I congratulate him and thank him.

Reverend the Hon. F. J. NILE [11.28 a.m.]: On behalf of the Christian Democratic Party I fully support the motion to grant leave for the Hon. Dr B. P. V. Pezzutti to serve as a member of the Army Reserve Medical Corps in East Timor. I thank Brian not only for his words but also for his example in making himself available to serve the Australian Army and others in East Timor. I also thank the Army for the service it is providing, through its Medical Corps, to civilians in East Timor.

I am a former serving company commander in the Army Reserve. This motion reminds me of the need for wholehearted public support for the Army Reserve and for the Federal Government to provide the Army with equipment so that it can perform its duty. It highlights the need for employers such as the Parliament to wholeheartedly support employees who are members of the Army Reserve.

The Hon. J. H. JOBLING [11.30 a.m.], in reply: I thank the Leader of the House and all other members who have wholeheartedly supported this motion. I thank the Hon. Dr B. P. V. Pezzutti for setting out in brief form his participation and the role that he and other members of the peacekeeping force will play in East Timor. We look forward to hearing of the first-hand experiences of the Hon. Dr B. P. V. Pezzutti and the peacekeeping force in East Timor. On behalf of honourable members I wish the Hon. Dr B. P. V. Pezzutti and the 4,500 troops of our peacekeeping force in East Timor all the best for a speedy and safe return. I am sure the motion will be carried unanimously, and I commend it to the House.

Motion agreed to.

LOCAL COURTS AMENDMENT (PART-TIME MAGISTRATES) BILL

Bill introduced and read a first time.

Second Reading

The Hon. J. W. SHAW (Attorney General, and Minister for Industrial Relations) [11.32 a.m.]: I move:

That this bill be now read a second time.

The Local Courts Amendment (Part-time Magistrates) Bill amends the Local Courts Act 1982 to make specific provision for the appointment of part-time magistrates. The bill also makes consequential amendments to other legislation to ensure that the other commissions held by magistrates, such as their commissions as mining wardens or children's magistrates, can also be held on a part-time basis. Magistrates' terms and conditions are set by a determination made by the Minister under section 22 of the Local Courts Act 1982. These terms and conditions cover issues such as leave entitlements and the allocation of magistrates to courts.

Presently, flexible workplace practices do not apply to magistrates. In its pre-election commitments the Government undertook to apply flexible and

family-friendly workplace practices to the appointment of judicial officers and to remove existing barriers to the appointment of part-time magistrates. The legislative amendments required to achieve that are minimal, and the substance of the new terms and conditions will be contained in a determination by the Minister made under section 22 of the Local Courts Act 1982.

The key provisions of the proposed determination regarding flexible work practices for magistrates are as follows: A person may receive a commission as a permanent part-time magistrate, or a magistrate with a full-time commission may enter into a written agreement with the Chief Magistrate to work part-time for a limited period. All part-time magistrates will be entitled to the same status, managerial commitment and support as magistrates who work full time. To ensure judicial independence, any magistrate working part time may not engage in any other remunerative activity.

Leave and other entitlements will accrue pro rata. Remuneration will be pro rata the remuneration paid to magistrates under the Statutory and Other Offices Remuneration Act 1975. For example, a magistrate working three days a week would receive three-fifths of a full-time magistrate's remuneration. While there is a high representation of women graduating in law, that is not matched by the number of women who hold senior positions within the profession.

There have been several occasions where women have been outstanding candidates for vacancies to the magistracy but have been unable to take on a full-time appointment because of family responsibilities. As a result of these amendments, for the first time in New South Wales magistrates will be able to be appointed on a permanent part-time basis. It is the aim of this Government to facilitate the appointment of women to the magistracy. This initiative will also ensure that we have a bench which better reflects public attitudes by making it more representative of the community. I commend the bill to the House.

Debate adjourned on motion by the Hon. P. T. Primrose.

LEGISLATIVE COUNCIL ELECTIONS

Personal Explanations

The Hon. D. E. OLDFIELD, by leave: I wish to make a personal explanation. Last night during debate on the electoral changes legislation the Hon. P. J. Breen was under the impression that I had in

some way besmirched him by using words such as "dishonesty". I wish to point out that any reading of *Hansard* would show that that was not the case, and that it was the system that I was besmirching or having a go at.

So far as I am concerned the Hon. P. J. Breen was not in any way related to any dishonest activity, and that is clear from what I said, as opposed to what the Hon. P. J. Breen thinks I may have said. I wish to make it clear that I would not have besmirched the Hon. P. J. Breen personally. I hope he has taken the time to read *Hansard*. I am sure that Madam President knows as well as I do that the average person takes in only between 15 and 20 per cent of what he or she hears, and unfortunately that is the case in this instance.

The Hon. P. J. BREEN, by leave: The Hon. D. E. Oldfield said last night that I was involved in a legal but dishonest system, as is recorded in *Hansard*. To impute that a person is involved in a dishonest system is to impugn the reputation of that person. I now respond to that imputation. I object to the suggestion in the words that I somehow acted dishonestly. I hear what the Hon. D. E. Oldfield has said, and I accept that he did not intend to convey what the words "a legal but dishonest system" suggest.

CHILDREN (DETENTION CENTRES) AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

The Hon. CARMEL TEBBUTT (Minister for Juvenile Justice, Minister Assisting the Premier on Youth, and Minister Assisting the Minister for the Environment) [11.38 a.m.]: I move:

That this bill be now read a second time.

The purpose of the bill is to allow for a more consistent approach in the placement of offenders aged 18 years and over who have committed further offences whilst in juvenile custody, and who have been sentenced to a term of adult imprisonment for those further offences. Examples of such offences include escape, assisting a fellow detainee to escape, breaching conditions of or failing to return from leave, assault, drug use, and malicious damage.

The bill affects only those offenders who would currently return to juvenile detention at the expiration of that term of imprisonment. The bill requires a person who is of or above the age of 18

years and who has committed a further offence and served a period of time in prison to serve the remainder of any unexpired juvenile control order in prison.

The bill also provides that a person who is required to remain in prison under this legislation may apply to the Children's Court for an order directing that he or she may be returned to a detention centre if the Children's Court is of the opinion that the person is suitable for placement in a detention centre. The Children (Detention Centres) Act 1987 sets out the matters that a court must take into account when considering a person's suitability for detention in a detention centre.

Those matters, which will remain unaltered, include the nature of any offence which the person has committed or is charged with having committed; the likelihood of danger to staff or detainees if the person is detained at a detention centre; whether any previous behaviour of the person indicates that he or she is likely to create a serious management problem in a detention centre; whether suitable accommodation is available for the person in prison; and any other matters.

Under this bill, when a young person makes an application to return to juvenile detention he or she is entitled to appear and be heard in those application proceedings and to be represented by a barrister, solicitor or, by leave of the court, some other person. Similarly, the Director-General of the Department of Juvenile Justice is entitled to appear, to be heard and to be represented. The legislation will apply to a person who was sentenced to a term of imprisonment for a detention centre offence before the commencement of the legislation but will not apply to a person who has completed that sentence and returned to a detention centre before the legislation commences.

The return of the types of offenders identified above, although low in number, can create a management issue for staff and other detainees, and can be disruptive to the young person because of the different nature, program and privilege systems that operate in adult gaols and juvenile detention centres. In many cases, remaining in prison may be advantageous to the young offender. For instance, some young offenders who have served a period of time in gaol may find it disruptive to be automatically returned to a juvenile justice centre. It may interrupt or halt completely training, educational or other programs that they have commenced in prison.

Similarly, some offenders may have greater geographical access to family or other support

persons by being physically placed in prison. This amendment will allow for those offenders who are more suited to or more stable in a prison environment to remain in prison while, at the same time, allowing those who may derive a benefit from returning to juvenile detention to make an application to return. The bill allows for more consistency in the placement of nominated offenders. Instead of an automatic return to juvenile detention, upon application a court may consider each person on a case-by-case basis. Thus, the needs of the offender, the relevant department and the community can all be considered simultaneously. I commend the bill to the House.

Debate adjourned on motion by the Hon. P. T. Primrose.

PARLIAMENTARY ELECTORATES AND ELECTIONS AMENDMENT BILL

Second Reading

Debate resumed from 9 November.

The Hon. R. T. M. BULL (Deputy Leader of the Opposition) [11.42 a.m.]: The contributions in this debate from a variety of members have been very interesting indeed. I congratulate some members on the crossbenches who have had the foresight to acknowledge that this legislation is a move forward, a progressive step, to a fairer system of election for the Legislative Council than any system of the past. I especially acknowledge the work of the Hon. I. Cohen, the Leader of the Greens, whose excellent contribution touched on many of the points I would have otherwise touched on in this speech.

Some crossbenchers, in particular the Hon. D. E. Oldfield from One Nation and the Hon. I. Cohen from the Greens, were totally objective in their comments about the changes to the legislation that they realise might, to an extent, affect them. The changes will obviously affect the micro parties more than the minor parties. In any categorisation, both those members represent minor parties rather than micro parties. One lives in hope that One Nation might become a micro party before long, but at the last election the categorisation of minor party would be appropriate.

While the debate has been very interesting, it is important to acknowledge that the changes are for the better. They will ensure the demise of some of the minor groups that have been registering their names at five minutes to midnight, at the close of nominations, and coming up with extraordinary names that are totally irrelevant to what they stand

for. A number of honourable members, including the Hon. R. S. L. Jones, have mentioned that some of the parties are quite at odds with what their name might suggest and have been, in some instances, fronts for other parties and even, to some extent, for major parties. That is extremely regrettable and certainly outside the spirit of the Act as it now stands.

Under any Act of Parliament, any law of the land or any rule there is always the opportunity to work the system, so to speak, to one's own advantage. Clearly, some micro organisations, parties and groups have done that to great effect, as was clearly demonstrated at the last election when some micro parties were elected through a fantastic mathematical calculation to deliver a most unlikely result. Last night's debate documented how that occurred. It is important that I record that this change is for the better. It will protect the genuine political parties and organisations that have a place in the political landscape of New South Wales, that offer genuine policies, and that have a constitution, a membership and a long-term aspiration to survive. For all those reasons, this legislation covers those people.

The future of the micro organisations and small groups that have run over the last few elections on the basis of an exciting name or doubtful membership is clouded. They will have to review their progress and their whole operation if they are to survive. The electorate as a whole will appreciate these changes. Certainly the Opposition believes that the Government is on the right track and has come up with a workable set of proposals that will ensure that the parties in it for the long haul, the parties that matter in the political landscape in New South Wales and the parties whose policies and constitutions have a genuine focus, will survive.

Honourable members who have been elected through their own luck or mathematical opportunities have an opportunity under this legislation to endear themselves to 999 other members and to come up with a constitution and a political process to enable them at the next election to mount their case and join with others in lining up for the electors and the Legislative Council. It is important to address the naming of political parties. I am aware that amendments are proposed, but it is the Opposition's view that there needs to be truth in labelling, or truth in the naming of political organisations.

One needs to know that the Christian Democratic Party is being led by a Christian who stands for the name. It is a bit of a problem when

referring to the Labor Party. Country Labor is a bit of a misnomer, as is the party itself, for it is becoming more of a chardonnay set than genuine Labor people. I leave the Hon. J. R. Johnson out of that because his heart is in the right place. But I guess there are times when the names of parties do not reflect exactly what their members would aspire to.

The Hon. R. S. L. Jones: Are the Liberals liberal?

The Hon. R. T. M. BULL: The Liberals are liberal. Sometimes they are a little too liberal; at other times they are not liberal enough. I think the Liberal Party is fairly liberal.

The Hon. R. S. L. Jones: Are the Nationals national?

The Hon. R. T. M. BULL: We are very national; we are represented in all States. It would be wonderful if the National Party had the word "country" in its name. That may happen because, as honourable members know, there has been some debate in the party about returning to that name. National Party members represent not only farmers but all people in regional New South Wales. I want to focus on some of the micro parties with extraordinary names that have no idea how, or genuine desire, to represent what their names mean.

It is important for the legislation to provide for truth in labelling to ensure that fronts under extraordinary names that have no relationship to their philosophy, membership or leader's aspirations can no longer exist. At the same time it is appropriate for the Electoral Commissioner, when registering a new party, to ascertain the connection between the party's charter, constitution and philosophy and the actual name of the party. Preferential voting above the line, for which we can thank the Hon. I. Cohen, is a significant change to the electoral process.

I can remember the honourable member raising preferential voting above the line as his preferred option during a meeting of crossbench members in April. Preferential voting above the line will give electors the opportunity to place their preferences in order and not be subject to an extraordinary backroom deal or an extraordinary list of preferences such as that provided by the head office of a political party from time to time. I have been involved with the head office of a political party.

The people in these offices do not always have a mortgage on wisdom. It is important to simplify

the voting process by allowing electors to place their preferences across the top of the ballot paper. No doubt the political parties—I am sure the National Party will do this in conjunction with the Liberal Party—will still indicate how they would like electors to vote; they would like electors to number the boxes above the line from one to 10. Most National electors will probably vote that way.

Preferential voting above the line will enable electors to give their second preference to the Christian Democrats rather than the Australian Democrats or the Greens rather than the Reform the Legal System party. These changes will enable people to give their preferences without voting informally. It is important for people to exercise their right to vote across the line. If they number only one box above the line those votes will flow through to 15 nominees of only one party, and after the votes are exhausted a percentage of the quota will simply die, which will be regrettable. In this new system it is important to educate voters that they should extend their vote across at least two or three boxes above the line. It is a very good move.

The Hon. R. S. L. Jones: Will the Nationals recommend that people number more than one box above the line?

The Hon. R. T. M. BULL: Yes, we will be doing that. I am sure most major parties will do that because candidates cannot afford to have a certain percentage of their quota die. The last thing the Coalition would want is to have 0.4 per cent of a quota lying in someone's name but going nowhere. We recognise that it is in the best interests of everyone if people number more than one box above the line. It is a good move, and I congratulate the Hon. I. Cohen on the proposal.

The provisions relating to the registration of parties are severe and will hurt some of the smaller parties. Not only must parties provide 1,000 names in the first instance; maintenance of that list of 1,000 names must be ongoing. That will be a challenge. The National Party has many thousands of members, so it will not be a problem. However, some of the minor parties will struggle from time to time.

The Hon. D. F. Moppett: We have heaps of members.

The Hon. R. T. M. BULL: I am not too worried about the National Party; I am more worried about the Liberal Party. Honourable members know that Country Labor will have the biggest struggle because it must provide 1,000 names to maintain a party separate from the Labor Party. It is incumbent

on this House and the Parliament to ask about the coalition arrangement between Country Labor and the Labor Party because, clearly, they are two different parties. The Hon. A. B. Kelly is the leader of Country Labor, and the Hon. I. M. Macdonald, who is a Parliamentary Secretary, is a member of Country Labor.

The Hon. R. S. L. Jones: I think he's a city Country Labor member.

The Hon. R. T. M. BULL: The Hon. I. M. Macdonald lives in Young when he is at home. It is difficult for honourable members to get out to the bush when they are tied up in this place every day. The Hon. I. M. Macdonald is a country boy; he has a big vineyard and acres of land, so he is okay. I presume the Hon. Janelle Saffin is a member of Country Labor. The coalition arrangement between the Labor Party and Country Labor creates a dilemma.

We are entitled to know whether a coalition agreement is in place, because it will affect funding, positions in this House and the way ministerial positions are carved up. There are many issues to be resolved. I am sure the Hon. H. S. Tsang will be interested in the coalition arrangement because he will lose some of his support. The Coalition looks forward to the registration of Country Labor and many of the minor parties as they struggle to meet the various legislative requirements. It will be interesting to see how this unfolds.

I commend honourable members for their contributions. The debate about improving the system of election to the Legislative Council has been extremely good and objective. The Opposition believes—I hope the Special Minister of State, and Assistant Treasurer also believes this—that we still have a fair way to go, but this bill is a good first shot at the issue. I look forward to ensuring that the Legislative Council works well as a House of review and that there is accountability in the process of election to this House.

Ms LEE RHIANNON [11.57 a.m.]: The Greens have mixed feelings about this bill. We certainly support, as we put forward, the proposal for above-the-line optional preferential voting, but we have strong opposition to some of the amendments. As my colleague the Hon. I. Cohen said, the Greens are opposed to the large party registration fee of \$3,500 and the \$5,000 nomination fee for a team of 15 or more Legislative Council candidates. Both of those amounts are far too high. As we know, historically, money has often been used to exclude people from running in elections,

and we need to ensure that that does not happen in New South Wales.

The Greens are also opposed to the requirement for parties to have 1,000 members in order to register to contest elections. Again, that figure is too high. The Greens believe that their position on each of those points would improve democracy in upper House elections. We are committed to grassroots democracy—empowerment of the community in all decision making. Elections are an important opportunity for citizens to have their voice. As legislators we have an obligation to ensure that voters can express their choice in a fair, simple and honest system.

The current system empowers party operators, not voters. It allows subversion by individuals motivated by malicious intent. It is in desperate need of reform. That is why we welcome this opportunity to discuss this important issue. Above the line preferential voting will remove a major incentive for parties to set up front parties because preferences will no longer be channelled to the original party through its front party. Preference allocation will be taken out of the hands of parties and placed where it belongs: in the hands of voters. Parties will still be able to make recommendations to voters on how-to-vote cards, as they do in the Legislative Assembly elections, but the preference choice will ultimately be made by the voters.

This amendment is by far the most significant in thwarting parties that engage in the corrupt behaviour of setting up front parties. Rather than make it more difficult for genuine parties to contest elections, which some of the other provisions do, this amendment simply removes the advantage to be gained from having a front party.

By placing the preference allocation decisions back in the hands of voters we will take power away from the backroom party deals. We will end the deception of people being lured into voting for front parties who have environmentally aware titles but are actually environmental vandals. We will create a democratic, fair and simple system.

The Hon. P. J. Breen and the Hon. R. S. L. Jones criticised optional preferential voting. Let us remember how the system works at present. People who vote above the line have no say in where their preferences go. As we know, too often their vote can help elect somebody they may well not support. It is clearly undemocratic to have people elected on the strength of preference flows from front parties. The Hon. P. J. Breen argues that the Greens support optional preference above the line voting as we

think we will score two seats from it. No, that was not our reasoning, and there is no reason to deduce that. The Greens work on principle, and our principled decision is to further democracy. That is why we have put this proposition forward.

The Hon. P. J. Breen said also that, rather than having more Greens, the optional preferential system would more likely deliver more seats to a party on the right of the political spectrum. If that happens, that is how proportional representation works: that would be the will of the voters. If a party gets, say, 7 per cent of the vote it is entitled to 7 per cent of the seats. Sometimes we will like what optional preferential voting delivers and sometimes we will not. Measures that allow voters more say, more involvement, are to be applauded. Unfortunately, from listening to the debate on this bill one is left with the feeling that aspects of self-interest have influenced the comments of some honourable members.

Optional preferential voting will free us from the giant ballot paper—an ugly blot on the electoral history of New South Wales. It is important to put on the record what happened in the few months prior to the March election. A name that has not been mentioned sufficiently in this debate is Glen Druery. Even this main front party initiator—which is what Mr Druery was—could not control his manipulative dealings to land himself the seat in this place that he so desired. Instead, as we know, we ended up with Mr Druery's colleague and offside, the Hon. M. I. Jones.

Let us recap what happened at the beginning of this year and how we ended up with more than 90 parties registered and then more than 80 parties on the giant ballot paper. As the weeks of campaigning rolled along we would notice more and more advertisements from various parties. The Greens were interested in who was registering. We noticed names such as the Gay and Lesbian Rights Party and that parties covered issues to do with the environment and marijuana smokers' rights—all issues that we campaign on. As I hope people are aware, networking is a big part of our side of politics. Although not all the people involved with these issues are in our party, we work with them regularly on campaigns. So we know many of them and we know people who have good connections right across the board.

When we telephoned to check out who was in the Animal Liberation Party and the Wilderness Party we found that no-one involved with the real organisations knew anything about the parties or anything about the people who were members of the

parties. We then started asking around. When we saw the names at the State Electoral Office we would telephone some of those people, and to our surprise, in some cases we knew some of the people.

An example is the Save the Forests party. A young woman named Milo Slaven came to Sydney to speak at a press conference about how shocked she was to find she was a member of a political party. She had gone to Paddington markets, as hundreds of thousands of young people do, signed petitions and enjoyed the day out. A month or so later she found that she was a member of a political party. She did not hand over any money and nothing was mentioned about joining a political party. Suddenly she found herself in a situation in which she preferred not to be.

The Hon. D. F. Moppett: The Animal Liberation Party had its head office at Taronga park but it could not find anyone to answer the telephone.

Ms LEE RHIANNON: Thank you very much. There were many of these front parties. They needed members to be able to run at the election. When we started telephoning the people whose names were recorded at the State Electoral Office we found that many of the people in the Marine Environment Conservation Party had been signed up at a fishing expo. The Hon. M. I. Jones and Mr Druery and their colleagues would go to exhibitions, set up their tables for days, have petitions there and sign up all these people. The Gay and Lesbian Party had tables on King Street. I saw them myself. That is when we started checking out who these people are. Nobody in the gay rights movement had ever heard of them. These were some of the parties that ended up on the giant ballot paper.

The result was a not very pleasant situation for people casting their votes. The number of parties dropped once the Greens started exposing the number of front parties. Some of them pulled out. Among the front parties that did not get onto the ballot paper were the Gay and Lesbian Party and Australians Against the Promotion of Homosexuality—they covered both sides. The party against homosexuality did not appear on the giant ballot paper.

The Hon. J. F. Ryan: Yes, it was there.

Ms LEE RHIANNON: I apologise if I have made a mistake, but some did pull out. We now have the Hon. M. I. Jones as a member of this Chamber. Let us remember that he was elected with 0.2 per cent of the vote. He is here because votes

from other parties flowed through to him. Mr Druery had expected the preferences to stop with him.

The Hon. M. I. Jones had preferences coming from the Australian Family Alliance, Citizens Electoral Councils of Australia, the Country Party, the Elect the President party, the Fair Tax Party, the Gay and Lesbian Party, the Gun Owners and Sporting Hunters Rights Party, the Marijuana Smokers Rights Party, the Marine Environment Conservation Party, the No Badgerys Creek Airport Party, the No GST party—here is a good one—the Outside Newcastle Sydney Wollongong Party, the Republic 2001/People First party, the Animal Liberation Party, the Four Wheel Drive Party, the Wilderness Party, the Three Day Weekend Party, and the Women's Party/Save the Forests.

We are certainly not suggesting that all those parties are front parties but the majority do not have constitutions and do not have regular meetings of members. People who wanted to be active in their political party, as one expects when a party is running for election, could not do that. The majority were not bona fide organisations; they had been set up to channel preferences. That is what is so undemocratic and that is why we urgently need to change the system.

The Hon. M. I. Jones, with 0.2 per cent of the vote—the quota for a seat in this Chamber is 4.5 per cent—would have ended up, taking a conservative estimate, with 100,000 fake votes. What I mean by that is that many of the people who voted for those front parties, many of which had environmental names, thought they were voting for a party committed to the ideals of looking after the environment or gay and lesbian rights, or working to legalise marijuana. Those people were conned, and conned badly, and that is why we need to change the system.

We are concerned that some of the other amendments in the bill will impose a hurdle on smaller and less wealthy parties, but not on larger, wealthier parties. The main reason for the Greens opposing the large party membership requirement and the large registration and nomination fees is that they will weaken democracy. There are many genuine parties that have the right to contest elections but do not have 1,000 members or a spare \$3,500 for the party registration fee, let alone the \$5,000. One organisation, the Progressive Labour Party, has been campaigning very hard to block amendments relating to the requirement for a party to have at least 1,000 members and the increased fees.

The Hon. D. T. Harwin: This was your front party.

Ms LEE RHIANNON: This is most definitely not a front party. The party has real members and real campaigns. You talk about your front parties; you say that to them. On 7 November Klaas Woldring, the National Secretary of the Progressive Labour Party, wrote to the Premier to demonstrate that the party is not a front party, that it has its members, and that they campaign. Mr Woldring wrote:

Instead of requiring 1,000 members to be registered, it would be more reasonable to require no more than is required for Federal registration—500. Any attempt to make it harder for smaller legitimate and new political organisations to participate in the democratic process is anti-democratic to the core. It should be the decision of voters as to which political parties deserve their support, without the state performing a screening function. The proposed changes will certainly benefit the ALP and the Coalition at the expense of democracy. We hope that fairness and wisdom can still prevail when the proposed legislation comes before Parliament.

Many genuine parties also do not have an additional \$5,000 for nomination fees to get a box above the line on the ballot paper—which, as we know, is essential to have a chance of winning a seat. A party will have to pay \$8,500 before it even starts spending money on campaigning for the 2003 State election. This is inherently undemocratic as it heavily favours wealthy parties. Many genuine parties will not be able to overcome these hurdles, and the democracy of our election will therefore be lessened.

The Greens urge all honourable members to support amendments that reduce the proposed number of party members required for registration and amendments that reduce the registration and nomination fees. The Greens strongly support the amendments moved by the Hon. P. J. Breen on this issue. We believe that using money as a barrier is inherently inequitable: politics should not become the plaything of the wealthy. Democracy would be poorly served by mechanisms that rely on the ability to pay punitive registration fees.

Yes, this bill is about democracy in New South Wales, but the Greens note that one of the most undemocratic processes in this State will remain unchanged. Certainly it is not in the leave of the bill to change it, but it is an issue that needs to be on the agenda. I am of course referring to the method of election to the lower House. Lower House elections are badly in need of democratic reform, but it is not on the parliamentary agenda because both major parties have a vested short-term interest in maintaining the current system.

Major party politicians may think we have one of the best and most democratic election systems, but their view is not shared by many others, including most of the crossbench members, who regard it as an unfair election system. In the 1995 election the Labor Party won only 41 per cent of the vote but gained more than 50 per cent of the seats in the Legislative Assembly. In this year's election it was even worse: Labor won 42 per cent of the vote but gained almost 60 per cent of the seats. Where is the democracy there? These extra seats are picked up at the expense of minor parties, because the election system is based on a two-party preferred count.

The Hon. J. F. Ryan: Hear! Hear!

Ms LEE RHIANNON: No wonder we hear "Hear! Hear!" from members opposite, who try to lock themselves into a undemocratic process. The result would be quite different if the election were based on proportional representation, which is generally recognised by independent commentators as a fairer electoral system. One of the best examples of a fair electoral system is Tasmania's Hare-Clark system, which is based on proportional representation with seven members elected from each of five electorates.

However, Liberal and Labor were upset with this because minor parties would win seats more in keeping with their proportion of the vote. In Tasmania Labor and Liberal colluded in what can only be described as one of the most shameful things to happen in an Australian parliament; they weakened proportional representation by reducing the number of members from each electorate to five. It was blatant collaboration by the major parties to keep minor parties out of Parliament.

What we need in New South Wales is proportional representation in the lower House. The fact that there are interjections opposing such a measure shows the major parties' lack of commitment to democracy. A number of models could be considered. The Greens urge that this be opened up for public discussion and that the major parties give a commitment that they also believe there should be a more democratic method of election for the lower House.

One model which has merit is the election of nine members from each of nine different electorates to produce a Legislative Assembly of 81 members. The number of members would be reduced and each vote would be important. Under the present two-party preferred system, if a voter lives in a safe seat—and most voters do—his or her vote is rendered largely meaningless.

The major parties may hold on to power for a little longer because of the unfair lower House electoral system, but sooner or later enough voters will see through it. Voters would appreciate the integrity of a government that had a strong enough commitment to democracy to introduce proportional representation in the lower House. Again, the figures show why proportional representation is needed. At present the Independents hold 5 per cent of the seats in the lower House. But 25 per cent of the vote in the lower House went to the non-major parties. What a scandal!

The Greens also have concerns about the method of election at local government level. We have put forward a number of amendments, but we have now heard that the Government is considering setting up an inquiry into the local government electoral process. If this occurs we will withdraw our amendments as we believe that the bottom line to electoral reform is the need to ensure that there is effective public consultation.

In summary, optional preferential voting is most important. It gets rid of the backroom deals that have been so harmful to the democratic process in New South Wales. It empowers voters by allowing them to make their own choices. It is time we had faith in those who ought to be our political masters, and the courage to trust their maturity and judgment. The Greens support that aspect of the bill, and we will be working to change other aspects that determine the number of members a party requires and the election fees that the party will face.

The Hon. D. T. HARWIN [12.18 p.m.]: Honourable members are today debating amendments to the Parliamentary Electorates and Elections Amendment Bill that basically stem from distortions to a set of electoral arrangements that were put in place in 1990 when the Greiner Government was in office. I played a small role in that process, as I was policy adviser to the Hon. Tim Moore, who drafted the amendments to the Act at that time.

Three basic changes were made to the Act in 1990. The first was to include party names on ballot papers. The second was to include group voting boxes. The third was to register preferences in how-to-vote information. Those three principal changes to the voting system were in addition, of course, to changes to the Constitution Act made at the same time to reduce the number of members of this House and their term. The problem is that the consequences of those three basic changes clearly were not foreseen at the time. Perhaps it was naive of Greiner Government Ministers not to realise the potential for

abuse of the changes that were being made at that time. Nevertheless, the potential abuse was not foreseen.

The electoral dynamics have been reshaped by the institutional arrangements that were put in place at the time. The three changes to which I refer were put in place for an important reason, and for the right reason. It was to reduce informal voting for the Legislative Council. The ballot paper for the Legislative Council had always been large, as have Senate ballot papers, but voters had been required to fill in at least 15 squares to cast a formal vote for Legislative Council candidates. The changes made by the Parliament in 1990 simplified the voting process so that electors had to mark only one voting square to cast a formal vote for the Legislative Council. As a result, the level of informal voting was dramatically reduced, which was the intention of the changes that were made at that time.

The principal distortion of current voting laws has allowed electoral competition, based on competing policies, to be substituted by what is basically a debased lottery-style election under which the new organising principle is a campaign for preferences. There are three basic distortions. The first has been the establishment of a number of micro parties with catchy names designed to capitalise on confusion and disillusionment amongst voters with the major parties.

One of the early and successful examples of that was the party established by the Hon. A. G. Corbett called A Better Future for Our Children. A Better Future for Our Children is a very successful party. My aunt is a classic example of why that party was set up. My aunt walked into a polling booth at St Georges Basin to be confronted with a large ballot paper. She did not know which upper House candidate to vote for, but saw the name A Better Future for Our Children. She had never heard anything about the candidate or the party, but thought that the name of the party captured one of her aspirations.

As a result, my aunty voted for the Hon. A. G. Corbett, who was elected to this House. A consequence of the Act was that the establishment of a party with a catchy name improved the chances of a candidate for that party being elected a member of this House, even though the party got only a small proportion of the total vote. If the party could tie up a series of deals with a number of other parties, it could be successful in having a candidate or candidates elected to this Chamber.

Regrettably in this debate some honourable members, including Ms Lee Rhiannon, have singled

out the Hon. M. I. Jones for unfair comment. That honourable member and the Outdoor Recreation Party have been made the centre of attention. Perhaps we will hear more criticism of the practice later in the debate from other honourable members, but that practice had started long before the 1999 elections. Because of the comments made by Ms Lee Rhiannon I need to deal with at least five parties. I freely concede that I do not know much about those parties or the people involved. I will not impute to them anything other than the best of intentions.

An example of parties with catchy names are the Tenants Have Rights Party, Care For Us Party, Young Australians Caring for Our Future Party, and Make Billionaires Pay More Tax! party. The people involved with those parties may be very genuine, but it is a matter of record that the Tenants Have Rights Party gave its third preferences to Ms Lee Rhiannon, the Make Billionaires Pay More Tax! party gave its nineteenth preferences to Ms Lee Rhiannon, and the Care For Us Party gave its fifth preferences to Ms Lee Rhiannon.

The Hon. I. Cohen: That was a quite legitimate party.

The Hon. D. T. HARWIN: I did not say it was not legitimate. Young Australians Caring for Our Future, and again I do not suggest it is not a perfectly legitimate party, gave its third preferences to Ms Lee Rhiannon. So to single out the Hon. M. I. Jones is quite unfair. It obviously is not that a Hunters Hill property developer thought of something that no-one else had thought of before.

The second distortion thrown up by current electoral arrangements arises quite clearly from a combination of group voting box arrangements, party names included on ballot papers, and the right to register preferences—with the prize being box A on the ballot paper. Given the size of the ballot paper—and admittedly as the ballot paper becomes larger the benefit diminishes—the candidate who wins group A on the ballot paper has a very substantial benefit. Perhaps it is as much as half a per cent of the vote.

I think in debate last evening the Hon. R. S. L. Jones spoke about the role that the Australian Independent Coalition for Political Integrity—and again I do not suggest it is anything other than a bona fide party—played in the election of the Hon. A. G. Corbett. It is a matter of record that that party stayed in the count in 1995 until count number 94. Then, 75.4 per cent of its preferences went to the Hon. A. G. Corbett. Of course, in 1995 that party

got 1.7 per cent of the vote when it was in group A. In the following election the Australian Independent Coalition for Political Integrity, when it was in group BL, got 0.2 per cent of the vote, a drop from 1.7 per cent.

That clearly demonstrates the benefit of being in group A on the ballot paper. I say that with absolutely no disrespect to the Hon. P. J. Breen, who is making a good contribution as a member of this House. However, it is a matter of record that the Reform the Legal System Party was in group A on the ballot paper. That is a second distortion that has occurred with the interplay of all the electoral arrangements.

The Hon. R. S. L. Jones: You will not get rid of group A. We will still have group A.

The Hon. D. T. HARWIN: The Hon. R. S. L. Jones interjects. What we will not have is the capacity of parties to register preferences and take the allocation of preferences out of the hands of individual voters. One of the distortions is that no elector can reasonably be expected to walk into a polling place and read through all the massive sheets of paper. At the most recent election an elector would have to have read almost 30 sheets of paper of all the registered voting tickets to understand how preferences were being allocated. The reality is that electors put one simple mark in a group voting box and are not able to decide to whom their preferences will be directed. The ability to get group A listing is like winning a substantial prize in a lottery and permits one to get elected.

The Hon. R. S. L. Jones: You could rotate them.

The Hon. D. T. HARWIN: As is done in Tasmania?

The Hon. R. S. L. Jones: Yes.

The Hon. D. T. HARWIN: That would be an interesting way to go. The third major distortion in the way the Act presently works is that elections have ceased to be a campaign to win the hearts and minds of voters. They have become a campaign among candidates to get preferences. Reading through all of the group voting tickets lodged at the 1999 election and looking at the position of the allocation of preferences, it is interesting to note that in the top 20 preference allocations at least 22 parties allocated preferences to one of three candidates: the Hon. P. J. Breen, Mr Spencer Wu or Brandon Raynor.

Those parties were: Australian Small Business Party, Reform the Legal System, Anti-Corruption Party, Australian Party to Help Disabled, the Speranza organisation, Kevin Ryan-Drug Reform Party, Australian Family Alliance, the Godfrey Bigot party, No Nuclear Waste Dumps, Community First, Unity, Earthsave, the Joe Kanan group, Our Common Future Party, Motor Vehicle Consumer Protection Party, Voice of the People Party, Australian Independent Coalition for Political Integrity, Independent Community Network, Fair Tax Party—

The Hon. J. F. Ryan: The What's Doing? Party.

The Hon. D. T. HARWIN: It had an excellent distribution of preferences.

The Hon. P. J. Breen: What is wrong with these parties?

The Hon. D. T. HARWIN: Just wait a minute and I will tell you. There was also A Fair Go For Families, Australians For a Better Community and the Non-Custodial Parents Party.

The Hon. P. J. Breen: They are all legitimate parties.

The Hon. D. T. HARWIN: I did not suggest they were not legitimate parties. My point is that instead of these parties going out into the community to campaign for votes and putting out their policies, 22 parties, beginning with the Australian Small Business Party, set up a cartel to revolve preferences with the hope that someone would win the lottery, and someone did.

The Hon. R. S. L. Jones: We got him up, that is the main thing.

The Hon. D. T. HARWIN: As the Hon. R. S. L. Jones interjects, they got him up, and the Hon. P. J. Breen is here in the Chamber today.

The Hon. R. S. L. Jones: Whatever it takes.

The Hon. D. T. HARWIN: What the Hon. R. S. L. Jones says is true. Our Legislative Council voting system has been debased. As the Hon. R. S. L. Jones interjected, he did whatever it took to get someone here in the Chamber.

The Hon. R. S. L. Jones: Just like Richo.

The Hon. D. T. HARWIN: Just like Richo. That and the three distortions I have talked about

underline what is wrong with the system. I support a Chamber based on proportional representation. I am not persuaded that we should introduce the system used in Victoria or Western Australia, which have provinces. I support the fact that the balance of power in the Legislative Council in this State will permanently be held by minor parties. This bill will do nothing to change that.

The bill preserves the system of proportional representation. If at the next election the minor parties receive 33 per cent of the vote—as they did at the last election in the ballot for this Chamber—they will continue to win 33 per cent of the seats. That is a reality. Both of the major parties have conceded that. Anyone who suggests that this bill is about wiping out minor parties has not read the bill and does not understand our electoral system. This bill will remove some of the distortions.

The bill will preserve proportional representation and provide greater integrity in our Legislative Council voting system. When people vote for this Chamber they will be confident they are voting for a party and candidates they know. We will not have the situation where votes will be cast for a party with a catchy name, unless people spend half an hour reading large sheets of paper on polling booth walls, and voters do not know where their preference goes. That is not a good system and does not inspire confidence in this Chamber.

Crossbench members of this Chamber who have talked about the value of the Legislative Council system but will not consider changes to the Parliamentary Electorates and Elections Act that remove the distortions that undermine this Chamber have to reconsider their position. The Opposition supports these good amendments to the Act.

The Hon. J. HATZISTERGOS [12.37 p.m.]: This Chamber has always had a battle for credibility, particularly at the electoral level. Prior to 1978 this Chamber was not an elected institution. When legislation was enacted through this House for a referendum, which ultimately was carried by the State, providing for the democratic election of members to the Legislative Council, members of the Opposition opposed it on the basis that an unelected Chamber had some merit in the New South Wales political system.

It is pleasing that times have changed and we now have members, such as the Hon. D. T. Harwin, who recognise that 20 years on this Chamber ought to be a democratically elected House of this Parliament. In 1978 the political landscape was somewhat different. At that time the system which

operated for the election of members of the Legislative Council provided for three groups of 15 candidates to be elected every time the Legislative Assembly went to the polls.

In 1990 a change occurred when the Coalition passed legislation allowing for a referendum to be passed to increase the number of members to be elected to the Legislative Council at any one election from 15 to 21. That was largely brought about, if my memory serves me correctly, in an attempt to get rid of the Hon. Marie Bignold from this Chamber.

The Hon. J. F. Ryan: It was to reduce the 12-year term.

The Hon. J. HATZISTERGOS: It was essentially done to get rid of Marie Bignold from this Chamber and to somehow gain control of this House through a coalition between members of the Coalition and the remaining members of the Call to Australia Party, as it was then known. They are significant changes because if one looks at the statistics of the number of people standing for election one sees a corresponding change. Between 1978 and 1991 a number statistical features stand out.

First, there was a slight increase in the number of candidates who contested the Legislative Council elections. In 1978 it was 46, in 1991 it was 54 and in 1988 it peaked at 56. Second, the number of groups standing for the first election to the Legislative Council in 1978, by popular vote, was seven. In 1991 that increased to 11 and in 1988 it peaked at 12. In the 1978 election there were seven ungrouped candidates and in 1981 that had fallen to four. The peak for ungrouped candidates was six in 1984 with a low of two in 1981.

The average number of groups to contest the elections for the Legislative Council between 1978 and 1991 was nine, while the average number of candidates was approximately 49. The 1995 and 1998 elections indicated an extraordinary change which corresponded with the change to 21 members of the Legislative Council elected at any one time. In 1995 the number of groups that contested more than doubled. The maximum number of groups to contest the elections between 1978 and 1991 was 12, and in 1995, 27 different groups were listed on the ballot paper.

What is more extraordinary is that that number tripled in the 1999 election to 80 groups contesting the election. It is interesting to note that of those 80 groups only 25 bothered to field candidates for the Legislative Assembly. The 1999 election had nine

times more groups contest the election than in the period 1978 to 1991—almost five times more candidates for the average of those years. One must question the wisdom of the action which was taken by the Coalition Government at that time to increase the number of people who were elected to 21 as opposed to 15 at any one election.

The Hon. J. F. Ryan: Because they had a 12-year term.

The Hon. J. HATZISTERGOS: It was actually three terms of the Legislative Assembly. The fixed terms were legislated by the Coalition Government when it could not control the lower House and they required a charter of government. The 12-year term developed through the initiatives of the Coalition. In any event, as a result, at the last election there were 274,500 informal votes, the largest number ever recorded in a Legislative Council election.

It is interesting that 60,000 ballot papers were left blank, that is, 60,000 more blank ballot papers than for the Legislative Assembly election. People who talk about democracy and voters expressing their wish ought to reflect on the fact that the equivalent of 1½ State electorate constituents felt incapable of filling in the upper House ballot paper even though they completed the ballot papers for the Legislative Assembly.

A number of alarming features stand out in the statistics relating to political parties that contested the 1999 Legislative Council election. First, 48 or 60 per cent of the registered parties on the ballot paper only fielded two candidates. Five groups fielded three candidates, four groups had four candidates, three groups had five candidates and two had six candidates. Of the 80 parties that contested the elections only seven groups managed to field more than nine candidates which included the Australian Labor Party, the Coalition, the Greens, the Australian Democrats and the Shooters Party.

One would be left with 12 groups contesting the upper House election if one were to include only parties that could field more than five candidates on the ballot paper. That is still above the average number of groups in the 1978 and 1991 elections but it is in line with what happened in the 1998 and 1991 elections. One would question the legitimacy of all those new political movements registering as a party, some of which could only field two candidates.

They have catchy jingoistic names as described by other members, for example, the What's Doing? Party, the Make Billionaires Pay More Tax!, Stop

Banks From Exploiting Australians Party, the Four Wheel Drive Party. Essentially this bill seeks to do three things: first, to end the front parties; second, to reduce the size of the ballot paper; and last, to give some empowerment back to the voters to allow them to allocate their preferences rather than have deals organised in Chinese restaurants by the micro parties prior to the last election.

It is very different to have a registered group voting ticket in the 1978 election for the Legislative Council with considerably fewer candidates and groups of candidates, allowing people to go into the ballot box and see the registered tickets to discern whether they wanted to vote above the line or below the line from the 1999 election with 80 parties and 272 candidates and attempting to make an allocation of preferences on the ballot paper.

In reality in the last election the voter's preference, particularly at the lower level at 271 or 272, was allocated without the voter knowing. How many voters actually bothered to go into the ballot box and asked to look at one of the 80 registered group tickets placed in the polling booth? That is an enormous distortion and attempt by the micro parties to manipulate and change this Chamber from what the legislation intended in 1978. At that time the reforms were introduced to provide for a democratic Legislative Council whereas now some members of the Chamber are elected by way of luck.

The positioning of candidates on the ballot paper, the deals done in Chinese restaurants, the getting together and swapping of preferences between the micro parties determined whether a person got into the Legislative Council. There are other disturbing features of the last election. I refer to the primary vote about which a number of people have spoken. In 1999 the Outdoor Recreation Party received 0.2 per cent of the primary vote—enough to secure a position in this House.

In the 1978, 1984 and 1988 elections that lowest primary vote would have been the first to be eliminated. It was the lowest after the ungrouped candidates in the 1991 election. In other words 0.2 per cent would not have got a candidate off the ground in any other election to the Legislative Council except in the last election. Believe it or not, in 1978 the Communist Party managed to get 2.91 per cent of the primary vote. In 1984 the Democrats received 3.15 per cent of the vote. In 1991 the Greens received 3.32 per cent of the vote.

There were considerably larger primary votes in previous elections but none of those candidates was elected into this Chamber. In 1999 the anomaly

of 0.2 per cent and less than 1 per cent got a person elected to this Chamber. That is supposed to be democracy. Voters would not be aware of that basis of preference allocation. In 1999 the Greens were successful and received 2.91 per cent, the Reform the Legal System Party received 1 per cent, the Unity Party received 0.998 per cent and the Outdoor Recreation Party received 0.2 per cent of the vote.

In the 1995 election A Better Future for our Children, with 1.28 per cent, received what was until that time the lowest primary vote by a successful candidate. We thought we had reached rock bottom in 1995 with 1.28 per cent, but in 1999 one party was successful with 0.2 per cent.

The 1999 election results, compared with those of prior elections, indicate that the elaborate preference deals conducted behind closed doors without the knowledge of the electors have made this place a farce. If nothing is done, it is likely that more candidates who are not in any way representative and accountable to the community will be elected on tiny percentages of the primary vote. I do not mind elected candidates saying, "That is the system and I was elected on the basis of that system," but they cannot pretend to be representative with only 0.2 per cent of the vote.

Some of the front parties manage to filter preferences that the electors would not know about. How many electors who were responsible for the election of a representative of the Outdoor Recreation Party to this Chamber would have known they were facilitating the election of the Hon. M. I. Jones? The same goes for some of the other micro parties. I do not single out the Hon. M. I. Jones to make him an example. What I say applies to other parties as well, such as the Unity Party, which received 0.98 per cent, or less than 1 per cent of the vote.

One has to look at these results in the context of the political landscape, which is very different in 1999 with clever manipulation of the voting and electoral systems to the point where minor parties running under front names filter preferences to others on very small percentages. In many cases the facilitators would not know the people whom they have elected to this Chamber. As other honourable members have indicated, adoption of this proposal will not necessarily mean that smaller parties will not be represented in this Chamber.

What it will mean, however, is that members will be elected on a quantity of votes, which one could at least argue will make them representative of a constituency in New South Wales. Those reforms

are to be welcomed. People should focus particular attention on the current problems surrounding the registration of political parties that this bill tries to address: the requirement that a political party must have a minimum number of members to be eligible for registration and that there be ongoing scrutiny of that membership.

Parties bob up just prior to an election, register a month or two beforehand and all of a sudden after the election lose their enthusiasm and go away. Where are the policy positions of the parties with two candidates that stood at the last election and have since evaporated into thin air? The requirement that the names ought to reflect the aspirations of the political parties by reference to their constitutions is a valid insertion to the Act.

Some of the so-called wilderness parties that ran at the last election and associated themselves with environmental names but represented nothing of the sort gave their preferences to parties that were contrary to what one would think would be reflective of the interests of their names. So those changes are welcome. Criticism that has been made of the number of members and the amount of money required to stand for election do not have much substance.

Any party that wishes to contest the Legislative Council elections must indicate that it has a level of community support. The chances of election to the Legislative Council of a party that cannot sign up for registration 1,000 people or find the \$3,500 for registration are non-existent. I should have thought that more than 1,000 people would have voted for the Hon. M. I. Jones in the last election.

The Hon. M. I. Jones: I do not have a problem with 1,000 members.

The Hon. J. HATZISTERGOS: Tell that to some of the other crossbenchers who criticised it. That reform is welcome, as is the reform of the requirement for 12 months registration before a party is eligible to have its name or its abbreviation placed on the ballot paper, particularly above the line. That will ensure that the party maintains its enthusiasm for wanting to stand for the Legislative Council.

The Hon. D. T. Harwin: We have a fixed term so everyone knows.

The Hon. J. HATZISTERGOS: Yes, everyone knows the cut-off date. They can register

and exist for a little longer than some of the other parties before they, as I said, lose their enthusiasm after the election has occurred and after they have achieved their limited objectives, which I think in some cases is to be a temporary front for others. This bill has a lot to commend it. However, we ought to go a lot further than this amendment to the Act. Some of it will require constitutional amendment, which might be looked at later in the term of this Parliament.

I end where I began, and that is basically saying that this Chamber has to maintain its credibility and the credibility of the election of its members. It can do that only by getting rid of some of these anomalous circumstances that resulted in a ballot paper that I thought was a disgrace to the democratic system rather than an enhancement of it.

The Hon. J. F. RYAN [12.55 p.m.]: I want to record that it is important for us politicians to ensure that the community feels empowered by what we do. Standing out in the rain at the weekend at the republic referendum, supporting the republic, taught me some interesting things about western Sydney. Not 10 minutes of the day went by when someone did not walk past me abusing politicians. We politicians have to understand that there is a large level of community cynicism about what we do, that public confidence in what we do has been hopelessly undermined, and that we have to do things that make the public feel more powerful and more in control.

Quintessential to democracy is a fair voting system and an outcome that is absolutely in the hands of the voters. That is what our democracy intends, and if that does not occur we need to reform the system. The system that was used to elect the Legislative Council for the last two elections was intended to be convenient and easy; it was never intended to get out of the hands of the voters. I recall trying to work out where preferences would flow at the last election and to work out where minor parties would place their preferences.

I attempted to do it on the Internet. I think the registered how to vote cards are still available. They were in portable document format [PDF]-type files that could be downloaded to a computer and then read. However, the registered how to vote cards were so large because they had to accommodate so many papers that it was possible, except by using a very high level of magnification in order to enlarge the ballot paper so that one could see where the numbers were, only to look at approximately 5 per cent of the ballot paper at a time.

One had to construct on another piece of paper the flow of preferences. It was just impossible on a normal computer screen to see these ballot papers. If one went to a polling place to check them out, one would have been there for some hours trying to work out where the preferences were flowing and how one's vote would end up. It was not only beyond a joke; it undermined democracy in that a voter who marked a square, which was intended to be a convenient way for voters to fill out the entire ballot paper, did not know and could not have known even if they had wanted to, how their vote would be counted at the end of the count.

The count for the Legislative Council is sufficiently difficult as it is. Honourable members would be aware that one needs to be almost a political scientist to understand the working of the proportional representation system, how a quota is initially established and how the transfer of votes works afterwards. It is very complex and difficult. It needs to be made simpler. These reforms will achieve that, and should be welcomed to that extent.

I have no objection to democracy being an open field in which as many people who can participate do so, but they should participate in a way in which the voter is ultimately able to make a sensible decision and ultimately to have the State Electoral Office carry out the decision that they intended. Comments have been made that the way in which the two-party preferred system works in the lower House is unfair.

Voting for the lower House is intended to achieve a decision about which party has a majority to govern. That decision is in the hands of the voters, but one of the disadvantages of the proportional representation system is that while each voter's vote counts to the extent that a representative is sent to the House, ultimately the decision as to which majority rules is in our hands—a decision that we make subsequent to the election, sometimes unknown to the electors.

For example, the recent election in Victoria resulted in a hung Parliament. The outcome of that election was not known by the electors when they cast their votes; it was determined by the members making their own decision based on what they thought their electorates wanted. One advantage of the way the Legislative Assembly is elected is that the outcome is largely in the hands of the voters; the outcome is determined by how they allocate their preferences. That is why members of the lower House are elected in that way. In no way is it unfair.

The upper House is meant to represent the various proportions of votes counted. If 25 per cent of the community support the National Party, 25 per cent of the members of this House should represent the National Party. Members of this House are elected under a proportional representation system to overcome the fact that it is possible for a party to receive a large number of votes across many electorates and have no representatives. This House is a counterbalance to that; democracy provides for that difference to be reflected. I do not cast aspersions on how the lower House is elected because it is a perfectly fair representation of the democratic system.

Some comments have been made about how preferences were manipulated at the last election. The debate has focussed largely on the Hon. M. I. Jones, and to some extent that is unfair. I recollect that the people who invented the system of siphoning preferences represented parties that were a little left of centre. My memory of the 1995 election is that the Greens were competing with the Australian Democrats for preference votes. They were both worried that neither the Greens nor the Australian Democrats would be elected to this House so they siphoned preferences.

They did such a good job that the person they employed to siphon preferences, the Hon. A. G. Corbett—I have forgotten which party he supported—was elected to this House. The Hon. A. G. Corbett never intended to be elected to this House. He was surprised that he was elected. He did not campaign for votes. Indeed, I recall that it was reported in the *Penrith Press* that his party dissolved after the election. The honourable member said that he would not bother maintaining his party, that continuing to have a party operation was a distraction. Voters have no control over what the Hon. A. G. Corbett does. The reforms in this bill are intended to make the system a little fairer.

[The Deputy-President (The Hon. Janelle Saffin) left the chair at 1.03 p.m. The House resumed at 2.30 p.m.]

The Hon. J. F. RYAN [2.30 p.m.]: As I was saying prior to the luncheon adjournment, the business of siphoning preferences from various parties is not unique to parties which operate on the right of centre, as some members have suggested. Some parties represented in this Chamber have become quite skilful in harvesting preferences on the left of centre. The whole business of cleverly utilising preregistered how-to-vote cards, as I

understand it, resulted from a brawl that broke out between the Greens and the Australian Democrats in 1995. Both parties thought that neither would have an adequate supply of votes to be represented. So in panic they structured a series of parties which they hoped would cater to particular voters to siphon preferences to the Australian Democrats or the Greens.

Earlier I heard the Hon. D. T. Harwin take credit for helping to draft the legislation which changed the Parliamentary Electorates and Elections Act. I have to take some of the blame for helping to draft the constitutional amendments which were introduced at around the same time that resulted in 21 members of the House retiring at each election. But the Hon. R. S. L. Jones has to take credit for showing people how this was done by using preregistered how-to-vote cards to ensure that the preferences flowed in the calculated manner. We all have reputations that we need to live down. Many people have referred to how the Hon. M. I. Jones was elected. There were some pretty close preference swaps between the Greens and organisations such as Stop Banks from Exploiting Australians Group.

The Hon. I. M. Macdonald: What about the National Party? Do you not give it preferences?

The Hon. J. F. RYAN: We run with the National Party honestly and we have for years. We have a joint ticket with the National Party. The Progressive Labour Party got about 125,000 votes. Without a doubt, a substantial number of people voted for that party thinking that they were voting for the Labor Party. Oddly enough, all the preferences from that party went to help to elect a Green. If my memory is correct, the Greens achieved a quota in their own right but not enough for a second candidate and the preferences flowed on elsewhere.

There were deals between the Greens and the Tenants Have Rights group, the Democratic Socialists, and (Godfrey Bigot) People Before Party Politics. Additionally, there was a special relationship between the Greens and the Communist Party of Australia and another anti-nuclear group established by Dr Helen Caldicott formed as Our Common Future Party. The beauty of the reforms that have been introduced is that if they are enacted as proposed the allocation of preferences will be decided by the voters.

This will mean that the outcome will be determined by voters, not by people behind closed doors in such a way that voters will have no way of

working out how it has occurred. I do not deny any members of this House election to this House, nor cast aspersions on how they do their job or their legitimacy. Every person elected to this House was elected by the election system that existed. But I make the point that the electorate is incredibly cynical of politicians and that all politicians of all political colours have to restore credibility in the system.

A small step in doing that is to reform how this House is elected so that the destiny of this House is more in the hands of the voters than it currently is. In that regard I support the reforms that are before the House. Through a series of measures they will ensure that political parties have a reasonable level of community support and can produce a level of support represented by their financial support. A measure of the support of parties is not just what they can achieve at the ballot box. As the Hon. D. T. Harwin demonstrated earlier, sometimes what they achieve at the ballot box is a result of the accident of where their entry appears on the ballot paper.

Another measure is the extent to which their members are prepared to support their campaign by putting their hand into their pockets. Under the measures before the House 1,000 members would be required to provide \$5. That would more than cover the costs required to register the party—that is a one-off cost—to administer and maintain it and to provide the nomination deposits for its candidates. The requirements in the bill are not unreasonable. To some extent they recoup the substantial costs encountered by the State Electoral Office in drafting the ballot paper.

It may come as news to the House that the ballot paper presented to the people of New South Wales at the last election cost the people an extra \$10 million. I know that democracy is expensive—nobody denies that—but it is infinitely better to spend that money than it is to sort arguments out with bullets. But spending \$10 million to have an oversized ballot paper which makes the system no more democratic is an outrageous waste of public resources which cannot be endured any longer. I commend the reforms to the House.

I had the privilege of assisting the Liberal Party and National Party in assessing the political impact of the bill for the Coalition. No political party would formulate its attitude to such a bill without assessing its impact. I was impressed that the reforms are overwhelmingly fair. They would not result in a large advantage for the major parties, which are treated the same as the minor parties. The

electoral consequences of the bill are likely to be that the crossbench will be roughly the same size after the next election as it currently is.

It can hardly be said that the bill is unfair in that regard. But we will be able to be reasonably sure that the crossbenchers elected after the next election will have a legitimate mandate and a legitimate basis of community support. They will actually be accountable to somebody. The other question that I must ask some crossbench members is to whom they are accountable. When I make decisions in this House I am immediately accountable to my colleagues and my party, to the members of the Liberal Party who form the party and to well-recognised Liberal voters.

The Hon. R. S. L. Jones: What about the people?

The Hon. J. F. RYAN: Of course we are accountable to the people in a general sense. Which members of the public question the Hon. R. S. L. Jones when he attends branch meetings and public meetings? Very few. I am regularly intensively questioned about what I do in this place. That is a good thing, because one of the things that I have to think about when I cast my vote is what the people who supported me wanted. That is really important.

Perhaps another reform that could be put before this House in the future is that members who are elected to represent one political party should maintain their membership of that political party and, if they leave voluntarily, should probably forfeit their seats in this House. None of us should kid ourselves that we were elected, for the most part, on our individual representations. Reverend the Hon. F. J. Nile is probably the only politician to fall into that category.

Wherever he travels in Australia, and in New Zealand for that matter, people approach him and tell him that they specifically support him. Very few members would have the sort of profile whereby people would support them by virtue of who they are. Perhaps to a lesser extent the Hon. J. S. Tingle's profile was adequate to persuade people to support him. Most of us are elected as anonymous representatives of a political party, and we earn our reputations after, rather than before, we are elected.

For the most part, we owe our membership of this place to the political party we represent. It would not be unfair for us to consider in the future that if we were to voluntarily leave the political party of which we are a member, we probably should forfeit our seat to some other person elected by the people who supported that political party. I

accept that there is a problem about dismissal from a political party; that would give political parties a phenomenal level of power which I do not believe they should have.

For example, if we cast our minds back to the last session of Parliament, the Labor Party could easily have solved the problem it had with the Hon. Franca Arena by expelling her from the political party. That would have meant she would forfeit her seat. I accept that members cannot apply for expulsion. However, I believe that if they leave a political party of their own volition, and the discipline and accountability that they take on as a result, they should probably forfeit their seats in this House, because in all probability they owe their seats in this House to the fact that they were members of a registered political party.

These reforms give power back to the voters. I cannot see how any member of this House could suggest that that is unreasonable. In fact, last weekend's referendum indicated to me that there is so much cynicism about politicians and what we do that we need to think seriously about other ways in which we can reform what we do in order to make people feel more powerful. We may not continue to have the parliamentary democracy that we currently have unless people feel a little more powerful than they do at present.

The Hon. A. G. CORBETT [2.43 p.m.]: This bill constitutes a major response by the Government to the proliferation of micro parties standing for the upper House in the last election. I am very concerned that this bill will advantage the major parties rather than smaller, independent groups who wish to stand for Parliament. A number of aspects of the bill will make it very difficult for new political parties to establish themselves. This will serve to entrench the traditional system in which major parties are dominant and voters have very little choice.

The provision that requires parties to have 1,000 members in order to be eligible for registration is a particularly onerous requirement. As other members have said, this is not the case under Commonwealth law. I will therefore support the amendments proposed by the Hon. P. J. Breen, which would reduce the number of members required for registration to 500, to bring New South Wales into line with the Commonwealth. I also support the Hon. P. J. Breen in his objection to the increased registration fee for political parties.

The sum of \$3,500 is far too much for small, newly formed parties that do not have a substantial resource base, as do the major parties. It has been

argued that if the requirement relating to the number of members is amended to 500, it would constitute a contribution of only \$7 per member. However, that is not the full story. A new political party must pay for office facilities, staff, stationery, and campaign expenses. That represents a significant cost. The new fee of \$3,500 is an inordinately large impost upon a fledgling, grassroots political organisation aiming for representation in the New South Wales Parliament. I shall also support the foreshadowed amendments of the Hon. P. J. Breen which will seek to reduce this amount to \$500.

I am equally concerned about the requirement to pay \$5,000 to stand 15 candidates for election to the upper House. That would mean that the cost for a party to participate in the electoral process would be \$8,500. This amount is prohibitive for any grassroots organisation, and would result in those organisations being denied the opportunity to represent the views of minority groups in Parliament, on the basis that they cannot meet the financial requirements.

I also have concerns about clause 129EB of the bill, which inserts a special provision where the minimum size of a group is reduced by the death of a candidate. Under this provision, groups above the line on the ballot paper must nominate another party to which a second preference would be distributed in the event of the death or disqualification of one or more of their 15 candidates, and where a voter has only placed the number "1" in the voting square for that group.

This clumsy arrangement would leave open the possibility of preferences being allocated by the party and not the voter, although I appreciate the requirements of the Constitution in this regard. It may have been preferable for the minimum number of candidates required for a group voting ticket to be increased beyond the minimum of 15 in order to deal with this problem. This view is shared by Antony Green. I am concerned that if a party falls just short of the minimum number of members required for registration it would be deregistered.

For example, a political party that has 950 registered members—or 450, should the Hon. P. J. Breen's foreshadowed amendments be passed—would be deregistered once the cut-off date for compliance with the Electoral Commissioner's requirements had passed. I trust that the commissioner will make every effort to inform the registered officers of that party well beforehand that the party had not enrolled enough members and might soon be deregistered.

Otherwise, the commissioner should provide the officers of the party with at least one month's grace, to give them the opportunity to sign up more new members in order to qualify for registration as a party. I foreshadow that I will move a number of amendments in Committee. The first of those amendments would prevent another person reregistering a party name that had been deregistered for a period of four years. This measure would protect voters from being deceived about the nature of a political party should the same name, or a similar name, be used by another organisation.

The second amendment would require the Electoral Commissioner to publish material that sets out the platform or objectives of each party on the ballot paper. That would assist voters to determine the real intent of each registered party, and would act as a further protection against the establishment of front parties, which caused such problems in the last State election. In conclusion, I wish to place on record my objection to the hasty introduction of this bill. I would have preferred much more time for public consultation and discussion about the process of electoral reform.

If this bill is passed, as seems likely, and problems are discovered later, the public would surely lose confidence in the Parliament and time would be wasted with the introduction of another bill at a later date. For that reason I would have preferred the bill to be considered by a committee of experts and public hearings to be conducted. That would have ensured that the bill constituted sound electoral reform, and achieved the aims of preventing another tablecloth ballot paper and ensuring that democratic values are maintained in New South Wales.

Reverend the Hon. F. J. NILE [2.48 p.m.]: The Christian Democratic Party is pleased to support the Parliamentary Electorates and Elections Amendment Bill. As provided in the explanatory note, the object of the bill is to amend the Parliamentary Electorates and Elections Act 1912:

- (a) to remove the power of political parties to determine a voter's preferences for other groups of candidates in Legislative Council elections, and
- (b) to revise the requirements of part 4A of that Act with respect to the registration of political parties.

Honourable members would be well aware that the legislation was introduced as a result of widespread criticism of the so-called tablecloth ballot paper for the March 1999 Legislative Council election, and in particular the secretive preference deals which were

organised between groups of candidates. Those secretive preference deals were not made public and in many cases would have deceived the voter in that his or her vote could have finished up with another party or group that had objectives or aims that were different from those of the party for whom the person voted. As honourable members would be aware, 264 candidates contested the Legislative Council election and 81 parties were represented on the ballot paper.

I checked back to 1981, the year when I was first elected. The number of candidates was 48, and the number of groups or parties was eight, not 80. The number of candidates ungrouped was two. In 1984 the number of candidates decreased to 43 and the number of groups or parties was seven, with ungrouped candidates numbering six. In 1995 there were 27 parties standing in the election. The voters were able to handle voting involving those numbers of participants. But when it came to sorting out 81 parties and 264 candidates, their task became almost impossible. Voters faced great problems in trying to use the ballot paper to exercise their democratic right to choose candidates and parties. That was due to confusion caused by the size of the ballot paper.

On the other hand were the deals done by the 30 or 40 so-called micro parties, who got together and, I believe, sought to abuse the system and the intent of the Parliament in setting up that system under the original legislation. I would, however, put on record that in many ways the Government was partly to blame for the problems caused by the 1999 ballot paper. The red light had flashed in 1995, when A Better Future for Our Children Party candidate the Hon. A. G. Corbett was elected. If the Government had responded at that stage with amendments to the legislation, we would not have had the election problems of 1999.

Basically, for the 1999 election the micro parties studied what had been done by the Hon. A. G. Corbett of A Better Future for Our Children Party to gain election to this House. Those micro parties obviously thought, "If he did that, how did he do it? We will follow the same pattern." Basically, that is what happened in 1999.

A number of times, following the 1995 elections, I raised in this Parliament that there were serious problems in the system, as were shown by the actions of the Hon. A. G. Corbett's party. That is when the Government should have responded. At the time there were a number of press articles about the honourable member's election. However, one never knows how accurate those articles are and how reliable are their quotations. In one article he was

reported as having said, "I don't even have a party, I do not have any members, and I do not have an executive."

The Hon. A. G. Corbett: Where was that?

Reverend the Hon. F. J. NILE: In one of the Penrith papers. Another statement attributed to the honourable member was, "I only spent \$500 to get elected." I know from some of our own members who live in the Blue Mountains that the Hon. A. G. Corbett was door knocking with a clipboard on which people could sign their names.

The Hon. A. G. Corbett: And a constitution, which they all had the opportunity to look at.

Reverend the Hon. F. J. NILE: I am only quoting what people said to me.

The Hon. R. S. L. Jones: You have got to make sure you are telling the truth.

Reverend the Hon. F. J. NILE: I am. I am quoting from conversations I had with my own members. These sort of statements were published in the newspapers as well. Some people who were interviewed were reported in the *Daily Telegraph* as having signed the clipboard without realising they were foundation members of a political party.

The Hon. A. G. Corbett: They were told, too.

Reverend the Hon. F. J. NILE: I am saying that one cannot always believe what is in our papers. There was even a report in the *Daily Telegraph* that one girl signed her parents' names on the form as well. I asked the Electoral Commissioner to investigate the matter. His response to me was that he would have serious problems doing so because he had no investigative staff or inspectors. His response was, "If you want all these things done, then get the Government to allocate a larger budget for inspectors who can investigate parties and inspect their records to make sure that they are genuine."

The Electoral Commissioner's view was that if people signed the membership forms and claimed to have met all the requirements to be a candidate or a member of a party, then he would accept that on face value. I am hoping that as a result of this bill the Government will ensure there is accurate investigation of parties, even under the new system, because the system could still be open to abuse. The bill provides that a party has to submit declarations that it has a thousand members—or, as the bill says, lodge a membership declaration form completed by each of those 1,000 minimum members. That is the current requirement of the bill unless it is amended.

What is the declaration form? Is it a form supplied by the Electoral Office? Will each party have to make 1,000 copies of that form and distribute those to its 1,000 or more members so that those members may sign it? What will be the wording of the form? Will it contain a declaration, "I am a member of X party", with space provided for provision of name, address and signature of the deponent? Will it have any affidavit-type of check, with countersigning by a Justice of the Peace that the deponent's signature is genuine? These are practical questions that the Government should address when it comes to preparing the regulations.

The Christian Democratic Party submits that the signature should be certified by a JP and that the form should be signed before the JP. I imagine that the party will forward these forms to the Electoral Office with some sort of covering letter such as, "We attach herewith the required 1,000 forms." In other words, there is no intention of the Government that a particular sheet will be signed by a number of a party's 1,000 members, as applies with the present system requiring 200 members to sign their names on a sheet, one after the other, in the same way as constituents sign a petition.

I do not believe that system would work. Obviously, a party with 1,000 members would encounter considerable administrative difficulties in having members sign a sheet. Therefore, it is desirable that individual forms be signed by each of the members and that that requirement be dealt with in the regulations. That would be a great improvement.

In the last election there was a lot of confusion amongst voters. Some people were confused about the preference system itself. Some parties whose aims were similar to those of the Christian Democratic Party would not give our party any preferences. I asked, "Why is that?" They said, "We don't want to help you get elected; we want to get elected ourselves." I would say, "You understand that I get your preferences only if you do not get elected?" This demonstrated that not only voters but also some parties fielding candidates thought that they got only the primary vote and that preferential votes directed to the party were distributed to other parties as a matter of course.

I said, "Those preferences are not allocated unless you are eliminated. Then you would have to ask yourself who you would like in the upper House who has similar views to your own." I found it a frustrating aspect of the election that some parties that I would have expected to give preferences to me would not do so because they said they wanted to get their candidate elected.

The Hon. M. R. Egan: That is one reason that many voters are reluctant to give preferences other than their primary vote; they think they are helping some other candidate build up a pile of votes.

Reverend the Hon. F. J. NILE: Yes. But I am speaking of parties that should have understood that their preferences would not be allocated unless their candidates had been eliminated, or they had such a response that they were elected with a surplus of votes.

The Hon. P. J. Breen: I gave you my preferences.

Reverend the Hon. F. J. NILE: The whole point is that those preferences were useless to me unless you failed to be elected.

The Hon. P. J. Breen: That is right.

Reverend the Hon. F. J. NILE: One of my close supporters said, "I have not voted for you on this occasion. I have given my No. 1 vote to another party but that party is going to give you its preferences." In fact, that party did not give me any worthwhile preferences; I think I was the fourteenth party down the line.

The Hon. R. S. L. Jones: Which party was that?

Reverend the Hon. F. J. NILE: The Australian Family Alliance was going to exchange preferences with the Christian Democratic Party. Voters get confused when they hear about preference arrangements between parties. They do not have time to look through the 80 voting guides in a polling station to see where the preferences will go. Some parties did not direct their preferences in the way they had publicly stated.

Parties make deals to exchange preferences. The Christian Democratic Party arranged with the Country Summit Alliance to exchange preferences. We put the alliance at number five and then discovered the alliance had left my name blank. I did not get a single vote from the alliance. The whole voting guide system has been discredited. I am pleased the Government is scrapping it through this legislation.

The voting guide system is open to a great deal of manipulation. Some honourable members would remember the People Against Paedophiles party. One would have thought a party with that name would have worked with Franca Arena, because she had been involved in that issue. Yet,

although the People Against Paedophiles party said it would give its preferences to Franca Arena, the voting guide showed that it gave its number one preference to her party's number two candidate. She was ripped off.

Franca Arena thought that she would get the preferences, but the People Against Paedophiles party cleverly gave its preferences to Franca Arena's number two candidate. That also happened to other parties. Some parties agreed to support certain parties and give them their preferences. They did give the preferences to the party but very cleverly—

The Hon. M. R. Egan: Who were they?

Reverend the Hon. F. J. NILE: I do not know who founded the People Against Paedophiles party. Some parties, which knew how the system worked, agreed to direct their preferences to certain parties. However, the parties receiving the preferences should have asked whether the first preference would be directed to their number one candidate.

The Hon. M. R. Egan: Wouldn't it be nice to know who they are?

Reverend the Hon. F. J. NILE: Do you know who they are?

The Hon. M. R. Egan: No, I do not. I would love to know.

Reverend the Hon. F. J. NILE: You have a little smile.

The Hon. M. R. Egan: I am a very suspicious guy.

Reverend the Hon. F. J. NILE: I wondered whether the People Against Paedophiles party was established to take votes away from Franca Arena and stop her being re-elected. I know the Australian Labor Party would have been very keen for that to happen.

The Hon. M. R. Egan: I have other suspicions.

Reverend the Hon. F. J. NILE: I do not suggest that the Treasurer set up that party. I do not know whether the Australian Democrats checked the voting guides. Some parties which said they would give preferences to the Hon. Dr A. Chesterfield-Evans put their number one preference against the Australian Democrats number two candidate. They tricked the Australian Democrats. The Australian Democrats desperately needed the number one

preferences to go to the Hon. Dr A. Chesterfield-Evans.

The Hon. Dr A. Chesterfield-Evans: We were confident of the success of our number one candidate, but we wanted two candidates elected. They were probably trying to help us.

Reverend the Hon. F. J. NILE: All they had to do was put number one against the Hon. Dr A. Chesterfield-Evans and number two against the second candidate. However, the way they allocated their preferences did not guarantee the honourable member's re-election. I was disappointed that the Electoral Office declared that even though I received the fifth highest primary vote I was elected without a full quota. I thought that was strange. I do not know why—I assume it was to save money—but I received preferences from the Registered Clubs Party. Those preferences were not allocated. I also received preferences from the Communist Party and the Socialist Party of Australia because they misunderstood the system.

The Hon. M. R. Egan: They were your thugs.

Reverend the Hon. F. J. NILE: Those parties gave preferences to the Australian Democrats and to the Greens. However, they thought they had to number every box in the voting guide, so they actually supported people whose ideas they may not agree with. I have done a great deal of research about the confusion with the voting guide system.

As other honourable members have said, some parties created attractive names. Although I cannot prove it, I do not believe they had any intention to fulfil the purpose of the party's name. I do not know whether some parties were registered to garner votes from unknowing voters so that preferences could be directed to another party.

For example, one would assume that the Make Billionaires Pay More Tax Party would not support or have an interest in the Liberal Party. Perhaps votes for that party were directed to the Australian Labor Party. Similarly, parties such as Stop Banks from Exploiting Australians have a certain ring to them. I do not know whether they came from Sussex Street.

The Hon. R. S. L. Jones: There were no Sussex Street parties.

Reverend the Hon. F. J. NILE: Did you start them?

The Hon. R. S. L. Jones: No, I did not start them. There were no Sussex Street parties.

Reverend the Hon. F. J. NILE: The Hon. R. S. L. Jones referred to the Australian Small Business Party. I am concerned that voters who saw that name would think that the party was sponsored by the Australian Small Business Association.

The Hon. M. R. Egan: Ask the Hon. R. S. L. Jones whether all the micro parties were his creation.

Reverend the Hon. F. J. NILE: Or some of them were his creation?

The Hon. R. S. L. Jones: One.

Reverend the Hon. F. J. NILE: One would think that the Registered Clubs Party, which was created by the registered clubs, was associated with the Australian Small Business Association. However, the organisation had no association with that party, and it was not happy with the use of that name. Other parties were called Abolish State Governments and Give Criminals Longer Sentences.

The Hon. M. R. Egan: I could have been a member of the Abolish State Governments party.

Reverend the Hon. F. J. NILE: The Treasurer does not want to abolish State Governments, he just wants to abolish the Upper House. The Christian Democratic Party supports the provision in this bill to abolish the group voting ticket. As other honourable members have said, there will be one preference allocated by a party to provide for cases where a party is disqualified through death of a candidate or a candidate not meeting the requirements for election. I accept that principle. That preference will not apply unless the party is disqualified.

The Hon. R. S. L. Jones: How do you distinguish that?

Reverend the Hon. F. J. NILE: The preferences will not be allocated by the Electoral Commissioner. The Electoral Commissioner will only look at ballot papers where voters put a number two. It is merely an insurance policy if a party is disqualified, so that the votes will not be exhausted. However, it is not a way of introducing a small voting guide system. The Christian Democratic Party also agrees with the provision that there must be at least 15 candidates in the group. I understand that is a constitutional requirement. That provision will place pressure on all parties except the two major parties.

Although a party may have many members, not everyone wants to be nominated as a candidate

for Parliament. I have often found that to be a problem. People who are highly qualified and would be excellent candidates do not want to get involved publicly on a ballot paper. Sometimes a person will agree to be a candidate but does not get the support of his or her spouse. Many people are anxious to preserve their privacy. By removing the voting guide system, we will stop people such as Mr Glen Dreury organising themselves to get elected to the upper House. However, as Mr Dreury said after the election, he forgot to organise his own primary vote and did not get elected.

The Hon. R. S. L. Jones: He got pretty close.

Reverend the Hon. F. J. NILE: His one mistake was that he was so busy organising all the other parties he forgot to organise his primary vote. I accept that there must be a registration of one preference in case of the death of a candidate or if a party ceases to have a minimum of 15 candidates, as dealt with in item [4] of schedule 1 to the bill. The Christian Democratic Party also supports the provision in the bill of a maximum deposit, for all candidates in the group, of \$5,000 even though that is for a larger number of candidates. At present each candidate in the group is required to pay a deposit of \$500 as a nomination fee.

Items [13], [14], [16] and [18] of schedule 1 to the bill will make it clear that voters can allocate their own preferences. In future a voter can vote above the line for the Australian Labor Party and cast his or her second vote for Country Labor. Alternatively, a vote could be cast for a coalition party and a second vote for another party, or the voter could fill in a minimum of 15 boxes for 15 individual candidates below the line. An education campaign will be needed to make that clear to voters who have been indoctrinated to vote in only one box above the black line.

They will have to be told that they can put numbers in more than one box. They will have to understand the effect of the changes as a result of this legislation. By item [1] of schedule 2 to the bill the party will be required to have at least 1,000 members. The Christian Democratic Party has about 8,000 people who work at polling booths, some of whom are still reluctant to become members of political parties, sometimes for reasons I do not understand. Some people who work in the public service are asked whether they are members of a political party and they like to be genuine and say no.

It will be hard to get 1,000 members to become members of a party. They will be required to fill in a declaration of party membership. The

wording of form 22 in the exposure draft regulations is "Registration of party, declaration of party membership". It is addressed to the Electoral Commissioner. The person who completes the form has to print his or her full name in block letters as being enrolled, his or her place of living as appears on the electoral roll, and his or her date of birth, and declare that he or she is a member of the political party whose registered name or proposed registered name of the party is inserted. It states:

I consent to that party relying on my membership for the purposes of the party qualifying for registration under the Parliamentary Electorates and Elections Act 1912.

It has a space for the signature of the party member and the date. At the moment a justice of the peace does not have to affirm the signature of the signatory.

[Debate interrupted.]

DISTINGUISHED VISITOR

The DEPUTY-PRESIDENT (The Hon. Janelle Saffin): Order! I draw the attention of honourable members to the presence of a former Clerk of the Parliaments, Mr Les Jeckeln. I welcome Mr Jeckeln.

PARLIAMENTARY ELECTORATES AND ELECTIONS AMENDMENT BILL

Second Reading

[Debate resumed.]

Reverend the Hon. F. J. NILE: I assume the Government is not locked into the final wording of that declaration but it might be important for a justice of the peace to certify the signature, as is normally required with a lot of documents. As honourable members know, there are 60,000 or 70,000 justices of the peace in the State and it would not be hard to find one to sign a document. That would not be a burden to new parties, and it would ensure that everything is above board.

A lot of work would be involved in fraudulently signing 1,000 names but some micro parties are devious and may attempt to do so. When I visited the State Electoral Office during a previous election campaign, an officer showed me one of the parties it had disqualified because the signatures of its 200 members were signed in the same handwriting by the one person.

The Hon. R. S. L. Jones: Which party was that?

Reverend the Hon. F. J. NILE: I do not want to mention the party but we have discussed it. The party was disqualified. Apparently some groups are stupid as well as dishonest and think that the State Electoral Office would accept such a document. Item [7] of schedule 2 to the bill prevents parties suddenly being formed just prior to the next election. Some honourable members may say that it is not democratic but an issue such as Badgerys Creek airport could build up emotion and a party might be formed as a result. That party might be able to generate enough publicity to win a seat and thereby exploit the intention of the voters.

Parties should be accepted only if they are formed 12 months before an election, to allow a period of calmness so that everybody knows which parties are registered. However, a provision in the bill will allow for a group of individuals to get a box above the black line. They will not have to have 1,000 members or be registered. I did not think that the Government planned to allow that to occur.

The Hon. P. J. Breen: How do you do that?

Reverend the Hon. F. J. NILE: The Government has allowed that in the bill. I understood in the original briefing that only registered parties would have a box above the black line. However, a group that is not registered could have a box and campaign for voters to, say, vote 1 for box H, the Honest Party.

The Hon. R. S. L. Jones: A No-name party?

Reverend the Hon. F. J. NILE: It would be linked with the letter in the box. Even though no name would be in box H, the group that is represented by that box, which might not be part of a registered party and not have 1,000 members, may generate enough votes to gain election. I ask the Government to give that matter further consideration. The explanation I received from the Government was that that provision is in the bill because it is of the view that there must still be some openness in the democratic process.

That is just one gap in the system that could be exploited. Maybe that provision could be amended later, after the Government has given it more thought. In South Australia during a big poker machine controversy the No Poker Machines Party was registered and its candidate was subsequently elected to the upper House. Nobody knew his policies or anything else about him.

The Hon. P. J. Breen: It was a single-issue party.

Reverend the Hon. F. J. NILE: I am saying that.

The Hon. Dr A. Chesterfield-Evans: He wasn't pretending he stood for anything else!

Reverend the Hon. F. J. NILE: No, I am not talking about pretending, I am talking about people who rely on an emotive issue just before an election.

The Hon. A. G. Corbett: People make a rational decision on how to vote.

Reverend the Hon. F. J. NILE: Yes, and I support there being a calm period before an election so that people do not exploit issues for political advantage. There are genuine people who form parties and stand for election, but others exploit issues in co-operation with the mass media by using headline articles, et cetera. The registration requirements of a party are dealt with by item [14] of schedule 2 to the bill. The date prescribed is "31 December next". I have checked with the Government and that does not refer to this December.

The Hon. R. S. L. Jones: It will be proclaimed next year.

Reverend the Hon. F. J. NILE: The Government has indicated it will proclaim the bill in January 2000. Page 2 of the introduction to the bill states:

This Act commences on a day or days to be appointed by proclamation (being not earlier than 1 January 2000).

That is clause 2 of the bill. I support that measure because the Government has given a concession. Originally the date was June next year, but that has been extended to December to allow genuine parties time to sign up the 1,000 members and obtain declarations, which will need some administering. We thank the Government for extending the date to December 2000. Unfortunately, the bill is necessary because of the way in which the previous legislation was abused at the last election. The Government had no choice but to introduce this legislation. For that reason, the Christian Democratic Party supports it fully.

The Hon. JENNIFER GARDINER [3.20 p.m.]: I join with other colleagues in supporting the passage of the Parliamentary Electorates and Elections Amendment Bill, which is designed to remove the power of political parties to determine, via an obscure way, the organisation of preference deals with other groups of candidates in

future Legislative Council elections and also to revise the requirements relating to the registration of political parties. This bill might be termed a better future for our democracy bill, because that does indicate its genesis.

The Hon. R. S. L. Jones: A better future for the Coalition.

The Hon. JENNIFER GARDINER: If it is a better future for the National Party that is to the good. It is obvious that this bill is necessary, but it is noteworthy that the changes to the Legislative Council system of voting do not require a constitutional referendum, unlike that which was mooted just after the election by the Leader of the Government in the Legislative Council. These amendments will go some way towards eliminating the ridicule that flowed from the last Legislative Council election, which led, supposedly, to the preparation of the world's largest ballot paper.

A number of members have referred to the extraordinary number of political parties on the ballot paper at the time of the March 1999 State election. However, more political parties, which have since disappeared, were lined up to possibly benefit from this provision for registration. They were obviously put on the shelf by people seeking to manipulate the system just in case they were needed at the time of close of nominations.

The Hon. D. J. Gay: Where do they come from?

The Hon. JENNIFER GARDINER: It is interesting that the Hon. D. J. Gay asked where they came from. I can well remember the media commentary at the time mentioning that Mr Graham Richardson was lining up many of these political parties. I do not know whether his name has been mentioned in this debate but if one looks at the annual report of the Election Funding Authority, which was tabled in this place yesterday, one will see that 90 political parties were registered with the Election Funding Authority as at 30 June 1999. Other speakers have mentioned many of them during this debate, so I will not go through the whole list.

The Hon. R. S. L. Jones: Name them.

The Hon. JENNIFER GARDINER: I am quite happy to name them. I intended to, but honourable members have probably heard much of this debate so I do not intend to go over that. I am happy, however, to refer honourable members to the annual report of the Election Funding Authority, which was tabled yesterday. The 90 are listed there.

In addition to those 90, another 68 are registered for local government elections, so I think this debate has well and truly demonstrated that there is plenty of room for this bill to go through.

During the course of this debate a number of the crossbenchers have acknowledged that in 1999 there was a rotting of the electoral system and undermining of the democratic process. I do not think there is any doubt that there have been a number of accidental elections and complete manipulation of preference flows. The flood of so-called micro parties clicked onto an inadequate electoral law that was flagged up after the fluky election of the candidate for A Better Future for our Children in the election before last. The Hon. R. S. L. Jones, in opposing the bill, admitted that fake political parties were registered, which he said tended to bring down the whole system.

The Hon. R. S. L. Jones: About 20.

The Hon. JENNIFER GARDINER: The honourable member has just repeated what he said in his speech: that there were about 20 fake political parties in the March election. That is, of course, reason enough to review the legislation.

The Hon. M. R. Egan: How does he know which ones were fake?

The Hon. JENNIFER GARDINER: He would know because, of course, he was in the system up to his neck.

The Hon. R. S. L. Jones: There was not one single Labor one.

The Hon. M. R. Egan: Are you accusing me?

The Hon. JENNIFER GARDINER: Not you. The Hon. R. S. L. Jones was in it up to his neck. At least he owns up to forming one of the parties, the Small Business Party, but apparently he abandoned that straight after the election.

The Hon. I. Cohen: He is sticking to it.

The Hon. JENNIFER GARDINER: So is he actually the Small Business Party person in the Legislative Council? Has he a new title? I do not think he has.

The Hon. D. J. Gay: He was in big business before he got out.

The Hon. JENNIFER GARDINER: How to make a big business small! I strongly support the

remarks that the Hon. I. Cohen made in his speech in support of the bill about the party membership declaration form necessary to register a political party. He said the form should be designed in such a way as to make it absolutely clear to the person signing the form what it is he or she is signing. The Special Minister of State has just circulated an exposure draft of proposed form 22, which is definitely an improvement on the form I have here relating to the March election.

I have here 200 forms that were lodged from the Country Summit Alliance with the State Electoral Office in connection with that particular political party's State registration process. I know that many of the people who signed the form did not realise that they were joining a political party because the person who set up the Country Summit Alliance, the member for Tamworth, had spent the previous several years saying to the world at large that he did not want anything to do with political parties; he was an anti-political party person. People supporting him would not have known.

The Hon. D. J. Gay: Where did they put their preferences?

The Hon. JENNIFER GARDINER: I will get to that. The member for Tamworth paraded around all over New South Wales using something called the Country Summit Alliance to build up a supposed base.

The Hon. R. S. L. Jones: Who is it you are talking about?

The Hon. JENNIFER GARDINER: This is Mr Windsor, the member for Tamworth, who tried to snowball a degree of support from around the State, but a glance at the 200 membership forms will show that it is not a statewide party at all. He just drove along the road with a bit of paper.

The Hon. R. S. L. Jones: What happened to their votes? They went nowhere?

The Hon. JENNIFER GARDINER: They went nowhere. Not only that; there was no membership fee. To this very day one does not have to pay a fee to join the party, as one does with most political parties. The Country Summit Alliance did not have a membership fee. If a person went to its bus while it was on its tour during the State election campaign and asked how to become a member of the Country Summit Alliance, asked for a membership form and was prepared to write out a cheque, they would say, "Do not worry about that. We do not have a membership fee yet."

My colleague the Hon. D. J. Gay referred to the flow of preferences. Mr Windsor made quite a fuss about the flow of preferences on the official Liberal Party-National Party joint ticket, which of course included the Country Summit Alliance. The Coalition allocated preferences to the alliance, but Mr Windsor did not like the positioning on the flow of preferences. What the general public in country New South Wales probably still does not realise because of the labyrinthine nature of the registration process is that the Country Summit Alliance did not return that favour and no preferences were allocated in return.

The Hon. D. J. Gay: There were no preferences to the Liberal and National parties and no preferences to the Labor Party.

The Hon. R. S. L. Jones: No, none at all.

The Hon. D. J. Gay: So their foundation was to get rid of the minor parties and allow one of the major parties to govern.

The Hon. JENNIFER GARDINER: That is one version of events. Another version is that the Country Summit Alliance would get four members in here and "take over" the Legislative Council. However, as the Hon. D. T. Harwin said, it did not manage to get 1 per cent of the vote. The Country Summit Alliance held its annual general meeting in Tamworth recently. Unlike the hoo-ha that accompanied the launch of the Country Summit Alliance in the spring of 1998, there was no media coverage of that meeting. The alliance has closed its office, it no longer has a web site, and there is still no membership fee.

The role of the Country Summit Alliance seems to have been taken over by Mr Windsor's nemesis, John Anderson, who beat Mr Windsor in a preselection process some years ago. Mr Anderson is now the Deputy Prime Minister of Australia and is doing an excellent job. That is just another example to add to all the examples used by various members from all side of the House as to why this bill is necessary. I support the bill. In conclusion, I pay tribute to the Electoral Commissioner, Mr Ian Dickson, who has just retired. Mr Dickson has great integrity. He could be relied upon by all parties, regardless of where they fitted into the political spectrum, to do a fine job as the Electoral Commissioner.

Reverend the Hon. F. J. Nile said that the Electoral Commission has extremely limited resources, and that abuse of the nomination-registration process for the last Legislative Council

elections placed enormous strain on the small State Electoral Office and the Election Funding Authority of New South Wales. It is appropriate for honourable members to place on the record their thanks to the Electoral Commissioner, Mr Dickson, and his staff for coping with an unintended workload arising out of the flaws in the Act, which this bill amends.

The Hon. D. J. GAY [3.32 p.m.]: I support the comments of my colleague the Hon. Jennifer Gardiner, particularly her praise of Ian Dickson, who is a fine man. I congratulate the Government, or whoever is responsible, on Mr Dickson's appointment to a continuing role with members of Parliament. I do not think a better person could have been appointed, whoever is responsible for that.

The Hon. M. R. Egan: The Government is responsible.

The Hon. D. J. GAY: In that case I congratulate the Government.

The Hon. M. R. Egan: The honourable member should do it more often.

The Hon. D. J. GAY: I would do it more often if the Government gave me the opportunity. I am still trying to obtain information about power losses, but I will deal with that matter on another occasion. Some years ago when the current legislation was introduced we embarked on a very brave step. At that time I voted myself out of four years in Parliament.

The Hon. R. S. L. Jones: Me, too, and I have no regrets.

The Hon. D. J. GAY: The Hon. R. S. L. Jones says that he did the same, with no regrets. I also have no regrets. At the time the original legislation was introduced we accidentally voted for three terms of three years, that is, nine years, which became 12 years when the parliamentary term was fixed at four years. It was absolutely ridiculous. No member should be elected for a 12-year term without facing the people. I will not respond to any of the Treasurer's comments because they do not deserve to be recorded in *Hansard*.

The Hon. M. R. Egan: But they are now.

The Hon. D. J. GAY: I would not think so. I reinforce the comments made by the Hon. J. F. Ryan, in particular his statement that he had a hand in developing the legislation we are amending today. At the time he was working for Ted Pickering, the

Hon. D. F. Moppett was the Chairman of the National Party, the Hon. Jennifer Gardiner was the General Secretary of the National Party and I was a National Party member in this House. In the party room I voted against the original bill. If National members had listened to our concern that a short-term gain would result in long-term pain we would not have the current make-up of the House and this bill would be unnecessary.

The Hon. M. R. Egan: One mistake the National Party keeps repeating is taking notice of the Liberal Party.

The Hon. D. J. GAY: We take notice of ourselves. At that time we were right, but it was too late. On this occasion both the Liberal and National parties agree with the Government. As indicated privately, I hope that the Special Minister of State will provide in the draft regulations the clarification I sought. I congratulate the Minister on providing us with the draft regulations. Indeed, the Government should have provided us with the draft regulations relating to a number of bills that have come before the House. Members opposite are probably thinking about the Companion Animals Bill in particular.

The Hon. R. S. L. Jones: It's a nightmare.

The Hon. D. J. GAY: It is still a nightmare because the regulations were such a mess.

The Hon. J. J. Della Bosca: Is that because the regulations looked like dogs and cats?

The Hon. D. J. GAY: No. It is because the Government had one incompetent Minister followed by another incompetent Minister who could not run his department properly. It is not that they did not like cats and dogs.

The Hon. I. Cohen: The honourable member wasted all his time talking about his dog, Gough.

The Hon. D. J. GAY: The Hon. I. Cohen is saying that I spoke at length, which I suspect was about 15 seconds in a 12-hour debate. I ask the Minister to clarify in the regulations that a person cannot nominate more than one party. That appears to be the way the regulation is heading, and that clarification is important to the Opposition. I endorse this bill.

The Hon. Dr A. CHESTERFIELD-EVANS [3.38 p.m.]: Democracy is government of the people by the people and for the people. The position of the Australian Democrats is simple: the composition of the Parliament should reflect the will of the people.

The electoral process is being rorted in two ways. First, the will of the people is not reflected in the composition of the Parliament partly because the percentage of seats held by the major parties is greater than the percentage of votes they received.

Accordingly to the Proportional Representation Society, that is a flaw in the first-past-the-post voting system and in single-member electorates. The Proportional Representation Society takes a great deal of interest in methods of election that lead to a distortion of democracy and a situation in which political parties have far more seats than the percentage of votes they received. I think that that has to be the real benchmark of what democracy is and should be.

The other type of rorting, if you like, has been given much more attention, the behind the scenes preference flows which led to people getting more seats than their percentage of votes would justify. Because of the negotiation of preference tickets in order to simplify the voting system the development of so-called bogus parties became an art form. This led to the large ballot papers which were the final expression of a process that had been recognised after the 1991 election, and certainly after 1995 when the Hon. A. G. Corbett was elected.

His election was attributed by some to the name of his party, A Better Future for Our Children, attracting the vote of people who were not sure of which party to vote for but who recognised and warmed to the objective implied by the name. That was helped by the fact that some of the other parties thought that he was a personable fellow who would not vote for bad things. So he ended up high on the preference tickets of a large number of other parties. Of course, they discounted his chance of getting up and in a sense were being pleasant by giving him their preferences in exchange for his. They thought, given his nice party name, that it might be worth their while doing such a deal.

The Hon. A. G. Corbett: But I did not do any deal. I did not exchange preferences with anyone.

The Hon. Dr A. CHESTERFIELD-EVANS: I note the interjection from the honourable member. I am happy to believe that that was the case. But I think that people thought that if he did well and they got his preferences in exchange that would be a good thing to do. The logical extension of this preference flow system, which was designed to simplify the voting, was that the preferences of 13 parties flowed to Glen Druery the Hunters Hill property developer who was expected to get into Parliament on a relatively low primary vote.

Possibly because he was so widely tipped to get in he was subjected to scrutiny and that probably pulled his primary vote down to the extent that the preference flows that he had designed went to the Outdoor Recreation Party, and its member was elected on a relatively small primary vote. I make two other points in passing. Firstly, part of the deception of the last election was that a number of parties had names designed to capture the vote of people interested in particular issues and preference flow deals to funnel their preferences.

The name of the small parties was not known to people who had been campaigning for the issues referred to in the names. A famous case involving passing off and copying names and copyright is the Taco Bell case. Taco Bell, a Mexican food chain, took action against an outlet set up in opposition called Taco Bill. There is only one letter different between the two names and this was held to be misrepresentation. In the political stakes, anyone can claim to stand for anything. Unfortunately, that is what often happens. The substance of the person making the claim is lost.

In the last election the Country Party stood with the same name as the previous name of the National Party. In its new incarnation it had nothing to do with existing country interests. The Gay and Lesbian Party was not known to the general lobbyists in the gay and lesbian community. The Animal Liberation Party was not known to those normally concerned with animal liberation who have been in the game for 20 years. The Seniors Party was the name of a party set up by Dame Beryl Evans when she split from the Liberal Party. The name lapsed and was revived at the last election, with practically no seniors. The Wilderness Party was not known to those interested in wilderness. The Women's Party-Save the Forests was not known to the Women's Electoral Lobby nor to the groups that wanted to save the forests.

The No Badgerys Creek Airport Party was not known to the people working against the Badgerys Creek airport in western Sydney. Republic 2001 was not known to the people who want to reform the Constitution, nor was the Elect the President Party. All those parties appeared to be single-issues parties for the cause mentioned in their title but they were simply channelling preferences to other areas. That is a difficult call.

The Electoral Commissioner would have great difficulty requiring honesty in party names. In the Taco Bell and Taco Bill case it was clear that both companies were trading in Mexican restaurant food. That is a much simpler situation. Because it is

difficult to police individual political beliefs and track records as a guide to future behaviour—even the major parties' track records and behaviour have very little to do with their future behaviour, dare we say—the Electoral Commissioner would have difficulty performing this task. Indeed, we would be afraid to have an electoral commissioner given such power. This problem needs to be addressed.

Imposing restrictions on the registration of political parties to make the setting up of a bogus party a lot of trouble is the best way to cope with the problem, because I do not think that it can be coped with in any other administrative way. Another issue not addressed in the bill—I have not prepared an amendment to deal with it—is that the problems involved with the voting system for this House are also involved with local government. Great numbers of bogus parties sprang up before the local government elections. That serious problem also needs to be addressed by the Government and the electoral authorities.

Unfortunately, the Government wanted to solve its problems here by getting rid of the upper House. It had not the slightest intention of reforming the rorted lower House. I referred to the type of rorting before by which a major party gets a far higher percentage of the seats than it had of the votes. In the lower House the Government received 43 per cent of the votes and got 56 per cent of the seats, effectively winning 100 per cent of the power. That undemocratic aspect of the present system is not addressed sufficiently in reality. It is certainly never addressed in the media and in serious discussions of how Australian democracy should work.

The Hon. D. J. Gay: Where is that different from getting 1 per cent of the vote and 100 per cent of the power, which is what happens now?

The Hon. Dr A. CHESTERFIELD-EVANS: The Hon. D. J. Gay criticises parties that have a small percentage of the vote and a large amount of power. The small party that has the balance of power would not have any power if it did not have the other votes that took the vote up to 50 per cent so that its vote could take it over 50 per cent of the total in the House.

Every backbencher who votes as the party says and not in accordance with conscience is just as much a tiny percentage nonentity as anybody who could possibly be criticised for being undemocratically elected to the crossbench. In the upper House the Government has 37 per cent of the seats after receiving 37 per cent of the vote. I put it

to the House that the Government has far more than 37 per cent of influence and it has no cause for complaint. The commitment to democracy of Government members prompts them to complain, to the extent that they want to abolish this House. Those who are concerned about democracy ought to take a stand on that issue.

Fortunately, for reasons that I think have less to do with democracy than with political chicanery, they did not succeed in that endeavour. The challenge is that the number of votes should equal the number of seats. For that reason I believe it would be better if we had compulsory preferential voting. Operational preferential voting is in fact closer to first-past-the-post voting, which is less democratic than preferential voting.

It is perhaps illustrative to look at the results of the last election. Labor won eight seats in this House, and 8.2 quotas; the Coalition, six seats and 6.03 quotas; One Nation, one seat and 1.4 quotas; the Democrats, one seat and 0.88 of a quota; the Christian Democrats, one seat and 0.70 of a quota; the Greens, one seat and 0.64 of a quota; Unity, one seat and 0.22 of a quota; Reform the Legal System, one seat and 0.22 of a quota; and, Outdoor Recreation, one seat and 0.04 of a quota.

Under a first-past-the-post system with the highest partial quotas being elected, Labor would have eight seats, the Coalition six seats, One Nation two seats, the Democrats one seat, the Christian Democratic Party one seat, the Greens one seat, the Shooters Party one seat and 0.37 of a quota, and Progressive Labour one seat and 0.35 of a quota.

The Hon. R. S. L. Jones: Labor would have nine seats.

The Hon. Dr A. CHESTERFIELD-EVANS: Labor had 8.2 quotas, and the 0.2 of a quota would not have given it a ninth seat. Unity, Reform the Legal System and Outdoor Recreation got in. A first-past-the-post system would have resulted in an extra One Nation seat, an extra Shooters Party seat, and an extra Progressive Labour seat. The Labor Party should count its lucky stars for the existing system because more people are sympathetic to it on the present system than would have been the case on a first-past-the-post with a partial quota system.

I was mistaken earlier in regard to the results in the House. The Labor Party secured 37.3 per cent of the vote, or 36.6 per cent of the seats—although that is historical because only half the House was elected at the last election—the Coalition 27.4 per cent of the vote, or 30.9 per cent of the seats; and

the other parties 35.3 per cent of the vote, or 30.9 per cent of the seats. More than one in three voters did not vote for the major parties, and that percentage is increasing dramatically, and that is what the major parties are scared of.

The glaring example that is often quoted is the Hon. M. I. Jones, from the Outdoor Recreation Party, who was elected with 7,262 votes, or 0.2 per cent, and 0.04 of a quota, and ranked thirtieth amongst all the parties that stood for election. That was very few compared to the Hon. A. G. Corbett, who gained 43,225 votes, or 1.28 per cent and 0.28 of a quota. In a sense he gave publicity to the system that was used by the large manipulators who set up a lot of small parties on that basis.

During the last election there was a major swing away from the Coalition to the minor parties. Labor recorded an increase of 2.05 per cent, which is nothing to crow about. But it is interesting that it was billed as a landslide by the media, who tend to see things through the very narrow prism of the two-party voting system and the two-party preferred voting system, which distributes the votes to other parties as if to one of the two larger parties.

The Coalition vote collapsed in the upper House. It had been falling since 1991, when the Coalition gained close to half the vote with 45.34 per cent. In 1995 the Coalition's vote went down to 38.49 per cent, and during the last election it lost a massive 11.09 per cent. One Nation received 6.34 per cent of the vote, and 1.4 quotas. The Democrats received 6.7 per cent of the vote in 1991, which was their high point. The vote fell to 3.21 per cent in 1995, and this year it is up to 4.01 per cent.

The Greens had their high point in 1995 with 3.75 per cent of the vote, which increased from 3.32 per cent in 1991. The vote dipped to 2.91 per cent in 1999, largely because of the micro parties filching off bits of their vote. The figure for the non-major parties must be noted. It was only 17.37 per cent in 1991, by 1995 it was 26.26 per cent, and this year it is 35.3 per cent. One can therefore see that the trend in politics is towards alternative and different solutions to those offered by the major parties, which are clearly not solving the problems.

The increase in representation of Independents in the lower House, even though the system is heavily weighted against them, would suggest that this vote of discontent is now being carried to the lower House. Looking at electoral systems is not confined to Australia. In Britain in late 1998 the Independent Commission on the Voting System released a report which is commonly referred to as

the Jenkins report. The commission was chaired by Lord Jenkins. The report suggested that 15 to 20 per cent of the seats in the House of Commons should be top-up seats. They would be better referred to as second preference seats. That would involve 132 seats of a total of 659.

The suggestion was that there would be local members for a geographical specific area and top-up members within counties. The counties would take in up to 10 seats, and the number of top-up members would depend on the size of the population within the counties. The predicted outcome of the top-up system when transposed on the results of the last two general elections was quite interesting. In 1997 it would have meant that the Conservatives would pick up an extra 10 top-up seats and Labor would lose 59 of its seats; the Liberal Democrats would increase from 46 to 90; and the nationalists parties from 10 to 15. That would be extremely undemocratic in that with a majority of votes one could have very small percentage of the seats.

I believe that that is clearly not a proposition, but if we were to think about going to a unicameral system we would want the House to represent the voters, and that may be one way of trying to correct the matter. Of course, it would require a cultural change in which the Government would accept that it has to negotiate each bill and does not have a so-called mandate to use the Houses as a rubber stamp and push through whatever the Executive wants, with backbenchers dutifully crossing to whichever side of the Chamber they are told to go to.

The Democrats generally support this electoral change as a step in the right direction to fix the problem. In particular, we are in favour of registration of real people rather than people being able to sign up for a great number of parties, then having to be checked to determine whether they are real. We would like the Electoral Commissioner to have the resources to be able to carry out the checks. It is not acceptable to have a requirement couched in fine words then fail to provide the resources to check compliance with those requirements.

In regard to the provision that a party cannot be treated as a political party for election purposes until it has been registered for a certain period before an election, it is not acceptable to make that period so long that it prevents establishment of a party in response to issues current at the time. The qualifying time for a new party must be as close to the election as is reasonably convenient administratively for the Electoral Commission. That assumes that the Electoral Commission has to be reasonably resourced to allow that time to be short.

The Australian Democrats support the concept of reducing membership to 500 merely because of the inconvenience involved in a party chasing up its members to sign a form and return it. Therefore we would support that reduction in membership number. We regard it as an adequate number while allowing small parties time to get their members together. The Australian Democrats also believe that the move to reduce costs of registration of political parties and registration of tickets is a good move.

Pursuant to sessional orders business interrupted.

QUESTIONS WITHOUT NOTICE

YASMAR JUVENILE JUSTICE CENTRE

The Hon. PATRICIA FORSYTHE: I ask a question without notice of the Minister for Juvenile Justice, Minister Assisting the Premier on Youth, and Minister Assisting the Minister for the Environment. Will the Minister explain why ministerial inaction over repairs and maintenance at the Yasmar Juvenile Justice Centre has been singled out in the Auditor-General's report for potentially putting the safety and security of staff and detainees at risk? Will the Minister give an assurance that all that should have been done has now been done?

The Hon. CARMEL TEBBUTT: I can assure the House I signed the departmental brief requesting approval for maintenance works at Yasmar within two weeks of receiving it. I can further advise the House that these improvements are well under way. They include an electronic security upgrade, a new lock system, roofing maintenance, a health facilities upgrade, deaths in custody harm point modifications, and the installation of anti-scaling devices.

I am advised by the office of the Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Women that the delay centred around a lack of adequate information provided by the department in the original brief provided to Minister Lo Po' when she was Minister for Juvenile Justice. By the time the requested information was supplied, it was close to the caretaker period. I reiterate that I signed that departmental brief requesting approval for maintenance within two weeks of receiving it.

ECOLOGICALLY SUSTAINABLE COURTHOUSE PRACTICES

The Hon. R. D. DYER: Will the Attorney General, and Minister for Industrial Relations inform

the House what steps his department is taking to implement ecologically sustainable practices in courthouses across New South Wales?

The Hon. J. W. SHAW: The Attorney General's Department is committed to reducing greenhouse gas emissions arising from the operations of courthouse facilities and is striving to achieve the environmental and economic benefits of responsible energy management across the portfolio. A number of initiatives have been introduced, including participation in an ecologically sustainable development project, a reduction in the use of equipment generating chlorofluorocarbons, a significant reduction in energy costs, and participation in the Sustainable Energy Development Authority's Energy Smart Building program.

A project has been commenced to explore the feasibility of implementing a range of ecologically sustainable development opportunities at Grenfell and Oberon courthouses. Ecologically sustainable development principles include maintaining and restoring biodiversity, minimising the consumption of resources, and minimising pollution of air, soil and water. A major outcome of the ecologically sustainable development project will be a building that is energy efficient and environmentally responsible, operating with reduced running and maintenance costs over the life of the facility.

Funding of \$4.7 million was provided by Treasury to phase out equipment that utilised chlorofluorocarbon refrigerants so that court buildings comply with the requirements of State and Federal ozone protection legislation. Works included replacement of the major airconditioning chillers at the Downing Centre, at an approximate cost of \$1 million. In 1997 New South Wales Supply Services called for tenders for the supply of electricity, under contract 777, to government departments and agencies whose sites are eligible for participation following the partial deregulation of the electricity supply industry.

The Attorney General's Department has 26 initial sites eligible to participate under the contract. The supplier under contract 777 indicated that annual electricity cost savings through participation in the contract were expected to be \$427,633.21, based on past consumption patterns. This represents a saving of 41.6 per cent on existing electricity charges for the 26 sites. The department's participation in this program has been extended to a further 16 courthouses and other offices following further deregulation of the electricity market.

The Premier launched the Energy Smart Buildings program in August 1996, outlining the

Government's goal to achieve a reduction in greenhouse gas emissions and to reduce the total energy consumption in the Government's property portfolio. Wherever it is cost effective, the aim of the program is to reduce the energy consumption in government buildings to meet targets of a 15 per cent saving by 2001 and a 25 per cent saving by 2005, against the 1996 levels of consumption.

To facilitate those savings, the Energy Smart Building program was developed by the Sustainable Energy Development Authority, the organisation specifically set up by this Government for this purpose. Under that program, the department signed a memorandum of understanding with that authority on 14 April 1998 for the next seven years. In accordance with the aims of the Energy Smart Buildings program, the department has completed detailed facility studies, and this has resulted in Treasury funding having been granted to implement further initiatives to reduce greenhouse gas emissions through improvements to airconditioning systems.

The studies identified works to the value of \$805,000, which will save \$103,395 per annum in costs and also save over 1,000 tonnes of carbon dioxide emissions annually. Other energy audits have identified further cost savings in the order of \$130,000, with associated savings in carbon dioxide, and will also be pursued. In addition to equipment upgrades, other measures are in place or in development to further reduce energy consumption in the department. Such measures include ensuring equipment is maintained to operate efficiently, maintaining optimum start and stop times for airconditioning systems, ensuring equipment such as airconditioning is not active on public holidays, and delivering a staff awareness campaign to highlight the benefits of activating EnergyStar and sleep modes on office equipment.

TEACHERS AWARD PROMOTION

Ms LEE RHIANNON: I direct a question without notice to the Treasurer. How much public money has been spent on the promotion of the Department of Education and Training's recent award offer to teachers, including the mailing of the 53-page document describing the award proposal to all teachers in New South Wales? How much was spent on market research sessions, such as that conducted by Consumer Contact at the Western Sydney Market Research Centre on 27 October? How much was spent on the online Internet chat forum, where the Director-General of Education and Training, Mr Boston, purportedly answered teachers' questions?

Given the dire shortage of funds in government schools for important activities such as the distribution of syllabuses and in-servicing on the new Higher School Certificate syllabus, and for funding decent remuneration for teachers, does the Treasurer think the money used to promote the award was well spent?

The Hon. M. R. EGAN: Absolutely well spent. The Greens, I would have thought, would support providing information to teachers, particularly about things such as proposed award and salary conditions. But I take it from the tone of the honourable member's question that she would prefer the Government to keep the 80,000 New South Wales teachers completely in the dark. What a preposterous proposition! Ms Lee Rhiannon even has a smile on her face. She realises that the question was stupid, and I thank her for her concession.

OLYMPIC GAMES EMPLOYMENT

The Hon. M. J. GALLACHER: My question without notice is to the Attorney General, and Minister for Industrial Relations. Given the Minister's answer yesterday that in his opinion the Unions 2000 Olympic Games Employment scheme does not constitute a closed shop, is he aware that not only does the scheme violate the spirit of Commonwealth freedom of association laws but Olympic employers, such as SOCOG which draws its employees solely from Unions 2000, may be potentially liable to prosecution and damages for engaging in possibly discriminatory employment practices? Is Unions 2000 simply a sleazy deal between the Government and the Labor Council to boost membership and funding for a declining union movement, which less than 29 per cent of people in New South Wales want to join?

The Hon. J. W. SHAW: I do not believe so.

WORKERS COMPENSATION RESOLUTION SERVICE

The Hon. JANELLE SAFFIN: My question without notice is to the Attorney General, and Minister for Industrial Relations. What initiatives has the Government introduced to deliver vital industrial relations services to the people of the Hunter Valley?

The Hon. J. W. SHAW: The operation of the Workers Compensation Resolution Service [WCRS] in the Hunter is a good example of the delivery of vital services by this Government to areas outside Sydney. Following an independent evaluation of the

WCRS—which indicated that the service was successful in delivering substantial savings to the workers compensation scheme through the resolution of disputes by conciliation—I approved the service's expansion on a statewide basis.

The success of the WCRS has been reinforced in a recent review by the actuaries to the scheme, which identified savings in legal and investigation costs of approximately \$19 million per year as a result of the service. With the expansion of WCRS there is a regular presence of conciliators in the Hunter to deal with the 300 applications lodged in that region each month. Last week I launched the opening of premises for the WCRS within the existing offices of the Department of Industrial Relations Newcastle Contact Centre. The use of that centre for conciliation conferences has been achieved through modest refurbishment of existing premises. It is a good and effective use of available resources.

INDOCHINESE JUVENILES IN DETENTION

The Hon. HELEN SHAM-HO: My question without notice is to the Minister for Juvenile Justice, Minister Assisting the Premier on Youth, and Minister Assisting the Minister for the Environment. Will the Minister inform the House whether it is a fact that since 1991 the number of juveniles in detention from an Indochinese background has increased by 200 per cent? Is it also a fact that the length of sentences of these youths is on average three times longer than those for young people of European descent? If so, what measures has the Government taken to investigate the causes of this alarming increase and to address the problem?

The Hon. CARMEL TEBBUTT: The Hon. Helen Sham-Ho has referred to the number of juveniles in detention from an Indochinese background since 1991. I do not have information dating back that far. The honourable member has also raised some issues that are outside my control in that they relate to the sentencing of young offenders. She referred to the fact that sentences seem to be longer for offenders from an Indochinese background compared with offenders of European descent.

Without having more information about the type of offences involved, it is difficult for me to respond. Strictly speaking, that falls outside my area of responsibility of juvenile justice. I will give some information that I am sure the honourable member would be interested in. There is an over-representation of young people from an Indochinese background in juvenile justice centres, as there is

similarly an overrepresentation of young people from an indigenous background.

That reflects many problems, not least of which are the socioeconomic conditions often related to those two groups. Clearly, socioeconomic conditions can be an indicator of offending behaviour. The honourable member would be interested to know that figures from the Children's Court indicate that in 1998-99 finalised appearances before the court have decreased by more than 14 per cent from the previous year. This is the second consecutive fall in finalised appearances.

I undertake to provide an ethnic break-up to the honourable member if that is available. In 1998-99 less than 0.1 per cent of appearances before the Children's Court were for serious violence offences, such as homicide, manslaughter and drive causing death. There were 12 such appearances in 1998-99 compared with 25 recorded in 1997-98.

Although these initial figures need to be treated with caution, they point to the fact that the Government's diversionary strategies are working. That fact is relevant to the honourable member's question about an over-representation of young people from an Indochinese background in detention centres since 1991. We need to look at how the Government's diversionary strategies can now work to try to ensure a reduction in the number of young people who are sentenced to control orders.

The Children's Court figures reflect the success of the Government's diversionary strategies, which include youth justice conferencing, greater availability of community service order hours to Children's Court magistrates, additional post-release services and other community-based options. The strategies are starting to show positive results. Some of the post-release services provided are specifically directed to the Indochinese community.

I reported to the House yesterday on mentoring, which is a support service the Department of Juvenile Justice provides aimed at assisting young people at risk of offending to build better supports and contacts within their communities. It has been shown that a strong mentoring bond can be a relevant factor in reducing the risk of offending. There are mentors specifically for people from a non-English speaking background. The honourable member might like to refer to my response yesterday.

For young people from an Indochinese background who come in contact with the juvenile justice system and detention centres, the department

undertakes a number of measures to ensure that staff are aware of the specific needs of people from an Indochinese background. In particular, it provides cultural awareness training and ensures that material is available in specific languages.

Recently I reported to the House about the provision of booklets translated into the Vietnamese language to inform parents of young offenders about the conditions and rights that apply to juveniles whilst in detention. As I said, the honourable member might like to refer to my response yesterday. If a breakdown is available of the Children's Court appearances based on ethnic background, I undertake to provide that information to the honourable member.

GAMBLING REFERRAL SERVICES

The Hon. R. T. M. BULL: My question is addressed to the Special Minister of State, representing the Minister for Gaming and Racing. Is the Minister aware that specialist problem gambling referral services are not available in Broken Hill, which is home to 500 poker machines, for problem gamblers who seek assistance when they ring G-Line? Why does the Government not use the surplus money in the Casino Community Benefit Fund to provide specialist problem gambling services, rather than misuse it as a ministerial slush fund?

The Hon. J. J. DELLA BOSCA: I take exception to the notion that the funds are used as a ministerial slush fund. I will dismiss that suggestion out of hand. I will attempt to embrace the spirit of the remainder of the question of the Deputy Leader of the Opposition. Given the level of problem gambling in a relatively isolated area such as Broken Hill, I will ask the Minister for Gaming and Racing to closely consider the honourable member's proposition, which has some merit.

As to the general way in which the Casino Community Benefit Fund is utilised, that debate occurred in another form a couple of weeks ago. I will not give a lengthy answer to that part of the question. After inquiring into the needs of the area and the merits of the proposition, I am sure the Minister would be interested to address the matter.

MINERALS EXPLORATION

The Hon. A. B. MANSON: My question without notice is to the Minister for Mineral Resources, and Minister for Fisheries. Can the Minister advise the House of the latest developments in international co-operation to promote mineral potential in New South Wales?

The Hon. E. M. OBEID: I thank my colleague the Hon. A. B. Manson for his question and his continued interest in the mineral resources sector. I am pleased to inform the House that the Department of Mineral Resources has signed a memorandum of understanding to formally establish a twinning agreement with the mines and minerals division of the Government of Ontario, Canada. The memorandum of understanding is designed to strengthen bilateral co-operation on scientific matters between our two governments, and to promote information exchange.

The initial focus of the agreement will be on the geoscience and information activities of both organisations. In 1995 a New South Wales delegation visited officers of the Ontario Mines and Minerals Division to research the digital imaging geological survey system [DIGS]. Ontario was developing a similar system and the collaboration between the two agencies saved New South Wales more than \$500,000 in the development of DIGS. DIGS will convert more than \$2 billion worth of geological records into an easily accessible database to help mining companies plan exploration.

That means that all non-confidential reports will always be available to industry clients. They can build on those earlier efforts to hopefully make that new discovery so essential to regional development and jobs. The Government is planning to make the information available on the Internet, thereby providing an improved customer service. DIGS is recognised as a world-leading exploration information management initiative that gives New South Wales the edge in the global competition for exploration investment. Last year the significance of the project was recognised when it won the Government's technology productivity gold award against competition from all around Australia.

CHARITABLE ORGANISATIONS GOODS AND SERVICES TAX

The Hon. Dr P. WONG: My question without notice is to the Treasurer, Minister for State Development, and Vice-President of the Executive Council. In relation to the application of the goods and services tax [GST] on charities and other non-profitable organisations, and with particular reference to the provision of State Government grants to such organisations, will the Treasurer consider avoiding the application of the GST on charitable organisations?

If so, would the Government fund the charities and non-profit organisations to the full amount of

the grant level, plus GST adjustment should the GST apply to them? What other measures are currently being considered to minimise the impact of the GST on charities or non-profit organisations to maintain the quality and level of service provided to the State's low income and disadvantaged individuals and families?

The Hon. M. R. EGAN: The issue raised by the Hon. Dr P. Wong is very complex. I know that the New South Wales Treasury has been dealing with this matter with the Commonwealth Treasury. I am not sure that any definitive response has been received. The issue raised by the Hon. Dr P. Wong poses a potentially serious problem not only for charitable organisations but for many other organisations that receive government grants. I will take the question on notice and, as soon as I can, advise the honourable member of the latest position.

DEPARTMENT OF JUVENILE JUSTICE BUDGETARY CONTROL

The Hon. J. F. RYAN: My question is to the Minister for Juvenile Justice, Minister Assisting the Premier on Youth, and Minister Assisting the Minister for the Environment. What action does the Minister intend to take in view of the finding in the Auditor-General's report that the budget control system of her department is ineffective?

The Hon. CARMEL TEBBUTT: This is a good question from the Hon. J. F. Ryan. I have raised the issue of improving budgetary controls with the department on a number of occasions. I acknowledge that the comments of the Auditor-General indicate that insufficient progress on this issue has been made. I advise the House that a list of measures to improve financial accountability has been issued to all cluster directors. The list contains specific requirements to be attached to director's performance agreements.

I am also advised that the completion of the new integrated management system, and a more centralised purchasing approach, will mean that some improvements should be expected in the department's budgetary controls. The Auditor-General's report also refers to some difference in costs between juvenile justice centres. While there will always be some difference in costs based on geographical differences or the different nature of the detainees who are housed, I accept that the figures in the report are unusually large. I assure the House that I will be closely monitoring that issue and the processes that the department has put in place to improve financial accountability and budgetary controls.

TAXIS FOR THE DISABLED SPECIAL LICENCES

The Hon. Dr A. CHESTERFIELD-EVANS: My question without notice is directed to the Treasurer. Is the Minister aware of the slow uptake rate for special licences for taxis for the disabled? Is the Minister further aware that the Federal Treasurer has approved wholesale tax exemption for modifications for taxis for the disabled? Will the Minister offer support for the disabled and encourage the uptake of licences for taxis for the disabled by exempting the taxis from the New South Wales sales tax?

The Hon. M. R. EGAN: I always look forward to a question from the Hon. Dr A. Chesterfield-Evans.

The Hon. Jan Burnswoods: Why?

The Hon. M. R. EGAN: First of all because some weeks ago he suggested that fathers can breast feed. Today he suggests that there is a State sales tax—but there is no State sales tax!

COMPULSORY COMPETITIVE TENDERING

The Hon. D. J. GAY: My question is to the Minister for Mineral Resources, representing the Minister for Transport, and Minister for Roads. Has the Minister received a letter dated 27 October 1999 detailing the possible effects on the Hunter region of the introduction of compulsory competitive tendering [CCT]? Does the letter outline the concern of the Upper Hunter Beyond 2000 committee that the CCT will have serious economic and social impacts on local communities? Does the letter state:

For small towns, any drop in the employment level could have a disastrous effect on the local economy, and should be avoided at all costs.

Given that the author of the letter is none other than the Minister's own Labor ministerial colleague, Richard Face, will the State Government now implement an immediate moratorium until the State development committee completes its inquiry into road funding? To assist the Minister answer, I seek leave to incorporate the letter in *Hansard*.

Leave not granted.

The Hon. E. M. OBEID: Whilst I am not aware of the letter or its contents, I have no doubt that my ministerial colleagues the Hon. Richard Face and the Hon. Carl Scully are well aware of the issue and will address it in the most appropriate way. I will refer the detailed question of the Hon. D. J. Gay to them and seek an answer.

SYDNEY TOURISM

The Hon. H. S. TSANG: My question without notice is to the Treasurer, Minister for State Development, and Vice-President of the Executive Council. Will the Minister inform the House of Sydney's growing reputation as one of the world's leading tourist destinations?

The Hon. M. R. EGAN: That was not only a very good question but an appropriate question from a former Deputy Lord Mayor of Sydney. It gives me great pleasure to inform the House that for the fifth year in a row Sydney has taken out the prestigious "Top Foreign City" in Conde Nast *Traveller's* readers' choice awards. I do not regard Sydney as a foreign city but as the top city.

Conde Nast *Traveller* is one of the world's leading travel, tourism and lifestyle magazines. The award is based on a poll of more than 25,000 of Conde Nast *Traveller's* 2.5 million readers. This is a stunning result for Sydney. The Conde Nast *Traveller's* annual readers' poll evaluates cities based on a variety criteria, including people and their friendliness, the environment, ambience, fun, and no doubt also on the efficiency, the effectiveness and the general perfection of its Government. The poll, now in its twelfth year, has become one of the most recognised and reliable surveys of its kind.

The Conde Nast award is the latest in a string of international awards won by Sydney over the past year. *Travel & Leisure* magazine in its September 1999 issue, for example, named Sydney "World's Best City" for the fourth year in a row and "Best Value City" for the third consecutive year. The International Congress and Convention Association earlier this year named Sydney "No. 1 Convention City in the World" for the second time.

Things will only get better as we move into the next millennium with the incredible New Year's Eve celebration on the harbour, which I am pleased to say has been very generously funded by the city council without any contribution from the Government. An amazing Festival of Sydney is coming up in January and, of course, with the 2000 Olympic Games to look forward to, Sydney really is the city of the new millennium. The Conde Nast award comes hot on the heels of the opening of new attractions, such as Fox Studios. I was there on Sunday night for the opening.

[*Interruption*]

I did not know who they were. I gathered they were robots. I thought it was good fun. Whoever they were, I had never heard of them before. I did not know what Mr Hornery and Mr Murdoch were

doing talking to them. I could not follow the conversation. I thought they had taken leave of their senses.

The Hon. J. F. Ryan: The force obviously was not with you.

The Hon. M. R. EGAN: I am not quite sure what that means.

The Hon. D. J. Gay: We understand that.

The Hon. Patricia Forsythe: At least you could have given your ticket away to someone who would have appreciated it.

The Hon. J. F. Ryan: You should have watched the *Star Wars* video.

The Hon. M. R. EGAN: It was a good show. I do not have time to watch videos. If I did, I would be bored to tears with them. The opening celebration for Fox Studios was fantastic, and it is a fantastic venue. Stadium Australia was opened recently also. Fort Denison appears in my notes, so something must be happening there. On Saturday night I was at the opening of the Sydney Superdome, where I sang along with Mr Pavarotti. I was in fine form.

The Hon. Patricia Forsythe: Were you in the Government box?

The Hon. M. R. EGAN: No, I was not. I was someone's guest. I am not quite sure who. All these facilities contribute to Sydney's enviable reputation as the favoured destination for international visitors. The latest figures show that New South Wales receives 2,279,000 international visitors a year. With the world spotlight on Sydney as it prepares to host the 2000 Olympic Games, that figure will grow steadily.

This latest win by Sydney will benefit the whole of New South Wales as tourists fan out across the State to experience all that this great State and its great regions have to offer. I congratulate the many hundreds of thousands of people who work every day to make Sydney one of the greatest cities in the world.

PUBLIC HOUSING RENT INCREASE

The Hon. I. COHEN: I ask a question of the Special Minister of State, representing the Minister for Housing. Recently the Minister announced that the Government would increase public housing rents by 5 per cent over five years—an increase of 20 per cent to 25 per cent. The Government has claimed

that the rent increase is needed to raise an extra \$200 million statewide for maintenance work on homes.

I ask the Minister whether the entire \$200 million will be used for maintenance or whether it is true that most of it, bar \$27 million, will be used to meet the department's operating deficit. Is there any plan to use any of the money for building or purchasing extra public housing when the waiting list for applicants is almost 100,000 in New South Wales?

The Hon. J. J. DELLA BOSCA: The honourable member is quite right to point out that the critical problem with regard to the provision of affordable housing is the length of the waiting list. That is the great policy challenge for the Parliament and for the Government. I know that the Minister is working hard on a number of proposals, which will be the subject of future announcements, but the essence of the honourable member's question related to the recent round of rent increases.

Rents for public housing in New South Wales will be increased to the nationally accepted benchmark to fund a \$200 million increase for the maintenance of public housing stock. I am reliably advised and I am in a position to be able to say to the House that the entire amount of the increase will be used for the maintenance of existing public housing stock. In the next five years the Government will make a sustained and comprehensive attack on the maintenance backlog. That may be the backlog that the honourable member is talking about.

In order to achieve that there will be a phased-in rent increase for most public housing tenants to 25 per cent of income, from the current 20 per cent. That is the level charged by other States and by non-government organisations, such as the various church organisations, voluntary organisations and other welfare and non-government institutions that provide low-cost housing and welfare housing facilities. For most tenants, the increase will be less than \$2 a week. Unless the honourable member is in possession of data that I am not, that is the only answer I can give him. So far as I am advised, the entire proceeds will be used to fund the maintenance backlog of the existing public housing stock.

CARNIVALE BOARD MEMBERSHIP

The Hon. J. M. SAMIOS: My question is addressed to the Treasurer, representing the Premier, Minister for the Arts, and Minister for Citizenship. Is the Minister aware that New South Wales unions passed a resolution supporting the five Carnivale

staff who have quit over changes to the Carnivale board? Is he further aware that the New South Wales Labor Council Secretary, Michael Costa, has criticised Carnivale's change of leadership as an attack by bureaucrats on working-class migrants? Does the Minister agree with Mr Costa's comments that the manner in which the Government has treated Carnivale Director Lex Marinos and General Manager Frank Panucci "is nothing short of a disgrace"?

The Hon. M. R. EGAN: No, I do not agree with Mr Costa—in fact, I hardly ever agree with Mr Costa—but I will read his press release with some interest.

FISHING INDUSTRY CONSULTATION

The Hon. J. HATZISTERGOS: My question is addressed to the Minister for Mineral Resources, and Minister for Fisheries. What is the Government doing to further improve communication and consultation with commercial fishers in New South Wales?

The Hon. E. M. OBEID: My colleague the Hon. J. Hatzistergos has asked an important question. In answer to a question from the Hon. D. F. Moppett yesterday I referred to the commercial fishing summit that was held last week. I further inform the House that the Government is committed to a viable and sustainable commercial fishing industry. To achieve this, the Government has introduced major reforms. I am committed to ensuring that commercial fishers are fully informed about and understand the changes taking place. I am committed also to ensuring that fishers feel that the Government is listening to them.

Over past months I have travelled the length of the New South Wales coast, visiting commercial fishers, co-operatives and seafood merchants and seeking their views. This culminated recently in my calling of a summit for commercial fishers, which was held in Sydney on 4 and 5 November. This honoured an earlier election promise by the Government. I invited all commercial fishers to the summit, and up to 200 fishers attended, as did representatives from other sectors of the industry, such as the processing sector and seafood merchants.

Presentations were given on the status of fishery stocks and research and management issues, with question sessions at the end of each presentation. Further presentations were given on food safety, industry restructuring and environmental issues. A 1½-hour open forum helped identify a number of issues, including ways in which

communication between my department, the advisory committees and fishers in general can be improved. Fishers were also encouraged to make written submissions, and a questionnaire asking for an assessment of the management advisory committee process was distributed.

I am keen to see the management advisory committees working efficiently, and I believe there is always room for improvement. I am always happy to change consultation mechanisms to improve communication with the industry. At the summit I announced the new membership of the Advisory Council on Commercial Fishing. Importantly, I announced that this council will now have an independent chair, Mr Ross Leader. Mr Leader is an ex-magistrate with extensive experience on government committees.

I will continue to consult the important commercial fishing industry, as well as recreational fishers and other stakeholders. That is the only way to improve the legislation. No doubt there is room for all stakeholders in the consultation process. The Government and I must ensure that all stakeholders get a share.

OLYMPIC GAMES FACILITIES FOR PEOPLE WITH DISABILITIES

The Hon. A. G. CORBETT: I address my question to the Treasurer, representing the Minister for the Olympics. What special provisions have been made to enable persons with a range of disabilities to have ease of access to Olympic venues? For example, what is being done to ensure that potential transport and seating difficulties are addressed? Does the Minister have an estimate of the number of people with disabilities who will be attending the Olympic Games?

The Hon. M. R. EGAN: I expect a significant number of people with disabilities to attend both the Olympic Games and the Paralympic Games. Although I do not have specific knowledge of this matter, I expect that all new venues will have facilities for people with disabilities.

The Hon. E. M. Obeid: It's compulsory.

The Hon. M. R. EGAN: It is compulsory for all new public buildings to have facilities for people with disabilities. I am sure transport facilities, including the new rail loop and railway station at Homebush, will comply with the requirements. I am certain—although I have not checked this—that all new facilities will comply with the requirements. I expect that facilities which pre-date the requirements

for new buildings, such as the State Sports Centre, have already been upgraded.

The Hon. Patricia Forsythe: Yes, it has already been used for the wheelchair games.

The Hon. M. R. EGAN: Yes. People with disabilities who attend either the Olympics or the Paralympics will find that the Government has done a good job. I shall refer the question to my colleague the Minister for the Olympics.

WESTERN SYDNEY PUBLIC TRANSPORT

The Hon. C. J. S. LYNN: My question without notice is directed to the Minister for Mineral Resources, representing the Minister for Transport, and Minister for Roads. Is the Minister aware of a plea from local councils in western Sydney for airconditioned public transport to service the greater western Sydney area? Is he further aware that western and south-western Sydney commuters are treated as second-class citizens in the allocation of Tangara trains?

Is the Minister aware that summer temperatures in western Sydney are the highest in the metropolitan area and that this causes considerable discomfort to commuters, particularly those with young children? What action will the Minister take in response to the call from local councils in western Sydney for a fair allocation of airconditioned public transport to service the area?

The Hon. E. M. OBEID: I do not agree with the assertion made by the Hon. C. J. S. Lynn that the Government—or any government, for that matter—is treating the people of western Sydney as second-class citizens. The Carr Labor Government is spending enormous amounts of money in western Sydney and will continue to do so. I am sure my colleague the Hon. Carl Scully will have an appropriate answer to the silly allegation made by the honourable member.

INFORMATION TECHNOLOGY TRAINING PROGRAMS

The Hon. A. B. KELLY: My question without notice is addressed to the Treasurer, and Minister for State Development. Can the Treasurer inform the House of the latest Government program to help the long-term unemployed?

The Hon. M. R. EGAN: I thank the Hon. A. B. Kelly from Country Labor for a very good question.

The Hon. R. T. M. Bull: Isn't he the leader?

The Hon. M. R. EGAN: Yes, he is the leader of Country Labor in this House.

The Hon. R. T. M. Bull: Who is the leader of Country Labor in the lower House?

The Hon. M. R. EGAN: I am not sure about that. It is probably Harry Woods. Country Labor has a great team.

The Hon. R. T. M. Bull: What coalition arrangements have Labor and Country Labor entered into?

The Hon. M. R. EGAN: The Deputy Leader of the Opposition has raised a very interesting point. We will have to look at that. Last week my colleague the Hon. Kim Yeadon launched the RestartIT pilot program, which is a joint initiative between the Oracle Corporation, Options Training Services and the New South Wales Government.

The Hon. R. T. M. Bull: We will help you draft an agreement. We will give you a better deal.

The Hon. M. R. EGAN: Are the National members offering to join us? We have been part of a coalition before. The National Party is no longer a country party, so we are not interested in a coalition with National members. The National Party can stay in a coalition with the Liberal Party. Country Labor was formed to give country people representation in one of the major political parties and in this Parliament. Until the formal establishment of Country Labor no formal organisation in the Parliament represented country and regional New South Wales. We now have formal representation for country and regional New South Wales under the banner of Country Labor.

The new RestartIT program will give long-term unemployed people a chance to work in the growing and dynamic information technology industry. The information technology and telecommunications industries are continually expanding and looking for skilled employees to fill the available jobs. The RestartIT program turns the notion of a skills shortage into an opportunity to find real jobs for long-term unemployed people. Unemployed people who take part in the RestartIT program do not necessarily need a background in information technology but simply a willingness to learn.

Harnessing these skills and retraining people to take advantage of the growing information

technology and telecommunications industries provide a perfect answer to delivering jobs for the unemployed in this dynamic sector. This model is a great partnership between government, business and the training sector, and I hope that it will be the first in a wider industry roll-out of similar programs. Oracle is the world's second largest software company. It is working with Options Training Services, which is a not-for-profit, community-based training organisation, to build and deliver a comprehensive and industry-specific traineeship with Oracle.

The Government provided funding for 36 unemployed people to attend a 13-week intensive course in information technology. At the completion of the course 10 of them will join Oracle for an on-the-job traineeship, which will be run over 12 months. The trainees will complete a graduate training and development program, various project-based assignments, on-the-job training and complete a certificate in information technology database administration. At the conclusion of the course successful trainees will be offered full-time positions in industry. The Government welcomes Oracle's initiative and is keen to work with business to develop new and innovative ways of allowing more people access to the employment opportunities on offer in the developing information technology and telecommunication industries.

SNOWY RIVER ENVIRONMENTAL FLOW

The Hon. R. S. L. JONES: I ask the Treasurer, representing the Premier: Will the Premier back the call from the new Victorian Premier, Steve Bracks, for 28 per cent flow in the Snowy River, which he made on the radio this morning?

The Hon. M. R. EGAN: The Government certainly is keen to see improved environment flows in the Snowy and also in the very important higher montane rivers, which the Hon. R. S. L. Jones probably knows nothing about. But we want to act in a responsible way. As I pointed out in the House previously, there are a number of conflicting but very legitimate interests in this issue. We want to ensure that the agreement that we hope will be reached between the Commonwealth, Victoria and New South Wales is based on sound policy and is an optimal outcome.

Of course, no outcome will give all the parties everything they want; an optimal outcome is what we have to seek. As I mentioned previously, there have been comments by Federal Ministers Senator Nick Minchin and Senator Robert Hill. I am not

sure whether they have been expressing a Commonwealth Government view or a South Australian view. That is something that the Commonwealth Government will have to sort out because there might well be not just a legitimate South Australian view but a different and quite legitimate national view that the Federal Government might want to adopt.

DRUG PROGRAMS FUNDING

The Hon. Dr B. P. V. PEZZUTTI: The Special Minister of State, and Assistant Treasurer said in his contribution to the House on 28 October that over the next four years total government spending on drug programs will amount to half a billion dollars. Minister, were you referring to the totality of Commonwealth Government spending for Australia for treatment and rehabilitation services? If not, could you please indicate how you get a figure of half a billion dollars for Government expenditure? Is that for New South Wales? Could you please provide details to support the statement?

The Hon. M. R. Egan: Half a billion is actually less than we will be spending over the next four or five years. We will be spending a lot more than that.

The Hon. J. J. DELLA BOSCA: I was being a bit sloppy saying half a billion. The Treasurer has corrected the figure. The brief I have states that the figure is \$526 million, which is a bit over half a billion. That is what it was when I was at school.

The Hon. M. R. Egan: No, it is more than that.

The Hon. J. J. DELLA BOSCA: I will take further advice and advise the House, but according to my brief the Government will spend more than half a billion dollars over the next four years on drug programs, \$526 million. This includes an extra \$155 million over four years to implement initiatives in the plan of action, \$93 million for new drug and alcohol treatment services, \$18 million for better education and treatment services for young people, including juvenile justice detainees, and \$49 million for new places, better quality control and new counselling facilities and assessment services within the methadone program.

[Interruption]

The Leader of the Opposition knows all about methadone. He is always causing trouble. His friend Doug Eaton supports the legalisation of heroin.

The Hon. M. J. Gallacher: That is the beauty of the Liberal Party; we accept conflicting views.

The Hon. J. J. DELLA BOSCA: I see, very catholic views. There will be \$5.3 million to community organisations to provide residential drug rehabilitation services, \$8.5 million for a youth drug court trial and associated treatment services, \$3.725 million for improved drug detection in corrective services, \$2.5 million over four years for new targeted drug education programs for students on top of an extra \$5 million since 1995 for drug and alcohol education programs in schools, \$4.89 million over four years for a statewide program to encourage local communities to deal constructively with the causes and consequences of illicit drug distribution and use, and \$9.78 million for new detoxification centres at Bathurst, Grafton and Goulburn gaols.

The Minister for Health recently announced the first series of initiatives for rural and regional communities. These include eight new nurse counsellors for each area health service, eight new clinical drug and alcohol nurses, additional expansion of the drug and alcohol services in the mid North Coast and New England area and expansion of outreach services in the Illawarra and Shoalhaven regions. No doubt there is more to come.

I will take on advice that my totalling might need more refinement. I have not detailed every part of the question. The \$526 million over four years is well in excess of the half billion dollars that the honourable member was disputing. In case I am understating the figure I will do more research and come back to the House if there are more matters to be disclosed.

CONSTITUTION REFERENDUM PROMOTION

Reverend the Hon. F. J. NILE: I ask the Minister for Mineral Resources, representing the Minister for Local Government: Is it a fact that Sydney City Council has spent ratepayers funds on promoting the yes vote for the republic referendum with the production and erection of vote yes flags in George Street, Circular Quay, Chinatown et cetera? Is this a legal and proper use of the funds of ratepayers, who represent both yes and no voters, when the Federal Government allocated \$15 million to the yes and no committees? Will the Minister investigate any improper use of ratepayers' funds for this purpose and take any necessary action against the Sydney City Council?

The Hon. E. M. OBEID: I will seek a detailed answer for Reverend the Hon. F. J. Nile. It

is a very important question and I will refer it to my colleague in the other House.

MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR FISHERIES PECUNIARY INTEREST DISCLOSURE

The Hon. C. J. S. LYNN: My question is directed to the Minister for Mineral Resources, and Minister for Fisheries now that he is better. Minister, do you recall that you informed the House on 19 and 21 October that you agreed to hold a share in Max Cutting Pty Ltd in 1971 or 1972 "in trust, in confidence, in my duties as a member of the accountancy firm" for which you were working? What was the name of the firm? What were your specific duties at this firm and did you ever complete the requirements to qualify as an accountant?

The Hon. M. R. Egan: Point of order: That question has absolutely nothing to do with the Minister's public responsibilities. It is like asking me what positions I held in the St Patrick's College Old Boys' Association.

The Hon. J. H. Jobling: To the point of order: The question specifically relates to an answer that was given in this House by the Minister for Mineral Resources, and Minister for Fisheries. I contend that the question is in order because it relates to a response given by the Minister to this House and seeks clarification of that statement.

The Hon. M. R. Egan: Further to the point of order: It is open to a Minister, or indeed any member of this House, to provide the House with interesting details of his or her private activities. However, that does not mean that members of the Opposition can then make those private activities the subject of a question during question time. On many occasions in this House I have recounted the story about my dog running away from me. But that does not mean that it is an appropriate topic for members opposite to question me about.

The Hon. D. J. Gay: To the point of order: The question is relevant, both for the reasons outlined by the Hon. J. H. Jobling and because it relates to the Minister's pecuniary interest and the fact that he changed his pecuniary interest declaration. That is a relevant question that the House has every right to ask a Minister of the Crown. It is outrageous for the Treasurer to seek to cover up and have an appropriate question ruled out of order.

The Hon. J. F. Ryan: To the point of order: I refer to the points made by the Hon. D. J. Gay.

Further to that, on an earlier occasion when presented with the question as to whether Ministers could be asked about their pecuniary interest declarations, you ruled that it was in order to ask Ministers about details of their pecuniary interests. In a previous ruling you stated that no standing order of the House requires Ministers to answer only those questions relating to their specific portfolios. The specific wording of the standing order relates to the fact that Ministers may answer questions in relation to public affairs.

The Hon. M. R. Egan: Further to the point of order: The question is not about the pecuniary interests of any member of this House. The question is about what a member of the House did at some time before he even became a member of this House. It has absolutely nothing to do with the member's pecuniary interest declaration.

The PRESIDENT: Order! As I have previously ruled, it is in order for members to ask questions to do with the pecuniary interests disclosed in the pecuniary interests register by members and Ministers. However, it is not in order to ask questions about a member's background if it has nothing to do with either a previous question that has been answered in the House or something that is in the pecuniary interests register. I ask the Minister to bear that in mind when replying to the question.

The Hon. E. M. OBEID: I have no problem answering any question that is put to me on any matter that I have ever been associated with.

The Hon. J. H. Jobling: You should tell that to your electorate.

The Hon. E. M. OBEID: It is a technical point. The Hon. M. R. Egan is entitled to his position on an issue of technicality. I will not continue to entertain members opposite with regard to my past life, except in relation to matters that are relevant to my position as Minister for Mineral Resources, and Minister for Fisheries. For the benefit of the Hon. C. J. S. Lynn, who wants to know what I was doing between, I think it was, 1970 and 1973, I was working for a firm of public accountants called Wickens Thomas, which was located in New Canterbury Road, Dulwich Hill. I happened to be looking after the accounts of the person concerned.

The Hon. C. J. S. Lynn: As an accountant?

The Hon. E. M. OBEID: No, as a member of the firm.

The Hon. J. H. Jobling: You weren't a qualified accountant?

The Hon. E. M. OBEID: No, I was not a qualified accountant, but I was doing an accountancy course.

The Hon. C. J. S. Lynn: Did you finish it?

The Hon. E. M. OBEID: It is not your business whether I finished it.

The Hon. C. J. S. Lynn: Why don't you just answer the question, if you have nothing to hide?

The Hon. E. M. OBEID: Why don't you grow up and ask some sensible questions? Do you want to know anything further? If so, I will answer a supplementary question.

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

CASCADE DAM WATER CONTAMINATION

The Hon. J. J. DELLA BOSCA: Yesterday the Hon. I. Cohen asked me a question without notice regarding Cascade Dam in the Blue Mountains. The honourable member had previously asked this question on 14 September, in my capacity representing the Minister for Agriculture, and Minister for Land and Water Conservation. I was advised by the Minister for Agriculture, and Minister for Land and Water Conservation, the Hon. Richard Amery, that the honourable member's question did not come under the portfolios of Agriculture or Land and Water.

The question should have been referred to the Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney, the Hon. Kim Yeadon, who is represented in the Legislative Council by the Minister for Juvenile Justice. However, I am happy to report that a response to the honourable member's question has been sought from the Hon. Kim Yeadon, the Minister responsible for Sydney Water.

Sydney Water advises that there have been no occurrences of water contamination in Cascade Dam this year. Sydney Water advises further that water supplied to Blue Mountains consumers is of the highest quality, and throughout 1999 has been of a higher standard than is set out in the 1996 National Health and Medical Research Council Guidelines. Since 2 July 1999 raw water quality in Cascade Dam has been the responsibility of the Sydney Catchment Authority.

The Hon. Kim Yeadon has indicated that if the honourable member is able to provide him with further information about his concerns, the matter will be fully investigated. I understand that this offer has been made directly to the honourable member by Minister Yeadon's staff. I thank the Hon. I. Cohen for his patience with regard to this matter.

MACARTHUR DRUG AND ALCOHOL YOUTH PROJECT

The Hon. J. J. DELLA BOSCA: On 9 November the Hon. C. J. S. Lynn asked me a question concerning the Macarthur Drug and Alcohol Youth Project. I provide the following answer:

The New South Wales Government is strongly committed to the prevention of drug related harm in this State. The implementation of the New South Wales Drug Summit *Plan of Action* demonstrates our comprehensive approach to the drug problem.

We have given substance to our commitment by the allocation of an additional \$155 million over four years. This includes a total of \$93 million for new drug and alcohol treatment services and a further \$18 million for better education and treatment services for young people, including juvenile justice detainees.

I am advised that in 1998-99 drug and alcohol expenditure in the South Western Area was approximately \$5.7 million. This figure will be at least \$6 million in this financial year.

In relation to the honourable member's specific question, I am advised that the New South Wales Health Department has not been involved in a review of the Macarthur Drug and Alcohol Youth Project nor is the Department aware of any review of the services provided by the agency.

The New South Wales Health Department is responsible for the development and implementation of the New South Wales Drug Treatment Services Plan, which will provide strategic direction and a clear statement of priorities for drug and alcohol services in this State.

The plan has been part of a statewide review conducted by experts including Area Health Service drug and alcohol counsellors, the National Drug and Alcohol Research Centre and representatives of the Network of Alcohol and Drug Agencies.

The draft New South Wales Drug Treatment Services Plan is nearing completion and I am advised, the Macarthur Drug and Alcohol Project, South Western Sydney Area Health Service and New South Wales Health are exploring the potential involvement of the agency on projects arising from the Drug Summit.

HOTEL POKER MACHINE LICENCES

The Hon. J. J. DELLA BOSCA: On 12 October Reverend the Hon. F. J. Nile asked me a question without notice concerning hotel gaming. The Minister for Gaming and Racing has provided the following answer:

Under the provisions of the Liquor Act 1982, hoteliers are granted the privilege of operating gaming machines in hotels. Recent amendments to the Act extended this privilege to enable hoteliers to operate up to 15 poker machines without having to operate a matching number of draw poker machines and provided access to additional poker machines over 15 through the poker machine permit process. The increased access to poker machines has enabled hoteliers to meet customer demand for these games, increase overall profitability and enhance their overall services and facilities to the benefit of all patrons, and the wider community.

Last year, however, the Government was concerned to discover that some hotel operators had sought to obtain a hotel licence to establish businesses which were little more than gaming dens and in which the operation of gaming machines was clearly the sole purpose of the business. This Government took swift action to stop these practices which were clearly contrary to the spirit and intent of the legislation.

The grant of a hotelier's licence under the Act is not the grant of a licence to operate a gaming business. Rather, it is the grant of a licence to operate a hotel to which the operation of gaming machines is an ancillary privilege. This was clarified and reinforced by recent amendments to the Act which made it an explicit condition of a hotelier's licence that the primary purpose of the business is the retail sale of liquor. The amendments also made it a condition of a licence that gaming machine operations must not detract unduly from the character of the premises, or from the enjoyment of persons ordinarily resorting to the premises (other than for gaming).

Not only must the Licensing Court now be satisfied that these conditions will be met before granting a licence, but the Act now also contains measures to ensure that these conditions will be met by hotels at all times. I am aware that the Licensing Court of New South Wales has already declined to grant an application for the removal of a licence on the basis that it was not satisfied that the primary purpose of the intended hotel would be the retail sale of liquor. As noted by Reverend Nile, approval for the location of these businesses rests, in the first instance, with local councils. Should a business be approved for a certain area by the local council, and if the proposed business is a hotel, an application for a hotelier's licence or the removal of a hotelier's licence must be made to the Licensing Court of New South Wales for consideration.

These are not processes in which the Government can become involved. However, this Government has provided a legislative framework in which the gambling operations of a hotel or proposed hotel will be closely scrutinised to ensure that hotels are conducted within the spirit and intent of the legislation to the benefit of the New South Wales community.

OLYMPIC GAMES HOMELESS ACCOMMODATION

The Hon. J. J. DELLA BOSCA: On 28 October the Hon. I. Cohen asked me a question without notice concerning the use of churches and/or school halls to house the homeless during the Olympics. The Deputy Premier, Minister for Urban Affairs and Planning, Minister for Aboriginal Affairs, and Minister for Housing has provided the following answer:

The Department provides temporary accommodation in low cost caravan parks and cheap hotels to homeless people until longer term solutions can be identified. The Department will pre-arrange access in the accommodation so that this service can continue to be provided. The Department of Housing is also formulating a contingency plan with the Olympic Coordination Authority and Department of Community Services to manage the situation over the Olympic period.

The strategy focuses only on those people who are clearly the responsibility of the Department of Housing and Department of Community Services and not short term visitors with the financial capacity to assist themselves. Assistance will be provided on the basis of need to homeless low income households who are eligible for assistance.

WESTERN DIVISION FREIGHT ASSISTANCE

The Hon. J. J. DELLA BOSCA: On 9 November the Deputy Leader of the Opposition asked me a question concerning freight assistance to rural areas. The Minister for Agriculture has provided the following answer:

New South Wales Drought Transport Subsidies were phased out in 1997, in accordance with the National Drought Policy that was agreed to by all states and the Commonwealth in 1992.

Only 16 per cent of New South Wales farmers accessed assistance under the scheme which was believed to be neither equitable nor in the interest of good risk management. The scheme sent the wrong signals to producers by assisting those producers who overstocked and did not carry out their own drought preparedness strategies.

Arrangements for "Exceptional Circumstance" assistance have been put in place to assist producers who are experiencing very severe drought beyond normal risk management practices.

BLACKTOWN LOCAL GOVERNMENT ELECTION MATERIAL

The Hon. E. M. OBEID: On 13 October the Hon. C. J. S. Lynn asked a question without notice concerning Blacktown City Council local government election material. The Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs has provided the following answer:

The Department of Local Government has made preliminary inquiries into the matters raised. Those inquiries suggest that the questions asked apparently intermingle two separate instances, neither of which warrant further investigation or referral to the Electoral Commission.

I understand that the first instance concerns the delivery by Australia Post of two separate publications, namely a Council Bulletin printed by a private firm, and electoral material for ALP candidates for Ward 4 prepared and printed by the ALP. It is understood that each organisation separately paid Australia Post for postage and delivery of their respective material.

Australia Post has indicated that the two publications were inadvertently attached by the delivery officer to facilitate delivery. In doing so, Australia Post stated that it had no intention to link the two publications to a political party. Australia Post has apologised for any embarrassment this may have caused the Council. Council had also brought the matter to the attention of the Returning Officer.

The second instance concerns the former Mayor's distribution of his election material printed by a private firm, which also had been used by Council. The Department has been informed that the former Mayor paid the printing costs and that the material was delivered by Australia Post in the week commencing 6 September, which was approximately a week after the delivery of the previously mentioned material.

DEPARTMENT OF LOCAL GOVERNMENT RELOCATION

The Hon. E. M. OBEID: On 19 October the Hon. D. J. Gay asked a question concerning the relocation of the Department of Local Government. The Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs has provided the following answer:

The Government has taken a policy decision that the Department of Local Government will be relocated to Nowra. This is being done as part of the Government's overall strategy to locate jobs in country regions. In my initial announcement, I indicated that the Department would not move until some time after its present lease ran out in August 2000.

The Department of Public Works and Services is currently engaged in seeking premises and defining alternatives in terms of appropriate accommodation for the Department in Nowra.

As the relocation is not timetabled to take place until after the 1999/2000 financial year, there was not considered to be any need for additional budget monies for that year. Any costs would be borne in the following financial year and will be dealt with as part of the budget for that year.

Far from being a poorly planned operation, the Government is implementing its policy of relocating Government jobs in regional areas and is following a defined process for the procurement of office accommodation for that purpose. Appropriate budgetary provision will be made in the relevant budget years and there was no statement that the move would take place by August 2000.

BLACKTOWN CITY COUNCIL OLYMPICS LOGO

The Hon. E. M. OBEID: On 19 October the Hon. C. J. S. Lynn asked me a question without notice concerning Blacktown City Council Olympic logo. I now provide the following answer:

Preliminary inquiries of the Council by the Department of Local Government have disclosed that the baseball logo referred to appeared once on the election material. The Council has advised that it has not claimed any copyright in the logo.

It is a matter for the Council to determine the copyright status of its material and to consider whether there has occurred an unauthorised use.

The Blacktown Council may also deal with the matter under its adopted Code of Conduct.

FISHERIES MANAGEMENT ACT REGULATIONS

The Hon. E. M. OBEID: On 12 October the Hon. Dr B. P. V. Pezzutti asked me a question on Fishery Regulations Publication. I now provide the following further detail:

New South Wales Fisheries undertakes comprehensive consultation to ensure that all stakeholders affected by changes to regulations are informed of those changes. While different consultative arrangements prevail for different circumstances, all changes to regulations are discussed with relevant Management Advisory Committees [MACs], the Advisory Council on Commercial Fishing [ACCF], the Advisory Council on Recreational Fishing [ACoRF], Regional Industry Convenors [RICs] and local fisheries officers. Public meetings are also held when and where necessary.

If significant changes are proposed to be made to a regulation, in addition to relevant MACs, the ACCF or ACoRF being consulted and port meetings being held, a discussion paper is normally prepared and circulated to relevant fishers inviting comment on the proposed change(s). These comments are then reviewed by the department, the MAC and the ACCF or ACoRF, as appropriate, and recommendations made to the Minister.

Once approved, instructions are given to Parliamentary Counsel and the regulation is gazetted. A copy of the gazettal is faxed to all affected commercial fishers, all New South Wales Fisheries offices, the Sydney Fish Market, local Co-operatives, the Northern Professional Fishermen's Association, all RICs and the relevant MAC.

In relation to the implementation of fishing closures, consultation will vary depending upon the type of closure. There are three types of fishing closures: (a) emergency fishing closures; (b) new fishing closures; and (c) reviewed fishing closures.

1) Emergency Fishing Closures

Emergency fishing closures are implemented to manage urgent situations, such as the contamination of fish, fish kills etc.

Following gazettal of the closure, my department, New South Wales Fisheries, faxes the notice to the Sydney Fish Market, all Co-operatives, New South Wales Fisheries Offices, RICs, the relevant MAC and fisheries officers as appropriate. Fisheries Officers are also required to ensure that the notice is displayed prominently in public places such as boat ramps and tackle shops, and they also inform the local media.

2) New Fishing Closures

New fishing closures are implemented to achieve a range of fisheries management objectives, including the conservation fish stocks and/or habitat, and to provide equitable resource allocation.

Following gazettal, how the closure is communicated to affected fishers will depend upon the significance of the closure. If a closure is significant, in that it impacts on a large number of commercial fishers, New South Wales Fisheries generally writes to each affected commercial fisher advising of the closure. However, in the case of a closure, such as the Tuross Lake closure to some commercial fishing earlier this year, a public meeting is held to explain the changes to all affected fishers.

If the change is routine, such as a variation to the boundary of a closure, the local District Fisheries Officer is responsible for ensuring that all fishers in the district are aware of the change. Fishers visiting a district, where they are not familiar with local closures, are also aware that they should contact the local Fisheries Office for local information.

3) Reviewed Fishing Closures

All current closures have to be reviewed prior to January 2000, which is five years after the proclamation of the current Act. The RIC, local Co-operative, regional MAC members and local Fisheries Officers are all advised of relevant reviews and are requested to provide comments.

If the closure is renewed unchanged, then no additional notification is required. If there are minor changes, the advisory process is handled locally by the Fisheries Officer. If the changes are significant then all relevant commercial fishers are advised in writing. For the future, a detailed set of electronic maps is being prepared for publication.

Questions without notice concluded.

STANDING COMMITTEE ON STATE DEVELOPMENT

Report: The Use and Management of Pesticides in New South Wales

**Debate called on, and adjourned on motion
by the Hon. P. T. Primrose.**

PARLIAMENTARY ELECTORATES AND ELECTIONS AMENDMENT BILL

Second Reading

Debate resumed from an earlier hour.

The Hon. Dr A. CHESTERFIELD-EVANS [5.10 p.m.]: I was in the process of saying that the Australian Democrats are concerned that financial cost should not be an impediment to political office. Democracy should not be only for those who can afford it. The Government, because the 1999 election was four days later than the four-year term, has snaffled a large amount of extra money from the public purse. It is true that it must account for the spending of that money, but the amount should have been determined and budgeted for over a period of four years.

The Democrats were within their budget. We had receipts consistent with the funding we expected to receive, and did not have receipts for more than that sum of money. The change is unlikely to benefit the Australian Democrats because we managed our funds proportional to what we were to get. The Government, having gained such a large sum of money from such a trivial thing, should not then ask small parties to come up with a large amount of money to participate in the political game. That is not acceptable. I do not think anyone in this House would want a system under which the richest win.

The Hon. J. J. Della Bosca: And the best-looking!

The Hon. Dr A. CHESTERFIELD-EVANS: I can understand the concern of the Special Minister of State that the best-looking should not win. The time allowed for parties to obtain the signatures of their members must be realistic. That time frame must not be so short that it will cause parties difficulty organising the collection of their members' signatures. Let us face it, the speed with which people fill in forms and return them may present a technical problem, and allowance should be made for that.

A key element of democracy is that voters should have a say in the distribution of their preferences. As such, the Greens amendment to provide for the noting of preferences on the top of ballot papers seems to me to be a good idea, although the purists of the Proportional Representation Society say there are better ways of doing this. Given our traditional ways of dealing with such things, the Greens proposal seems the most sensible one to adopt.

Other changes that I would prefer, but which I will not move amendments on, include compulsory preferential voting and reform of the lower House. However, that latter issue is not currently being discussed. Those who seek a more representative Parliament propose an amendment to ensure that electors should vote for people rather than parties. I suppose that is a worry to those concerned about members of the major parties nuzzling up to and being muzzled by their parties, rather than being able to act as individuals and not have derisory levels of personal votes.

It would be ideal if voters knew Legislative Council candidates well enough to distinguish between them. However, unfortunately, they do not and the best that we can do is choose between parties and have voters informed about their distribution of preferences. Any attempt to change

the number of members of this Chamber should be accompanied by a guarantee that the number of seats will be much more proportional to the number of votes than is the case in the lower House.

Of course, it could be argued that lower House members represent their specific electorates and that that gives a better result. In practice, it is mainly within the marginal seats where most money is spent. The fact that a member is elected to represent a seat does not necessarily mean that that seat will get a better deal; it is only where the representation of a marginal seat is by a Government member that the seat is likely to get a better deal.

Certainly, a House with proportional representation of parties is better for overall planning in the State, if not in particular instances in the marginal seats. Finally, I congratulate the Electoral Commissioner, Mr Dickson, for the good job he did in the last election in dealing with the difficulties posed by the large number of candidates standing for the available seats. I make a plea to the Government to provide the Electoral Commissioner with adequate resources to enable him to properly police the new legislation.

The Australian Democrats will support the amendment to reduce to 500 the number of members required before a party is eligible to be registered and the amendment to keep the cost of the registration down. That will make the task of the Electoral Commissioner easier, but he will still need greatly increased resources to police this measure. In supporting this legislation, we assume that that greater resourcing of the Electoral Commission will be forthcoming from this Government and future governments.

The Hon. H. S. TSANG [5.15 p.m.]: I support the Parliamentary Electorates and Elections Amendment Bill. The intent of this bill is to remove the power of political parties to determine a voter's preferences for other groups of candidates in Legislative Council elections. It also addresses the requirements of the Act with respect to the registration of political parties. These are important measures. The bill redresses the imbalances that were obvious in the last election. It will address some of the concerns of people who voted in the last elections, in which I was involved.

In that sense, the success of this bill will ensure that, when people of non-English speaking background go to vote and support a party, they will be certain of the outcome of their true voting intention. They obviously want to know who the party that they are voting for actually supports, so

that they will not come to realise some time later that their vote has been transferred to some other group or groups with a different agenda and political philosophy.

I recall that in the last elections people in the Chinese-speaking community supported the Labor Party because its view was clear. It was the only party that was going to deal head-on with the One Nation Party and its policies. They supported me because I deal head-on with these issues. People who supported the party and me knew that their vote would not disappear to another mysterious party, because I have an established track record on these matters in the community.

In terms of preferences, the Australian Labor Party [ALP] has stuck to its commitment to give its first preferences to Unity. I and the Labor Party believe that at that time Unity had a similar political agenda in dealing with the fight against racism and promoting multiculturalism. People who voted for the ALP knew that our first preferences were going to parties such as Unity. Our views and commitments were upfront and unambiguously transparent. Even though I and the party were attacked by Unity, under difficult campaign circumstances we kept our word. Our promise was not a hollow one.

However, I have received many concerns from community members who voted for Unity in the belief that its preferences would be directed to the Labor Party. They were disappointed that their vote for Unity could have elected other members representing other possible fringe groups. Voters could never have known that the present legislation allowed easy registration of political parties with disguised intentions. This encourages the proliferation of minor groups that confuse the electorate.

This was the case where the ethnic community voted for parties such as Unity in the belief that their vote eventually would return to the Labor Party. As it turned out, those votes went to a great number of minor parties, including a lot of fringe groups, first. Nothing could have been further from the wishes of Unity's voters. They have been duped, without even knowing it. This betrayal has been relayed to me by many members of the community.

I recall the resignation from Unity of Mr Jason Yat Sen Li, a former prominent member of Unity and a successful candidate in the Federal election, attracting some 70,000 voters. Jason Li, who was the chair of the Yes Coalition in New South Wales for the recent republic referendum, resigned from

Unity during the State elections when he discovered that his party was making deals with many minor parties, including some fringe groups which had no common ground with the Unity party's philosophy.

I fully understand the position of Mr Yat Sen Li. He knew what was happening behind the scenes, and he had no wish to be associated with those dealings. Most supporters of Unity from non-English speaking backgrounds would not have understood what was happening. This amendment will help to redress this matter by allowing voters to allocate their own preferences.

In the last election the allocation of preferences would have been one to Unity and two to the Australian Labor Party. That is what the community perceived it to be at the time, not at some position around 20 on the preference list. They would never have expected this preference arrangement, let alone Unity's subsequent contradictory support of the Liberal Party during the campaign. This amendment will also give Unity voters and supporters a guarantee that their preferences will be as they choose.

The Hon. Dr P. Wong: Point of order: The implication is totally incorrect. My point of order is taken under Standing Order 81, which relates to the imputation on my credibility and the truth of statements. I want the Hon. H. S. Tsang to withdraw the statements, which are totally untrue.

The PRESIDENT: Order! Which statements?

The Hon. Dr P. Wong: Numerous statements are totally untrue.

The Hon. J. R. Johnson: To the point of order: With due respect, perhaps the Hon. Dr P. Wong could be directed to ask to give a personal explanation at the end of debate. There is no point of order involved.

The Hon. Dr P. Wong: Further to the point of order: Unity did not give preference to the Liberal Party. That is totally incorrect.

The PRESIDENT: Order! It is more appropriate to deal with this as a personal explanation under Standing Order 70, as other honourable members have done this week. The Hon. Dr P. Wong should specify the statement that he wishes the Hon. H. S. Tsang to withdraw.

The Hon. Dr P. Wong: The statement is that Unity did not give preference to the Liberal Party directly or indirectly.

The Hon. Jan Burnswoods: What about the seat of Ryde?

The Hon. Dr P. Wong: May I answer that question?

The Hon. H. S. TSANG: Point of order: I wish the Hon. Dr P. Wong had let me finish the sentence; then it would have been clear.

The PRESIDENT: Order! There is no point of order. However, the Hon. H. S. Tsang should be aware of Standing Order 81, which clearly says that imputations against other members of Parliament are out of order.

The Hon. H. S. TSANG: I will repeat the sentence. Unity supporters would never have expected this preferential arrangement, let alone Unity's subsequent contradictory support of the Liberal Party during the campaign. This amendment will also give Unity voters and supporters the guarantee that their preferences will be as they choose. I take this opportunity to congratulate my parliamentary colleague the Hon. Dr P. Wong on his knowledge of the electoral system and knowing how to use it to his personal advantage. I understand that Unity's primary vote was about 1 per cent, far below the required quota.

I remind the honourable member that it was the integrity of the ALP, which publicly committed itself during the campaign to deliver to Unity its first preference. The Hon. Dr A. Chesterfield-Evans was correct in saying that Unity would not be represented in this Chamber without Labor's commitment. Labor's support guaranteed Dr Wong's election. I remind the Hon. Dr P. Wong that the ALP put him here.

The ALP, like the honourable member's former colleague Jason Li, had no idea that Unity would be making deals with fringe groups, and possibly enabling their election to Parliament. These groups, which are also manipulating the system, could get elected with completely different and opposite agendas and philosophies to the voters' intentions. The bill will address these problems. The political parties will be more transparent in their preference deals and voters' intentions will be better reflected. I support the bill.

The Hon. D. F. MOPPETT [5.26 p.m.]: I support the Parliamentary Electorates and Elections Amendment Bill. I have noted in the debate that most of the contributions have concentrated on the anomalies that arose in the last State election. Perhaps it is more a case of quoting those as reasons

for change than any philosophical appraisal of the system. In a way that is a shame. If we go back to the fond aspirations of democratic leaders, such as Thomas Jefferson, their idea of the ideal democracy was that it be inclusive of every possible voice that would be gathered together so that people would have faith in the deliberations of the Parliament.

Reverend the Hon. F. J. Nile: Like the upper House.

The Hon. D. F. MOPPETT: I will come to that. Some would say that the American model fell far short of those fond aspirations. Inevitably, it fell even more so in Australia to a two-party system, in terms of the division of power. It might do us well to pause in this debate and look beyond the restrictions of the experiences of the 1999 State election and the preference deals which achieved the results that have been the subject of many contributions.

The Legislative Council has evolved since its first establishment. I believe that today it is a fine example of the democratic process at its best. I am a great supporter of the bicameral system. I do not want in any way to lessen the faith in the idea that the Government is established in the lower House. In our tradition, that is the House of the representatives of electorates rather than the House of representatives taken from throughout the State. Having another political chamber in the political process is a very important part of an advanced democratic system.

Whenever I am asked to defend the Legislative Council I do not use those hackneyed expressions, House of review, upper House or brake; I proclaim that its justification lies in the fact that there is an alternative proportional system of election which allows for groups who otherwise would not be represented in Parliament to be so represented. I do not think anyone would deny that if it were simply a matter of a replication of single-member electorates or some variation of that, the Australian Democrats, the Greens or the Christian Democratic Party would not ever have a representative in the Legislative Council.

It is important to have a Chamber based on proportional representation, and today we are talking about refining that representation. Over the years I have seen a number of refinements, reformations and changes proposed to the upper House. The only proposals I have not experienced are the swamping-type processes, where governments in the past—I will not single them out; those who are cognisant with our history know who I am referring to—felt

that an obstructive upper House could be overcome by simply admitting a large number of new members. That practice continued for a while.

The other great reform process that I saw was the final chapter of the abolition process. A referendum was held when I was not an active member of the National Party, when various community groups spoke in favour of a Legislative Council. At that time the Legislative Council was elected by a process that most people considered fairly mysterious. Nevertheless, people valued the upper House, perhaps for reasons that are now secondary to the principal reason: to express the electoral will of the people through proportional representation.

The Wran Government was as radical a reformist Labor Government as we have had, perhaps second only to the Lang administration, but it had enough cool heads to say that the days of proposing abolition were over. The Wran Government wanted a new Legislative Council that would be more responsive to the electoral changes on top of which it had just been swept into office. I was a member of the Legislative Council at that time, elected on a casual vacancy under the old system—the most recent system before the radical reform of the Legislative Council.

It is certainly interesting to remember the debates at that time. The Wran Government wisely took advice and rejected some of the other examples around the world and in various States of Australia. Those alternatives would have been considered by the Special Minister of State, and Assistant Treasurer. After the last election it was proposed that we should move to the Victorian model, or the model in the majority of the other States, of regional electorates.

The Hon. D. J. Gay: Victoria is looking at our model.

The Hon. D. F. MOPPETT: It is very instructive that Victoria is now looking at our model. It was my opinion at that time, and when this proposal was extant during the past 12 months, that we should reject the idea of regional electorates. That would put an end to this House being distinctive in representing minority groups, groups that are less than appropriately represented in the lower House.

The Hon. I. Cohen: The lower House should be for regional electorates and we should maintain—

The Hon. D. F. MOPPETT: That is the very point. The Government is to be congratulated on

eschewing the proposal which may have had the effect of dealing with the difficulties of a Legislative Council which was not necessarily falling into line with the wishes of the Government formed in the lower House. Another proposal which is certainly worthy of consideration is the concept of a threshold quota, which is adopted by other democracies which value proportional representation as much as we should.

A threshold quota is not to be rejected out of hand. It is quite a sensible scheme which probably would have much the same effect as this current proposal to restrict the number of micro parties that can be elected. The idea of a threshold quota is that one has to have a certain minimum number of votes before a person can receive preferences from other sources to eventually achieve a quota for election.

Today the quota for election remains, but a threshold is applied. If the threshold is not achieved, the vote of those who support a party is counted only to the extent that it indicates a preference for a party which has already reached the threshold quota. I believe that the Government seriously considered that as an option but put it aside as perhaps too controversial and as a system that signals its punches too clearly. Part of the objects of this bill is to make the threshold for election a little higher for parties that have no real public recognition.

In this debate many honourable members have claimed that there is a very distinct difference between the minor parties and the micro parties that appeared to flourish prior to the last election. The Government has chosen a very balanced position by saying that it does not want radical reform or to introduce the new concept of a threshold quota which would perhaps be foreign to voters in New South Wales. The Government has addressed the flow on of preferences.

Reverend the Hon. F. J. Nile: That would have needed a referendum.

The Hon. D. F. MOPPETT: Yes, the introduction of a threshold quota or more radical proposals would have needed a referendum. In any case the word "threshold" would have been alarmist to some people and would not have passed. The term "cascading" has been coined in relation to the Olympic Games, and everyone understands what it means. We used to talk about the flow and trickle of preferences, but now they cascade from one group to another, and suddenly shower on an unsuspecting candidate. In some cases it was channelled, almost like an irrigation channel, towards certain candidates.

It is appropriate that the Government address the public anxiety about that process. The Government's proposal on this occasion is sound and will meet with public approval. Honourable members will have to consider the amendments at a later stage but the basic thrust of the bill should be welcomed by all members, and certainly by the public in general.

The Hon. JAN BURNSWOODS [5.38 p.m.]: I have great pleasure in supporting the Parliamentary Electorates and Elections Amendment Bill. I congratulate the Government on the range of reforms that the bill introduces, as other members have done. It strikes me in this debate, as in many other debates, that the reputation of the Legislative Council is very important to a large number of members. All honourable members would agree that the preference deals, the creation of bogus parties and other matters associated with the last election ran the risk of bringing this House into disrepute.

Certainly, the public reaction to the multiplicity of parties, the lack of transparency or indeed honesty in the 81 preferences that were registered, and the tablecloth size ballot paper which made it so difficult for voters on election day, brought the whole process of the election to this House into disrepute. Some successful candidates were elected on a very small percentage of quotas. People could say that election to the Legislative Council was more of a lottery than a thought-out or planned process, let alone one over which voters had democratic control.

The Government, in acting on a range of different problems and in discussing them first with the smaller parties, and indeed the public, has acted very sensibly. The proposals now before honourable members are, to an extent, different from earlier proposals and reflect suggestions made by minor parties. Perhaps the most striking suggestion is the one that came from the Hon. I. Cohen in relation to voting above the line. There are other ways of achieving the same thing, but his proposal succeeds in achieving a level of transparency and simplicity that one hopes will make the next election for the Legislative Council a great deal easier for people.

As the Minister said in introducing this bill, a number of things that happened in the last election left a lot to be desired: for instance, the example that 60,000 people voted for one party but ultimately ended up electing a person from another party, who was seventeenth on the first party's preference list, and the fact, as I said, that in any polling booth there were 81 registered tickets hanging up on the walls, yet most voters had great difficulty in

working out where the preferences of the party they were voting for would go.

I realise there has been a lot of criticism of some of the financial clauses in relation to the registration of parties and that some people have criticised the need to increase the minimum number of members required to register a party from 200 to 1,000. I certainly do not think that these are unreasonable figures. I understand, and have some sympathy with, the arguments about the payment of fees, but the amount per member of a party is a very small amount indeed.

We cannot afford to have a repetition of the situation spoken of by some speakers in this debate, where people thought they were signing a petition in a shopping centre only to find that, unknown to them, they had become a member of a registered political party. The Minister has pointed out that this legislation will not apply to local government elections, and that is sensible because very small parties may run in council areas in local government. Indeed, that happened in the last election. However, at a future date I believe that legislation along these lines, but perhaps scaled accordingly, should be introduced to deal with local government.

Everyone in this Chamber has heard of the now fairly notorious Glen Druery, who put together many bogus parties and registered many different tickets. Most honourable members would be aware that the Hon. M. I. Jones would not be a member had it not been for the efforts of Glen Druery. In the local government elections in Hunters Hill only a couple of months ago the same Glen Druery was involved as registered officer of a party called People First.

However, he also registered parties such as the Seniors Party and Ratepayers for a Popularly Elected Mayor. Numerous allegations were made about Mr Druery's efforts; about the amount of money involved; about the very strange preference deals; and about the difficulty of contacting certain candidates, who only had mobile phones, but when messages were passed on sometimes Mr Druery himself returned the call. A member of the Liberal Party who was the beneficiary of some of these deals is now the mayor of Hunters Hill.

The efforts of Mr Druery in the last State election have continued in a very dubious way in the local government election for Hunters Hill, where he lives. He has dubious connections with a range of micro parties that he set up himself and, as I said, also with the Liberal Party. The suggestion that

various developers have provided some of the funding has left a very nasty taste in the mouths of many in the Hunters Hill council area. While I agree that this bill needs to be scaled to the whole State, I think there is a need to look at some reform prior to the next local government elections because in Hunters Hill and, indeed, in many other areas of which I am aware, the same thing has happened.

I conclude by recommending that honourable members read some of the contributions of crossbench members because some of the details they have given of the amazing range of bogus parties and the backroom deals have been illuminating. I would like to refer briefly also to the speech of the Hon. H. S. Tsang. I do not want to comment on much of the detail of what the honourable member said about Unity, but I want again to place it firmly on the record that in the seat of Ryde Unity, despite having entered into agreements with the Labor Party in return for Labor preferences which resulted in the election of the Hon. Dr P. Wong as a member of this House, registered three different how to vote cards.

One of those how to vote cards giving preferences to the Liberal candidate, Michael Photios, was handed out all day at various places but most importantly at the Eastwood booth, which has 4,000 voters, an enormous percentage of whom are of Chinese or Korean origin. I have those how to vote cards upstairs. In fact, they were tabled in the lower House in an earlier debate. It is true that members of this House must concern themselves with the honesty of the way in which they deal with the election system and the kinds of preferences or deals that are done with other parties.

I congratulate the Government on taking up a variety of suggestions, including that of the Hon. I. Cohen to ensure that there is in future a degree of honesty and transparency in the process, which can only help the reputation of this House, if that is important to any of us, and certainly help the reputation of politicians in general in this State.

The Hon. J. J. DELLA BOSCA (Special Minister of State, and Assistant Treasurer) [5.47 p.m.], in reply: I thank honourable members for their contributions to this very important debate. I note the constructive nature of the debate and what, with a great deal of consensus, has and can be achieved through the extensive consultation and negotiation on this bill. I should like to address a number of points that have been raised during the debate. First, the Leader of the Opposition raised the need to protect from harassment party members registered with the Electoral Commission.

The Leader of the Opposition will be pleased to hear that part 6 of the Privacy and Personal Information Protection Act 1998 contains provisions that will come into operation next year to provide a measure of protection to people whose names and personal information are recorded on public registers. The provisions will create a mechanism by which public sector agencies, including the State Electoral Office, can ensure that any personal information kept on a public register is used only for the purposes for which it was collected and not for other illegitimate purposes.

A public sector agency will be able to require a person who wishes to look at the personal information on its register to complete a statutory declaration that states the purposes for which the information is sought. This will allow the State Electoral Office to prevent the register from being used for illegitimate purposes, such as the harassment of people.

The second issue is the validity of these provisions, which was raised by the Hon. P. J. Breen. The Government has considered the issues that the honourable member raised and has no doubt as to the validity of those provisions. The main thrust of the argument of the Hon. P. J. Breen is that it will now cost people \$8,500 to get on the ballot paper and that that is an unreasonable impost. However, that is not true. An independent candidate can still nominate and pay a deposit of \$500.

This cost is the same as that applied in previous elections and there has been no suggestion that it is invalid. A group can still nominate for the ballot either above the line or below the line and pay \$500 per candidate. The amount of \$8,500 is a cap. It will reduce the cumulative effect of the nomination fee for a party. It is not an increase for individual candidates.

It should be remembered that if a member of the group is elected or the group receives a certain number of votes, the deposit for all members of the group is returned, as has been the accepted practice until now. The \$3,500 is a one-off fee to register a party. It will not apply to every election; it will apply only once in the life of a registered party. Nor will it be necessary for a group to be a registered party to get on the ballot paper either above or below the line.

As for the Hon. P. J. Breen's other arguments, it is clear that nomination fees do not in any way restrict freedom of political communication. While the International Covenant on Civil and Political Rights is not part of our law, these provisions are

not in breach of that covenant. The United Nations High Commission for Human Rights recognises in its general comments on Article 25 that nomination fees are acceptable if they are reasonable and non-discriminatory. Clearly, a refundable deposit of \$500 is reasonable, and it is not applied in any discriminatory way.

The legal opinion by Mr Bret Walker, SC, which was tabled last night by the Hon. P. J. Breen, clearly supports the Government's position. Mr Walker states that nothing in the bill contravenes any implied right of political communication and that there is no prospect of a successful challenge to the law based upon the International Covenant on Civil and Political Rights. In any event, neither the registration fee nor the nomination fee can be seen as an unreasonable restriction which would breach Article 25.

[Interruption]

One must have more than \$3,500 to obtain a chamber opinion from Bret Walker. Mr Walker concluded that the bill does not infringe any rights secured by the State or Commonwealth Constitution or by any common law norm or international treaty. The Government considers that the party registration fee and the requirement for the support of 1,000 members are an important part of this package to prevent a future tablecloth—or, indeed, a potential toilet roll ballot paper, as one honourable member forecast—and to restore the integrity of the electoral system.

In the spirit of co-operation and consensus the Government is prepared to compromise on this point. Several honourable members have discussed the possibility of moving amendments in Committee. Indeed, some amendments have already been foreshadowed to reduce the number of members from 1,000 to 750. In the same spirit the Government is prepared to compromise on the fee for party registration and reduce the fee to \$2,000.

Throughout this process the Government has been prepared to be flexible and accept the views of others, including those of the minor and micro parties, but not to the point at which the integrity of the voting system would be undermined or the significant problems that arose at the last election would not be resolved. People will not thank us if we compromise to the extent that we have a tablecloth ballot paper at the next election.

The Hon. R. S. L. Jones proposes to move that it be compulsory for voters to distribute preferences to all groups listed above the line. This is

problematic for three reasons. First, it is likely to result in a high informal vote because voters are used to casting only one vote above the line and are instructed to do so in Commonwealth elections. If that caused an informal vote at the State election there would be a great deal of confusion and many people would be accidentally disfranchised.

Second, it is a less democratic approach. Optional preferential voting was introduced in New South Wales to ensure that voters are not forced to distribute their preferences to people they object to. The Hon. R. S. L. Jones' proposal could force people to distribute their preferences to those they do not wish to vote for and perpetuate the situation of candidates being elected unwittingly on the preferences of people who did not wish to vote for them. Third, there is a question as to the constitutional validity of these amendments.

The Constitution requires that a voter shall be required to vote for 15 candidates and no more but shall be permitted to record his vote for as many more candidates as he pleases. Accordingly, it cannot be compulsory for a voter to vote for more than 15 candidates. Therefore, the Government will not support the amendments foreshadowed by the Hon. R. S. L. Jones.

The Hon. I. Cohen and Ms Lee Rhiannon asked me why these reforms do not apply to local government elections. The schedule to the bill dealing with the Local Government Act merely ensures the application of the status quo. The Government is prepared to consider the extension of some or all of these electoral reforms to local government elections but considers that there needs to be a consultative process with local government first.

Some of these changes, such as the requirement to have 1,000 or 750 members to be registered as a political party, may not be appropriate at the local government level. That requirement would probably be too onerous for smaller community groups participating in local government elections that want to register a party to run in their local government area.

The Hon. D. J. Gay: Will the Government review the local government election process?

The Hon. J. J. DELLA BOSCA: During my discussions on the matter I suggested that the Government is prepared to consider applying some of these reforms to the local government election process. I will discuss that matter in more detail with my colleague in the other place, the Minister

for Local Government. Accordingly, the Government will support further consideration and consultation on the application of these provisions in the future. However, it does not support this bill imposing change on local government.

The Hon. Helen Sham-Ho is concerned that the requirement to have 1,000 members for party registration will cause administrative difficulties for the Electoral Commissioner. I have raised this issue with the Electoral Commissioner, who advised me that it will not cause him administrative problems. Preparation of the bill was subject to extensive consultation, and a number of the proposals were developed from ideas that arose during that consultation. The proposal was announced on 13 October and the bill was introduced on 20 October to allow further public scrutiny of its terms. Any suggestion that further time is needed to discuss the bill is merely an attempt to avoid the issue.

The process could not have been more consultative, and more appropriate time could not have been taken between the distribution of the bill and the conduct of this debate and the vote that will take place shortly. The Government could not have been more open-minded in its acceptance of ideas put forward by members of other parties in this House, including Coalition members. The bill is a genuine attempt to address the problem of the tablecloth ballot paper, in accordance with the commitments made by the Premier and the Leader of the Opposition during the last State election campaign.

Some of the remarks made about Country Labor by the Deputy Leader of the Opposition were perhaps not cruel but harsh, and not as well informed as usual. Honourable members from all sides of the House seem to want to besmirch the legitimacy of Country Labor. As Country Labor has been raised in this debate, I feel obligated to at least respond to some of the points raised by the Deputy Leader of the Opposition. I shall begin my analysis by making a couple of historical points, thus allowing honourable members to judge the legitimacy of Country Labor.

The Hon. P. J. Breen: The Minister is spoiling a good speech.

The Hon. J. J. DELLA BOSCA: Perhaps, but I shall detail some of the history. Honourable members may switch off and treat my remarks as an appendage to my reply to the debate. It is fair to say that the most beautiful flowers take a long time to bloom and often grow in the most arid conditions. The legitimacy of Country Labor is an example of

that. Labor has a rich country tradition in New South Wales.

Following its formation in 1891, the parliamentary caucus of the Labor Party had a majority of non-metropolitan members. Six of the nine Ministers in the first Labor Cabinet of the McGowen Government of 1910 came from outside Sydney. The Labor Premier, William Holman, who was a dominating figure in State politics and in the labour movement between 1910 and 1920, held the former country seat of Grenfell, which I am reliably advised is now in the seat of Lachlan.

The Hon. D. J. Gay: Point of order: Although a concise history of the Labor Party is interesting to a minority of the House, it is irrelevant and beyond the leave of the bill. I ask you to instruct the Minister to return to the bill.

The Hon. J. J. DELLA BOSCA: To the point of order: I am happy to reduce the scope of my remarks, but I feel obliged to respond to the matters raised by the Deputy Leader of the Opposition.

The DEPUTY-PRESIDENT (Reverend the Hon. F. J. Nile): Order! There is no point of order. There were a considerable number of interjections about Country Labor, and the Minister is responding to them.

The Hon. J. J. DELLA BOSCA: The matter was raised on a number of occasions. I will move quickly through my remarks to get this response on the record. A senior figure in the Parliament, the Deputy Leader of the Opposition, raised concerns about legitimacy in debate on the bill so it is appropriate to respond to the matters raised. I am not seeking to do so in a provocative way; I am simply seeking to place the legitimacy of Country Labor in a historical perspective so that the House can consider the remarks of the Deputy Leader of the Opposition in that context.

In its early years the party's State conference, the supreme policy-making body of the Labor Party, did not always meet in Sydney; it met in country areas and also in the great regions of Newcastle and the Illawarra.

The Hon. D. J. Gay: Point of order: Mr Deputy-President, I respect your ruling but, given the extra material raised since your ruling, may I point out to you that the concept of Country Labor started this year. It was formed this year as a registered party. There was no such thing as Country Labor. The Minister is going through the history of the Labor Party.

The Hon. A. B. Kelly: To the point of order: If the Hon. D. J. Gay will allow the Minister to proceed he will find out just how wrong he is. There were members of Country Labor in the New South Wales Parliament long before the last five or 10 years.

The Hon. I. M. Macdonald: To the point of order: The point of order is frivolous. Obviously the Hon. D. J. Gay is upset because the conservatives in the bush dropped the word "Country" and adopted "National"—and have gone backwards ever since. I point out that in 1941 a Murrumbidgee Irrigation Area farmer by the name of George Enticknap, subsequently a Minister, stood for the seat of Murrumbidgee under the banner "Country Labor". That is in the book *Untold Story* by the Hon. Jack Hallam, who was one of the finest members of this Parliament.

Quite clearly, the Minister, in replying to the comments of the Deputy Leader of the Opposition—he is the Leader of the National Party in this Chamber, not the Hon. D. J. Gay—was simply pointing out that the term "Country Labor" has legitimacy. Nearly 60 years ago successful Country Labor members were standing for Parliament in the other place and winning country seats. Quite clearly the small farmer from Crookwell—

The Hon. J. J. DELLA BOSCA: Look, he is a big farmer.

The Hon. I. M. Macdonald: He is big but he is a small farmer. He is very upset with the use of "Country". If he is upset he should go back to the Country Party—remember the once great Country Party?

The Hon. D. J. Gay: Further to the point of order: I will resist the temptation to ask the honourable member to apologise for attempting to put a personal slur on me during the debate. Government members have been referring to Labor members who come from the country rather than Country Labor members. The fact that some person somewhere stood under that name but had nothing to do with the Labor Party is well outside the realm of the bill.

The DEPUTY-PRESIDENT: Order! There is no point of order. During the debate there was criticism of the One Nation Party, there was extensive discussion and a report on One Nation by the Hon. D. E. Oldfield, and there has been discussion about legitimate parties and phoney parties. It is legitimate for the Leader of the Government to put on the record Country Labor's position.

The Hon. J. J. DELLA BOSCA: In the interests of the continuing consensual approach to the debate I will perhaps reserve my right to give a fuller account of Country Labor at another point in this debate or in another debate in the near future. I hope the Hon. D. J. Gay is available to hear that contribution because I have some very interesting information.

With respect to the legitimacy of Country Labor and as a general point in replying to the Deputy Leader of the Opposition, I conclude by saying that Country Labor has a long and proud tradition and an evolution. The recent registration of Country Labor clearly stems from a great tradition of Labor activity in the country. I will be able to demonstrate that on some other occasion when I have—

The Hon. M. R. Egan: Point of order: Mr Deputy-President, I was sitting in my office undertaking the onerous duties of office. My composure was completely destroyed when you referred to the Special Minister of State, and Assistant Treasurer as the Leader of the Government.

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

The Hon. J. J. DELLA BOSCA: Mr Deputy-President, I called you the Mr Acting-President and you were no doubt applying Old Testament rules. I was about to conclude my remarks on the second reading debate. This round of reforms has been reached by consensus. The Government is not at all embarrassed, concerned or worried about any issues raised by the Deputy Leader of the Opposition. We will take the opportunity to respond to them in the fullness of time and in detail. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 4 agreed to.

Schedule 1

The Hon. R. S. L. JONES [6.09 p.m.], by leave: I move my amendments Nos. 1 to 8 in globo:

No. 1	Pages 3 and 4, schedule 1 [4], line 21 on page 3 to line 28 on page 4. Omit all words on those lines.
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No. 2 Pages 5 and 6, schedule 1 [13], line 25 on page 5 to line 6 on page 6. Omit all words on those lines. Insert instead:

(4) If the ballot paper in a periodic Council election contains one or more group voting squares, the voter may, instead of recording a vote in accordance with subsection (3), record a vote by:

(a) placing the number "1" in the group voting square above the names of the group of candidates for whom the person votes as his or her first preference, and

(b) placing consecutive numbers beginning with the number "2" in all the remaining group voting squares above the names of the remaining groups of candidates in the order of his or her preference for them.

No. 3 Page 7, schedule 1 [14], lines 1-10. Omit all the words on those lines.

No. 4 Page 7, schedule 1 [16], lines 16-30. Omit all the words on those lines. Insert instead:

[16] Section 129F

Omit section 129F (2B) to (2D). Insert instead:

(2B) Notwithstanding anything to the contrary in this Act, a ballot-paper shall not be informal by reason only that the voter recorded his or her vote by placing in one group voting square the number "1" and subsequent preferences for all the remaining group voting squares except one and that square has been left blank, but the ballot-paper shall be treated as if the voter's preference for that group of candidates is the voter's last and that accordingly the voter has indicated an order of preference for all the groups of candidates.

No. 5 Page 9, schedule 1 [18]. Omit "Place the number "1" in the square above the group of candidates for whom you desire to vote. You *may* if you wish vote for additional groups of candidates by placing consecutive numbers beginning with the number "2" in the squares above the additional groups of candidates in order of your preference for them." Insert instead "Place the numbers "1" to "*****" in the order of your preference."

No. 6 Page 9, schedule 1 [18]. Insert at the foot of the ballot-paper:

**** Here insert the number of group voting squares

No. 7 Page 11, schedule 1 [19]. Omit "Place the number "1" in the square above the group of candidates for whom you desire to vote. You *may* if you wish vote for additional groups of candidates by placing consecutive numbers beginning with the number "2" in the squares above the additional groups of candidates in order of your preference for them." Insert instead "Place the numbers "1" to "*****" in the order of your preference."

No. 8 Page 11, schedule 1 [19]. Insert at the foot of the ballot-paper:

**** Here insert the number of group voting squares

These amendments would ensure that above-the-line voting in this State is consistent with the Federal voting system for class 3 preferential. There is a good deal of confusion in the minds of voters when they go to the polls because they do not know whether the preferential system is compulsory or optional. The system was changed about 10 years ago in order to advantage Labor. Was it Labor that brought in optional preferential voting?

The Hon. M. R. Egan: We did indeed.

The Hon. R. S. L. JONES: It was designed to assist Labor. I think one of the reasons for the preferential voting system was that if there were three-corner contests in lower House electorates, preferences might be lost between the National Party and the Liberal Party. Indeed, that has proved to be so. The Coalition now has the desire to reintroduce that system, but in order to do so in the lower House and in the upper House, and to ensure that it happens, a referendum would be necessary. These days the chances of change by referendum are fairly remote.

Obviously I have spoken with Parliamentary Counsel about this amendment, particularly the constitutional aspects of it. Parliamentary Counsel says it is arguable that it is constitutional, in that people do not have to vote above the line, that they may vote below the line one to 15 and therefore it would not be unconstitutional. There is a hint that there may be a challenge to the amendment. Knowing that the amendment is not supported by either side of the House, I do not see much point in calling for a division on it.

I believe it would be appropriate for people to have to vote one to 15 above the line, to ensure that those who are elected are elected on a full quota. Under the optional preferential system, both above the line and below the line, three, four, five or perhaps six members will be elected without a full quota. There will then be screams from the media and political commentators that the election system is not democratic because people are being elected on half a quota, and we will have the whole charade all over again.

Surely it is more appropriate to have people elected on a full quota than perhaps half a quota or even a third of a quota. If this system had been in place for the previous election, four or five members would have been elected without a full quota. I think some members were elected on as low as 0.35 of a quota, assuming that very few people gave preferences above the line.

I have been told by the Leader of the National Party in this House that the National Party, and presumably the Liberal Party, will recommend preferences above the line. I am sure that the minor parties would wish to do a deal with one or more of the major parties to ensure that people vote one to seven, eight, or nine above the line, to ensure that there is then a way of doing deals for support in the lower House. If the Greens were offered preferences in, say, eight or nine lower House seats, they would want preferences above the line in the upper House, and therefore the Labor Party would have to recommend that people vote one to five, or whatever it may be, to ensure that the deal is sealed.

Perhaps the Australian Democrats will do a deal with Labor and give preferences in four or five seats—and, of course, preferences in four or five Coalition seats as well, which they always seem to do—and seek to do a deal with both. I may be a little pessimistic in assuming that the major parties will say that people should vote "1" only and that there may be good reasons for recommending preferential voting above the line. That remains to be seen. However, I do not think it would be appropriate to have people elected on only half a quota or a third of a quota. That is why I move the amendments.

The Hon. I. COHEN [6.12 p.m.]: On behalf of the Greens I oppose the amendments moved by the Hon. R. S. L. Jones. It is important that honourable members understand that the legislation moves the process somewhat into line with the Federal process. Nevertheless, the Greens consider it to be an important aspect of a deeper interpretation of the political processes.

Many people strongly wish not to vote for a particular party or candidate. The opportunity that has been available in New South Wales State elections means that people have that optional preferential system so that they do not have to vote for all candidates. Under the below-the-line voting system, people simply vote for the first 15 candidates. Similarly, under the above-the-line system, people do not have to fill in all the boxes, but they are at liberty to do so. The Greens consider that to be a more democratic form of voting.

Looking at this issue across the board, it gives greater flexibility in the voting process. The Greens have held many discussions with both of the major parties, as well as with other minor parties, on the concept of exhaustion of votes. I believe that that is a very important aspect of the New South Wales political system that should be debated. People can either not vote for all candidates or communicate

their choice of exhausting candidates, which in many ways is a strong statement. I think it is a statement that the people of New South Wales have exercised considerably in recent times, and it is an important part of the political process.

I believe that the optional preferential system is more democratic as it provides people with a greater choice. As has been said, there are problems with the system. For example, many people who were used to placing a "1" above the line in previous elections will be considerably confused if they are now asked to mark all boxes above the line. In addition, it could create more confusion for many people who are not fluent in the English language. Although I understand the reasons why the honourable member has moved the amendments, I do not believe they are in the spirit of optimal democracy.

Reverend the Hon. F. J. NILE [6.15 p.m.]: The Christian Democratic Party also opposes these amendments. In the Commonwealth election for the Senate, people must vote in only one box above the line. The Hon. I. Cohen's proposal will not bring the State process into line with the Commonwealth process.

If we accept the bill as it is, will we be assured of having more than 15 registered parties above the line? As I said in my earlier contribution, in previous years we had only eight registered parties on one occasion and seven on another. The number of registered parties may not drop from 80 to 14, but I believe that these restrictions will dramatically reduce the number of parties. It would be dangerous to say that people have to number boxes one to 15, because there may not be 15 registered parties.

The Hon. J. J. DELLA BOSCA (Special Minister of State, and Assistant Treasurer) [6.16 p.m.]: The Government does not support the amendments, for reasons which have already been canvassed by the Hon. I. Cohen and Reverend the Hon. F. J. Nile. As has been pointed out, clearly the provisions contained in the Federal Electoral Act seek to achieve an entirely different outcome. Indeed, we are introducing a different approach again with regard to above-the-line voting by introducing a preferential system above the line, which is quite different to the Federal scheme.

I have spent a long time contemplating the issue of informal voting, as I am sure many members on both sides of the Chamber have. Members are concerned that many people who vote informally do not do so intentionally but, rather,

because they are in some way bamboozled or confused about the voting system. Therefore, in a sense informality becomes an unfair impost on many electors in the community.

Any proposal that is likely to increase—let alone significantly increase, as is the case with this proposal—the number of potential informal votes for this House or any House of Parliament ought to be rejected. For that reason, as well as the reasons given by previous speakers, I ask the Committee to reject the amendments as the Government will not support them.

The Hon. M. J. GALLACHER (Leader of the Opposition) [6.17 p.m.]: The Opposition opposes the amendments proposed by the Hon. R. S. L. Jones. I refer to the reasons I gave in my contribution to the second reading debate as to why the Opposition is concerned about the amendments and therefore opposes them. We believe that the integrity of the bill will be improved by a number of other amendments that the Committee will debate later this evening, but we do not believe that these amendments are within the full flavour and integrity of the bill.

Amendments negatived.

The Hon. P. J. BREEN [6.19 p.m.]: I move Reform the Legal System amendment No. 1:

No. 1 Page 4, schedule 1 [5], lines 32 and 33. Omit "more than 10 candidates (but not more than 21 candidates) is \$5,000". Insert instead "more than 2 candidates (but not more than 21 candidates) is \$1,000".

This amendment is about money. Arguments have been put forward by various honourable members about the question of fees payable for the registration of parties. In addition, there is what I would call a serious impost for small parties. In the last election several candidates who were part of our group and HomeFund borrowers wanted to be on the ticket. There was no money to provide for them to stand for election. Earlier today the Hon. J. Hatzistergos made a big issue of the fact that only 60 per cent of the parties that stood for election had two candidates.

He did not say what his objection to that was or how it concerned him. My suggestion, based on my own experience, is that the reason those parties put up only two candidates is that it costs \$500 for each candidate to run. For many people who have a particular interest in politics, like to beat their drum every now and again, especially at the time of elections, and spend an enormous amount of time

and interest on their party, the sum of \$500 per candidate is a serious impediment to their fielding what in this case, after the bill goes through, will be a full card of 15 candidates.

To put a ceiling of \$5,000 on the fee will assist the major parties; in fact that will be a reduction in the fees that they will pay, given the number of candidates that they normally field. But, for small parties such as Reform the Legal System and various other parties listed earlier by the Hon. D. T. Harwin—legitimate parties, not front parties, not fake parties, but parties with legitimate interests in politics and in the democratic process—this will be a serious impediment.

I ask the Government and the Opposition to consider supporting this amendment, which will reduce the amount of the ceiling fee from \$5,000 to \$1,000. That amount is arrived at simply by multiplying \$500, the fee for each candidate, by two candidates, the number that a party needs to get an above-the-line position under the present law. In addition, it represents 60 per cent of parties, as the Hon. J. Hatzistergos has pointed out. I ask that the amendment be supported.

The Hon. M. I. JONES [6.22 p.m.]: I support amendment No. 1 moved by the Hon. P. J. Breen. I seek leave under Standing Order 71 to make a point of explanation.

The CHAIRMAN: Order! A personal explanation should be made at the conclusion of a debate. If the explanation relates to a matter arising from the second reading debate, the appropriate time to have made the personal explanation would have been at the conclusion of that debate.

The Hon. M. I. JONES: Have I therefore forgone my right to seek to make this explanation?

The CHAIRMAN: Order! The Chair calls the Hon. I. Cohen while the Hon. M. I. Jones considers his position.

The Hon. I. COHEN [6.24 p.m.]: As a Green, I strongly support amendment No. 1 moved by the Hon. P. J. Breen. It is an important amendment. Not long ago the Greens struggled, as a very small party, with many difficulties regarding raising funds to meet registration requirements and to fund from limited resources campaigns against major political parties that were well-resourced. The Greens continue that struggle.

A number of matters contained in the legislation, particularly the issue of raising money,

should not be an impediment to a small legitimate party being able to contest elections on an equal footing with the well-financed political organisations, particularly the major parties. In that respect, I will be moving amendments to some of the amendments that will be moved later by the Hon. P. J. Breen in order to seek redress on those matters.

However, it is extremely important to recognise that a registration fee of \$500 will be prohibitive to some of the smaller groups, groups that are acting in the interests of communities within our society. They should be able to exercise their right to express and promote their political ideals. So the Greens strongly support amendment No. 1 moved by the Hon. P. J. Breen.

Reverend the Hon. F. J. NILE [6.26 p.m.]: The Christian Democratic Party understands that the main purpose of the bill is to obviate a tablecloth ballot paper, that is, a large ballot paper containing a large number of candidates and parties. That sort of ballot paper confuses the voter and does not result in a truly democratic reflection of the voter's wishes. Parties that nominate candidates for the upper House should be serious parties with a genuine membership and with the financial resources necessary to nominate their candidates. On occasions the Christian Democratic Party has had five, six or seven candidates and has therefore had to raise up to \$5,000 in previous elections. I do not regard that as a barrier to people who are serious about a political party.

The Hon. A. G. CORBETT [6.27 p.m.]: I want to put on the record my strong support for amendment No. 1 moved by the Hon. P. J. Breen. The political reality clearly is that if the candidate or candidates of a political party are to have any chance of election to the upper House they must have their party name above the line. A provision requiring that a party must run a certain number of candidates in order to qualify for inclusion above the line makes it almost impossible for the small parties, such as those referred to by the Hon. I. Cohen—the ones just starting off, but who have a legitimate platform on which to run—to raise the funds or resources to do that. Therefore I support the amendment.

The Hon. I. COHEN [6.28 p.m.]: I would like to add to my previous comments. I appreciate what was said by Reverend the Hon. F. J. Nile. However, these reforms, particularly optional above-the-line preferential voting, effectively achieve those ends. We have in this bill made some significant

advances in terms of establishing the bona fides and legitimacy of parties that will attempt to run candidates at an election subsequent to the expected passing of this bill, albeit with a number of amendments. It is important to note that many of the issues raised regarding money are really window-dressing. They do not enhance the quality of the bill; in fact, they detract from it.

It is important that governments not only do well to service the democratic principles of the State but they should also be seen to be doing well in that regard. Putting such an onerous financial burden on small parties that wish to contest elections is the wrong way to go about addressing the frivolity that we have seen in elections in recent times. However, having said that, I feel assured that the Government is doing a good job to streamline the election system and make it more responsive to and reflective of the desires of the people. This amendment will further that purpose.

The Hon. Dr A. CHESTERFIELD-EVANS [6.29 p.m.]: As I said in my contribution to the second reading debate, the Australian Democrats do not consider that financial impediments should be part of the political system. Therefore, we support the reduction in fees. We believe the requirement for a party, particularly a new party, to get 500 people to sign a membership form to be submitted to the Electoral Commission and to maintain such membership is a sufficient deterrent to the registration of frivolous parties. Further administrative impediments to deter the initiation of frivolous parties within the political system are unnecessary. The Australian Democrats support this amendment.

Reverend the Hon. F. J. NILE [6.30 p.m.]: When a candidate is elected to Parliament or a party achieves 4 per cent of the vote, the nomination fee is refundable. I ask the Minister: If a party has a 15-member team and only one candidate is elected, how much of the \$5,000 is refunded to the party?

The Hon. J. J. DELLA BOSCA (Special Minister of State, and Assistant Treasurer) [6.30 p.m.]: Under the proposal the \$5,000 will be refunded in full.

Ms LEE RHIANNON [6.31 p.m.]: I congratulate Mr Peter Breen on moving this amendment. I am aware how closely he has been working with many of the micro parties, and he has given voice to their concerns in this place. An amount of \$5,000—or \$8,500 when the registration fee is added—may not sound like a large amount to the major parties.

However, for the smaller parties and the many disadvantaged people who come together to voice their concerns, as many of these groups do, it is a hardship. The fee could cripple them and put them out of the race. Therefore, Mr Breen's amendment is important. It is also important to remember the reason this bill was introduced. The primary reason that we heard from day one, when the matter was in the hands of Mr Egan, was to get rid of the tablecloth ballot paper.

The Hon. Patricia Forsythe: Point of order: I understand that a courtesy has been extended to the member in relation to the form of address applying to her. She has chosen, and the House has agreed, that she is not to be addressed as the honourable member. All other members in this House are correctly addressed as the honourable member or Minister. I ask that the member be called to order about the inappropriateness of the manner in which she is addressing other honourable members.

The CHAIRMAN: Order! I uphold the point of order. It has been customary for members to be referred to by their correct title. Three former Presidents, dating back to former President Johnson in 1971, have ruled that members should refer to other members by their correct title. Some honourable members have acceded to the wishes of Ms Lee Rhiannon and referred to her as such. That show of good faith should be extended by her to other honourable members. It is appropriate that she refer to other members by their correct title in accordance with former Presidents' rulings.

Ms LEE RHIANNON: May I speak to the point of order?

THE CHAIRMAN: Order! I have ruled on it.

Ms LEE RHIANNON: The Treasurer's original plan was to get rid of the tablecloth ballot paper. We now have a clear plan of how to do that. The incentive to form those front parties has been removed by including optional preferentials. Therefore, the use of money as a disincentive is not necessary. We should consider retaining the present requirement: a \$500 fee for each candidate. With only two candidates needed to get a box above the line, the total fee is \$1,000. The Greens support the amendment, which is sensible and reasonable.

The Hon. R. S. L. JONES [6.34 p.m.]: I support the amendment of the Hon. P. J. Breen. This is the battlers' amendment.

The Hon. J. J. Della Bosca: Struggle street.

The Hon. R. S. L. JONES: I am not talking about John Laws or Alan Jones, who earn \$3 million a year plus handouts from various large corporations. I am talking about the genuine battlers. At the micro party meetings I met many ordinary people who were struggling and trying to get their voices heard. That is why they formed those parties and stood as candidates for election to the upper House.

Although we must deter those people who are not genuine, we should not disadvantage those who are genuine by increasing the fee from the current \$1,000 to \$5,000. Very few parties got their money back after the last election, but they had their say and some of their preferences went the right way. We should not prohibit the battlers from having a say in the parliamentary system.

The Hon. M. J. GALLACHER (Leader of the Opposition) [6.36 p.m.]: The Opposition opposes Reform the Legal System amendment No. 1. The rationale is based on the fairness aspect. A party must be in place for 12 months prior to standing for election. As to the fee of \$5,000, the bill proposes that parties must have 1,000 members, which we expect will be amended to 750. That gives the opportunity for each of a party's 750 members to raise \$7, which will leave change of \$250 from the amount required to contest an election. Parties will have 12 months to raise \$7 from each of their members. It is a bit rich if they cannot do that in order to stand for Parliament.

The Hon. P. J. BREEN [6.37 p.m.]: I agree with the Hon. R. S. L. Jones that this is truly the battlers' amendment. It may also be called the HomeFund borrowers' amendment, because it was difficult for us to raise the \$500 that was necessary to field each candidate at the last election. Reverend the Hon. F. J. Nile would be aware that other provisions in the bill, such as the requirement for 1,000 members and an initial fee of \$3,500, are sufficient to prevent the registration of front parties.

I ask Reverend the Hon. F. J. Nile to reconsider his position, given the fact that a party will not be able to get a box above the line unless it has \$5,000. It will be a serious impediment. I agree with the sentiments of the Hon. I. Cohen that the money provisions detract from the other provisions of the bill. Ms Lee Rhiannon confirmed that many of the micro parties are in financial difficulty and a financial disincentive is not appropriate. I commend the amendment to the Committee.

Question—That the amendment be agreed to—put.

The Committee divided.**Ayes, 9**

Dr Chesterfield-Evans	Mrs Sham-Ho
Mr Cohen	Dr Wong
Mr Corbett	<i>Tellers,</i>
Mr M. I. Jones	Mr Breen
Ms Rhiannon	Mr R. S. L. Jones

Noes, 24

Mr Bull	Mr Manson
Mr Della Bosca	Mr Moppett
Mr Dyer	Rev. Nile
Mrs Forsythe	Mr Obeid
Mr Gallacher	Mr Oldfield
Ms Gardiner	Dr Pezzutti
Mr Gay	Mr Ryan
Mr Hannaford	Ms Saffin
Mr Harwin	Mr Samios
Mr Hatzistergos	<i>Tellers,</i>
Mr Johnson	Mr Jobling
Mr Lynn	Mr Primrose
Mr Macdonald	

Question resolved in the negative.**Amendment negatived.****Schedule 1 agreed to.****Schedule 2**

The Hon. P. J. BREEN [6.44 p.m.], by leave:
I move Reform the Legal System amendment Nos 2, 3, 5 and 7 in globo:

No. 2	Page 12, schedule 2 [1], line 8. Omit "1,000". Insert instead "500".
No. 3	Page 13, schedule 2 [4], line 8. Omit "1,000". Insert instead "500".
No. 5	Page 13, schedule 2 [6], line 24. Omit "1,000". Insert instead "500".
No. 7	Page 19, schedule 3, line 22. Omit "1,000". Insert instead "500".

The purpose of these amendments is to reduce the registered number of a party from 1,000 to 500 to create a reasonable number that can be managed by a party operating reasonably with limited resources. It is difficult for any organisation to have a large number of 1,000 members let alone one that is only in existence for the purposes of running political campaigns at elections. It is impossible, and I would suggest prohibitive, for a number of people who have legitimate political interests to maintain 1,000 members. I commend these amendments to the House.

The Hon. I. COHEN [6.45 p.m.]: The Greens have a great deal of sympathy for the position put by the Hon. P. J. Breen. There has been a great deal of opposition from legitimate smaller parties and groups who want to be active in the political system. In their opinion to increase the number of required membership from 200 to 1,000 is significantly onerous for them. I do not have to repeat the arguments that the bill has achieved its goals in other ways. However, I understand the Government and the Opposition are reticent and, therefore, I move:

That in each of the Reform the Legal System amendments "500" be omitted and "750" be inserted instead.

The Hon. J. J. DELLA BOSCA (Special Minister of State, and Assistant Treasurer) [6.47 p.m.]: The Government does not support the original amendments of the Reform the Legal System but in a spirit of working towards a consensus it has elected to support a middle point of view. The Government will support the amendment moved by the Greens in relation to this provision.

The Hon. M. J. GALLACHER (Leader of the Opposition) [6.47 p.m.]: The Opposition supports the Greens amendment.

Reverend the Hon. F. J. NILE [6.47 p.m.]: After the last election the Christian Democratic Party issued a statement that we should have a requirement for 1,000 members with a \$3,500 registration fee for parties. However, we appreciate the sentiments expressed by other members to reduce that membership. To my observation, it would have been better for some of the minor parties to have started off in local government because they were really regional groups. A membership of 1,000 is important to ensure that it is a State party, not a local government party. However, the Christian Democratic Party accepts the Greens amendment.

The Hon. A. G. CORBETT [6.48 p.m.]: I support the amendments moved by the Reform the Legal System to the effect that a membership of 500 is consistent with Federal requirements. I do not understand why 1,000 members are required. I congratulate the Government on generously accepting the amendment moved by the Greens. I am pleased to see it.

The Hon. Dr P. WONG [6.49 p.m.]: Unity congratulates the Government who has compromised and accepted the amendment of the Greens. It is great to see good Ministers in the Labor Government. Some backbenchers have been backstabbing and making untrue innuendoes about Unity.

Unity has total integrity. It made no deal. If it had made any deal it would have honoured the deal. I will conclude quickly, Madam Chair. I thank you for your patience and indulgence and again congratulate the Government.

The Hon. R. S. L. JONES [6.50 p.m.]: I support the original amendment moved by the Hon. P. J. Breen, but I also support the amendments of the Hon. I. Cohen, which he negotiated with the Special Minister of State. It is a halfway measure. The amendment might make it easier for some of the minor parties to stand at the next election. Previously there was some doubt whether the minor parties, apart from the micro parties, would be able to stand.

Amendment of amendments agreed to.

Amendments as amended agreed to.

The Hon. P. J. BREEN [6.50 p.m.], by leave: I move Reform the Legal System amendments Nos 4 and 6 in globo:

- No. 4 Page 13, schedule 2 [5], line 20. Omit "\$3,500".
Insert instead "\$500".
- No. 6 Page 17, schedule 2 [14], line 20. Omit "\$3,500".
Insert instead "\$500".

These two amendments again relate to the financial position of micro parties and minor parties. The arguments that I put forward previously regarding the fee of \$5,000 apply equally in this case. A figure of \$500, to my mind, is a much more reasonable figure and one that is consistent with the present legislation.

The Hon. I. COHEN [6.51 p.m.]: I have great sympathy with the position put forward by the Hon. P. J. Breen on this matter. I do not need to canvass again the arguments the Greens have put forward consistently that payment is the wrong method of dealing with this overall problem. I move:

That in each of the Reform the Legal System amendments "\$3,500" be omitted and "\$2,000" be inserted instead.

I think all members of this House would consider this compromise reasonable. I appreciate the spirit of the Government and the Opposition in discussing the matter in such an open and generous manner. I hope they will agree to the amendments so that we can move forward. It is important that we are seen to be attempting to compromise on these issues as the battlers and those who cannot afford it feel left out of the political process.

Reverend the Hon. F. J. NILE [6.52 p.m.]: Though the Christian Democratic Party proposed a registration fee, which is a new concept, of \$3,500, we accept the amendment to make the fee \$2,000. We are talking about not only micro parties but phoney parties, parties that collect names in shopping centres on clipboards and so on. We support anything that can be done to stop the participation of those parties in the election process.

The Hon. A. G. CORBETT [6.53 p.m.]: Once again, I support the original amendment, but I also congratulate the Government on its compromise position.

The Hon. R. S. L. JONES [6.53 p.m.]: In our discussion with Antony Green he felt that the imposts of \$3,500 and 1,000 members would make it more difficult for democracy to work in this State. Therefore, I support the original amendment of \$500, but I also support the Greens amendment of \$2,000.

The Hon. Dr P. WONG [6.53 p.m.]: I support the amendments of the Hon. P. J. Breen but also those of the Greens. I urge this Labor Government, which is the champion of the underprivileged and social justice, to consider the many people who have genuine issues but who may not be able to raise that amount of money. The Labor Party, the Liberal Party and even Unity get refunds. Therefore, they can afford it.

The Hon. P. J. BREEN [6.54 p.m.]: I am reminded by Reverend the Hon. F. J. Nile that there is no present requirement for a registration fee. I incorrectly said in my earlier speech on this issue that the fee was \$500. I commend the amendments to the House.

Amendment of amendments agreed to.

Amendments as amended agreed to.

The Hon. A. G. CORBETT [6.55 p.m.], by leave: I move A Better Future for our Children amendments Nos 1 and 3 in globo:

- No. 1 Page 14, schedule 2. Insert after line 20:

[8] Section 66G Refusal to register

Insert after section 66G (3):

- (3A) A reference in subsection (3) (c)-(e) to a registered party includes a reference to any party that was registered under this Part at any time during the previous 4 years, except where the application for registration is made with the approval of a person who was the last registered officer or deputy registered officer of that previously registered party.

- No. 3 Page 20, schedule 3, line 5. Insert "66G (3A)," after "66FA,".

Amendment No. 1 will add a new clause to section 66G—refusal to register. The consequence of this bill is that it will be much harder for new parties to establish themselves to run for office owing to the onerous requirements on political parties to maintain a very high membership, although that will now be less onerous, thanks to the Government.

This may result in many parties becoming deregistered, leaving other people with the option of reregistering the same party name or a similar party name at a later date, which may mean that voters who had previously supported a particular party and its objectives at an election may end up voting for a party that has the same name but quite different objectives at a subsequent election. Without the amendment a situation might be created in which party names could be recycled again and again, and used by people with very different objectives from the previous incarnation of the party.

The amendment will prevent anyone other than the last registered officer or deputy registered officer of a party registering a party with a name that has been registered at any time during the previous four years. This would at least ensure that a party name used in the previous election could not be used by others for a four-year period without the approval of the previous registered officer or deputy registered officer of the party. Amendment No. 3 is consequential to my first amendment.

The Hon. R. S. L. JONES [6.57 p.m.]: I support the amendments of the Hon. A. G. Corbett. Parties that were registered at the last election had been essentially stolen. The Seniors Party had been recycled, and the Country Party, of course, had been recycled. Presumably those names will not be able to be registered by anyone other than the people who last recycled them. It may be that the recyclers will be able to recycle the names. I think it is a good idea not to allow a name to be stolen.

The National Party will become the Country National Party very shortly unless that name is objected to, although objection probably will not be taken. Of the 80-odd parties registered, perhaps 60 or 70 will be deregistered and presumably will not be able to be recycled, except by the registered officers, who might try to recycle them again.

The Hon. M. J. GALLACHER (Leader of the Opposition) [6.58 p.m.]: The Opposition is pleased to support the amendments of the Hon. A. G. Corbett.

Reverend the Hon. F. J. NILE [6.58 p.m.]: The Christian Democratic Party supports these

amendments because when we changed the name of our party we went through a process to try to prevent another party from taking over the name. I understand, however, that this amendment does not cover that issue. I do not know whether it could be stretched to cover it. I suppose when a party changes its name it will cease to be registered under that name, so the amendment will cover a change of name as well.

Four years is reasonable. However, it could be argued that the period should be longer, because four years is not long in the electoral process. In due course the Government should consider expanding the period beyond four years.

The Hon. A. G. CORBETT [6.59 p.m.]: I thank the Government and the Opposition for supporting these amendments. I thank also the crossbench members, especially Reverend the Hon. F. J. Nile, for their support. It is rare for the honourable member to support me.

Amendments agreed to.

The Hon. A. G. CORBETT [7.00 p.m.], by leave: I move A Better Future For Our Children amendments Nos 2 and 4 in globo:

No. 2 Page 16, schedule 2. Insert after line 5:

[13] Section 66JA

Insert after section 66J:

66JA Distribution of information to electors about registered parties

- (1) The Electoral Commissioner is required to prepare, for each periodic Council election, a registered party information sheet for each registered party.
- (2) Any such information sheet is to contain the following information:
 - (a) the name of the registered party,
 - (b) the name and address of the registered officer of the party,
 - (c) a statement (not exceeding 500 words) setting out the platform or objectives of the party provided by the registered officer of the party (but only if such a statement is provided within the time requested by the Electoral Commissioner).
- (3) The Electoral Commissioner is required to publish a copy of each such information sheet on the world wide web at least 1 month before the date on which the Legislative Assembly is due to expire or, if it is dissolved earlier, as soon as practicable after its dissolution.
- (4) The Electoral Commissioner is to make any such information sheet available for public inspection, at any

reasonable time before the periodic Council election concerned is held, at the office of the Electoral Commissioner and at any public library or other place determined by the Electoral Commissioner.

(5) In complying with this section, the Electoral Commissioner:

- (a) may reduce the length of information supplied by a registered party officer if the Electoral Commissioner is satisfied that the information is longer than that permitted by this section, or
- (b) may omit information supplied by a registered party officer if the Electoral Commissioner is of the opinion that its publication might be unlawful or defamatory.

No. 4 Page 20, schedule 3, line 6. Insert "66JA," after "66HA,".

Amendment No. 2 will insert a new section after section 66J relating to public access to electoral information. This amendment will require the Electoral Commissioner to prepare for each periodic council election an information sheet about each registered party. An information sheet voluntarily submitted by the registered officer of a party is to contain the name of the party, the address of the registered officer of the party and a statement not exceeding 500 words setting out the platform or objectives of the party.

The Electoral Commissioner will then be required to publish a copy of all information sheets on the worldwide web and to have them available at the office of the commissioner and at any public library or any other place determined by the commissioner at least one month before the date of the next election. In addition, the commissioner will have the discretion to reduce the length of any statement longer than 500 words and to omit information if its publication might be unlawful or defamatory.

Amendment No. 2 will serve two main purposes. Firstly, parties that voluntarily submit a 500-word statement of objectives will be leaving themselves open to media and public scrutiny, which will help to establish their bona fides. Parties that do not voluntarily submit a statement will also attract interest by default because the registered officer of a party has not availed himself of the opportunity to submit a statement. Secondly, the amendment will fulfil the basic requirement in our democracy that voters be given the opportunity to know about the options available to them when they vote.

Interested persons will be able to access the information via the Electoral Commission, or consult the document in their local library or elsewhere, to

pursue the objectives of each party and, therefore, make a more informed choice. They will also be able to contact the registered officer of each party for more policy or membership information. The amendment will significantly enhance the credibility of the electoral process, aid electors and better ensure the integrity of the entire process. I congratulate the Government and the Opposition on accepting these amendments.

The Hon. I. COHEN [7.02 p.m.]: The Greens support the amendments moved by the Hon. A. G. Corbett. We support any attempt to make the process more transparent and to improve communication and education during the process. I hope that this is the first step in ensuring that information about all political parties is available at all polling booths throughout the State and reduce the terrible waste of human resources and paper and the madness at election times with which electors are seemingly assaulted at polling booths. There must be ways to deal with that problem.

Reverend the Hon. F. J. Nile: Putting posters on bridges, culverts and roads.

The Hon. I. COHEN: The Greens recognise the problem. The amendments moved by the Hon. A. G. Corbett are one step to ensure that in the future information that assists democracy is available in a more streamlined and cost-effective way. The Greens support these amendments.

Reverend the Hon. F. J. NILE [7.04 p.m.]: The Christian Democratic Party supports these amendments. I simply ask the Government to provide in the regulations that the registered officer of a party must certify that a statement is true and accurate. Some phoney parties have statements but they are phoney. What is the point of having a phoney statement? There must be some way of ensuring that registered officers of political parties must verify the accuracy of the statements submitted.

The Hon. Dr A. CHESTERFIELD-EVANS [7.04 p.m.]: The Australian Democrats support these amendments as part of the legitimate use of new technology to ensure that information is more widely available to voters. That is important. The idea that the major parties will have an advantage because they have the resources to do these things and that it is the natural order of things cannot be supported in a democracy, in which information should be available to voters.

The Hon. R. S. L. JONES [7.05 p.m.]: I have already indicated my support of these amendments.

It costs virtually nothing to put the information on the Internet.

The Hon. Jennifer Gardiner: Why don't the political parties do it themselves?

The Hon. R. S. L. JONES: The information must be put under one heading. It makes more sense for people to find all the information on one web site, that is, the Electoral Commission web site, rather than on 20 or 30 web sites.

The Hon. A. G. CORBETT [7.05 p.m.]: I shall respond briefly to the point made by Reverend the Hon. F. J. Nile. It is reasonable for the registered officer of a party to certify the accuracy of a statement. However, one purpose of these amendments is to open the process to scrutiny by the media and other people. If a registered officer of a party submits a 500-word statement and an inquiry by the media or another person reveals the statement to be phoney, that does nothing for the credibility of the party.

The Hon. D. F. MOPPETT [7.06 p.m.]: This is the wackiest thing I have heard in a long time in this place.

The Hon. R. S. L. Jones: Has the honourable member heard of the Internet?

The Hon. D. F. MOPPETT: Yes, I have heard of the Internet. I am not worried about the Internet; I am worried about making the Electoral Commissioner responsible for promulgating what is nothing more than propaganda. I do not object to requiring a registered officer to verify his address and that sort of thing. However, these amendments will enable people to submit a 500-word manifesto of their party's objectives. The Electoral Commission will then have to decide whether a statement is correct or incorrect. In most cases he will say that it is a political decision. He will simply become an agent for a party and do the work of that party.

I would not have been inspired to speak if the amendments simply restricted the information available on the Internet to a list of the party registrations received and how people could access further information about the parties. To include a 500-word statement from a party goes against the principles of what the Electoral Commissioner should be doing, and it is an absolute outrage.

Amendments agreed to.

Schedule 2 as amended agreed to.

Schedule 3 agreed to.

Title agreed to.

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

KARITAS EAST TIMOR FUNDRAISING

The Hon. J. J. DELLA BOSCA (Special Minister of State, and Assistant Treasurer) [7.09 p.m.]: Honourable members are invited to room 1108 at 8.00 p.m. to farewell the Hon. Dr B. P. V. Pezzutti and wish him good luck. I might just say for the record that I am given to understand that the refreshments and beverages left over from the recent Labour Day celebrations will be part of the celebrations tonight. I add that at the recent celebrations the Hon. J. R. Johnson raised \$2,505 for the Karitas project for East Timor.

[The Deputy-President (The Hon. J. R. Johnson) left the chair at 7.11 p.m. The House resumed at 8.45 p.m.]

ROAD TRANSPORT (DRIVER LICENSING) AMENDMENT BILL

TOW TRUCK INDUSTRY AMENDMENT BILL

THOROUGHbred RACING BOARD FURTHER AMENDMENT BILL

CORRECTIONAL CENTRES LEGISLATION AMENDMENT (ASSUMED IDENTITIES) BILL

Bills received.

Leave granted for procedural matters to be dealt with on one motion without formality.

Motion by the Hon. M. R. Egan agreed to:

That these bills be read a first time and printed, standing orders be suspended on contingent notice for remaining stages, and the second reading of the bills be set down as orders of the day for a later hour of the sitting.

Bills read a first time.

PRICE EXPLOITATION CODE (NEW SOUTH WALES) BILL

Second Reading

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [8.47 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

The object of the Price Exploitation Code (New South Wales) Bill is to enact legislation that will give effect in New South Wales to the new tax system price exploitation code of the Commonwealth. The new tax system price exploitation code was created by the Commonwealth's A New Tax System (Trade Practices Amendment) Act 1999. It gives the Australian Competition and Consumer Commission [ACCC] transitional powers to monitor and prosecute goods and services tax [GST] price exploitation.

Price exploitation may occur when a business does not pass on savings to consumers when a price drops due to the removal of indirect taxes, or when a price is increased beyond the impact of the GST. The ACCC has released guidelines on when prices will be considered as unreasonably high. Due to the constitutional split, the ACCC's powers do not cover exploitation by individuals or unincorporated bodies such as partnerships. Accordingly, under the intergovernmental agreement on the reform of Commonwealth-State financial relations, all jurisdictions agreed to refer powers to the ACCC to give it full coverage for price exploitation compliance. This bill provides the mechanism for referral.

The Price Exploitation Code (New South Wales) Bill will enable the ACCC to exercise its functions under the price exploitation code in New South Wales. It will also enable Commonwealth laws to be applied to offences against the New South Wales code. Consequential amendments are proposed to the Federal Courts (State Jurisdiction) Act 1999 in order to overcome certain jurisdictional cross-vesting restraints arising from the *Re Wakim*; *ex parte McNally* High Court decision. That decision determined that State legislation cannot confer jurisdiction on Federal courts.

The amendments protect a Federal court's power to exercise jurisdiction arising under State legislation to the extent to which a Federal court can validly exercise such jurisdiction. They also ensure that relevant State legislation does not attempt to confer jurisdiction on a Federal court. These amendments correct a cross-vesting problem beyond the issues specific to the price exploitation code. It is also intended that regulations made under the Federal Courts (State Jurisdiction) Act 1999 will confer jurisdiction on the Supreme Court and provide for references in the Commonwealth legislation to the Federal Court to be construed as references to the Supreme Court.

The New South Wales Government is keen to do everything possible to help ensure that consumers are not disadvantaged by unscrupulous traders who seek to benefit from uncertainty in the lead up to the start of the GST. The Price Exploitation Code (New South Wales) Bill 1999 is an important step in that process. I commend this bill to the House.

The Hon. M. J. GALLACHER (Leader of the Opposition) [8.47 p.m.]: The Coalition supports the Price Exploitation Code (New South Wales) Bill. The purpose of the bill is to protect consumers from price exploitation as a result of the introduction of the Commonwealth Government's new taxation

system. Price exploitation may occur when a business does not pass on to consumers a price drop due to the removal of indirect taxes, or when a price has increased beyond the impact of the goods and services tax [GST].

The bill achieves that by applying part VB of the Commonwealth Trade Practices Act 1974 to those persons and things that do not or may not fall within the constitutional competence of the Commonwealth, especially individuals and partnerships. The bill is a Commonwealth Government initiative to harmonise New South Wales with the Commonwealth Government anti-price exploitation regime. It is ironic that the first offender against that yet-to-be-enacted legislation will be the New South Wales Government.

It is important to recognise that the Treasurer announced that he would raise revenue by applying stamp duty on the price of a GST-inclusive home—one of the many regressive State taxes which the Commonwealth-State GST agreement encourages abolishing. In other words, the Treasurer will raise initial revenue by hiding State taxes within the post-GST prices. That is precisely the type of behaviour that the Commonwealth, with its anti-price exploitation legislation, and this bill seek to prevent.

For that reason the Coalition intends to move amendments requiring that the legislation apply also to the New South Wales Government to prevent it from exploiting consumers by hiding taxes within GST-inclusive prices. I will take this opportunity to outline the purpose of our amendment, which will prevent the Carr Government from using the GST to fill the Treasurer's coffers. Recently the Treasurer confirmed that from 1 July next year the Government will levy stamp duty on the post-GST price of home purchases, insurance policies and other dutiable transactions.

Home buyers in New South Wales will be slugged by an additional \$600 on the cost of a \$220,000 home. In essence that will be a tax on a tax. This Government has given up any facade of managing the State's budget and reining in expenditure by increasing taxation. The Government is now using the introduction of the GST to disguise its plunge into the hip pockets of the people of New South Wales by simply introducing a tax on tax.

The Government claimed that this bill was introduced to prevent businesses from profiteering from the introduction of the GST, yet the Treasurer will be, without doubt, the biggest profiteer. Not only will the Government levy stamp duty on financial transactions such as home purchases, but

it will also levy it on behalf of the GST. Our State is already the highest-taxed State in Australia. The Government must guarantee that the effect of the GST on stamp duty receipts will be revenue neutral. We hope that the Treasurer will confirm that the Opposition has no reason for concern, and that the Government's position will be one of revenue-neutral taxation.

The Treasurer must also reassure the residents and home buyers of New South Wales that the Government will not profit from the necessary reform of taxation policy in Australia. It is a fairly clear-cut and straightforward question for the Treasurer, and the Opposition hopes that he will address the issue.

The Opposition supports the main thrust of the legislation, which, as I outlined in my opening comments, will bring New South Wales into line with the necessary changes that will take place as a result of the introduction of the changes to the Commonwealth Trade Practices Act and, indeed, the Commonwealth changes to taxation. However, my concerns about the State Government double-dipping with regard to taxation changes are relevant. The Opposition hopes that the Treasurer will put those concerns to rest in his reply to the comments that have been made.

The Hon. J. R. JOHNSON [8.52 p.m.]: I support the proposition before the House, but let me tell honourable members a story. In the 1950s, when there was a sales tax on ice cream, the then Country Party ran a great campaign to eliminate sales tax on ice cream to help the dairy industry. I remember that the Australian Workers Union also campaigned for the removal of the sales tax on ice cream. The sales tax was 8½ per cent, which was one-twelfth of the price, or a penny in the shilling.

One Tuesday night Sir Arthur Fadden announced in the budget that sales tax on ice cream would be removed as from his announcement. The next morning the ice cream van arrived at the store where I was working with a new price list. Guess what? The price of ice cream went up by 8½ per cent. So what was forgone by the Commonwealth in taxation revenue went into the coffers of the manufacturers. This bill will guard against that sort of thing.

The Hon. R. S. L. JONES [8.53 p.m.]: I support the bill. I am not sure whether it will have any effect as it will be extremely hard to prove whether people are indulging in exploiting. They can always say they had to increase prices or that they have higher overheads. It is probably a bit of public

relations more than anything else. The goods and services tax is just around the corner. It will cause horrendous problems for many people, but particularly for those in small business, who will suddenly become tax collectors for the Government. They will spend perhaps half a day a week or maybe a day a week collecting their figures and trying to work out the tax on their goods and the items on which they get rebates.

I am glad that I am no longer in small business. I have heard of some people selling their small businesses so that they will not have to worry about the GST. Many will retire early to avoid the nightmares of the GST. There will be price gouging, as it is called; it will be almost impossible to stop. There will not be a sudden increase in inflation, at least for a period, but interest rates will increase to compensate. The whole thing has yet to unwind. It really will be a nightmare.

The GST is likely to put Australia not into a depression but certainly a recession. Coming at the end of the Olympics boom, it will put a dark cloud over 2001 and 2003. Not many people are yet aware of the impact and effect that this ghastly tax will have. Many ordinary people who will be affected by it have no idea what is about to hit them just around the corner.

Ms LEE RHIANNON [8.55 p.m.]: This bill rightly deals with jurisdictional issues. It will enable the Australian Competition and Consumer Commission [ACCC] to exercise its functions under the Price Exploitation Code in New South Wales. It will also enable Commonwealth laws to be applied to offences under the New South Wales code. This Price Exploitation Code Bill will therefore give the ACCC transitional powers to monitor and prosecute price exploitation, which is how we have to view the GST. The Greens support the efforts of the Labor Government to ensure that consumers are not disadvantaged by businesses that may attempt to exploit consumers.

Mr Hartcher was correct in his response to the bill in the Legislative Assembly when he stated that New South Wales had introduced this legislation because of the actions of the Federal Government to protect consumers from unscrupulous traders. The Greens agree that this bill is consequential to the work of the Federal Government to protect consumers. The real question is why the State Government has been forced to enact the legislation. This bill may offer some security to the consumers of New South Wales, but it cannot protect the entire community from the effects of the GST and the related tax package.

Members in the lower House discussed the opposition of the ALP to the GST in the Federal Parliament. The Greens in the Federal Parliament also strongly and consistently opposed the goods and services tax on social justice and environmental grounds. In the wider community the Greens have worked with a range of groups lobbying Parliament and have gone on the streets to protest.

The Greens have worked with the Construction, Forestry, Mining and Energy Union; the Australian Manufacturing Workers Union; the Maritime Union of Australia; the National Union of Students; the Liquor, Hospitality and Miscellaneous Workers Union; and many environmental and social justice communities that recognise the damage that the goods and services tax will do to our community.

The Greens have presented alternative taxation strategies which Senator Bob Brown has brought forward in considerable detail in the Federal Parliament to penalise inefficient, polluting and wasteful industries. The Greens tax alternatives seek to promote well-paid, safe and rewarding jobs. The Greens' proposals would promote ecological sustainability and help to ensure social justice. We were bitterly disappointed that the Democrats chose to support the goods and services tax—on many accounts not so surprised, but still disappointed.

Charities and community groups will be taxed. Mining companies, in the meantime, will get a \$700 million windfall. The GST, ironically, will make firearms cheaper. New taxes will be put on union fees, student materials, books and public transport, while polluters will get a \$3 billion rebate and greenhouse gas emissions from commercial vehicles will increase by 5 per cent.

The Greens had hoped that the support of the Australian Democrats for the 1996 industrial relations reforms would be the last of their failures to defend social justice. As I said, we were disappointed. The fact that the Australian Democrats have subsequently supported a range of regressive and environmentally destructive bills makes us nervous that they will assist the passage of the business tax reforms due before the Senate, which will cut company tax to 30 per cent and halve the capital gains tax.

We note that the Australian Democrats and the Australian Labor Party [ALP] have offered in-principle support for these regressive reforms. We are now concerned that the ALP and the Australian Democrats will race to the bottom to see who is relevant in the Federal Parliament. Our experience

of the Australian Democrats makes us concerned that they will support the second wave of industrial relations reforms. The Greens are mounting a strong campaign to pressure the Australian Democrats to oppose the second wave of industrial relations reforms in their entirety.

Our clear message to the Australian Democrats is that there cannot be any negotiations on the bill; we must simply say no to the bill. There is no negotiation on the second wave of reforms proposed by Reith and Howard. Clearly, there is no place for reform. That is especially true in terms of the position of women. The Australian Democrats frequently present themselves as being concerned about young people and women. However, female workers will be disadvantaged in the marketplace and they will be hardest hit if the second wave of reforms go through the Federal Parliament.

This bill is so ideologically anti-union and anti-worker that it must be rejected in its entirety. If the Australian Democrats had remained strong we would not be dealing with this bill today. However, the Coalition parties know that potentially they have support for much of their regressive reform agenda. The Greens still hope that the Australian Democrats will stand strong and reject the reforms when they come before the Federal Parliament, which we understand will happen in December.

The Greens are pleased that the New South Wales Government is opposed to the GST and will seek to ameliorate the negative impacts of it when possible. We support the comments of Ms Nori in the lower House about the potential compliance nightmare for small business. The Greens have highlighted the concerns of charities and non-profit community groups, and the implications of the GST for poorer Australians.

I have attended many meetings to address community groups, non-government organisations and small businesses. I can verify the enormous confusion and concern in the community about the impact of the GST when it kicks into operation. While the Greens support this bill, we recognise its limitations, which are beyond the Government's control. While the Government seeks to defend consumers in this bill, we cannot protect charities, the environment, the arts, publishers, education, and low-income citizens from the impacts of the GST. The Greens hope that the next Labor Federal Government will honour Labor's promise to remove the GST.

Reverend the Hon. F. J. NILE [9.03 p.m.]: The Christian Democratic Party supports this bill,

which will give effect in New South Wales to the Commonwealth's new tax system price exploitation code. The code is intended to prevent price exploitation as a result of the new tax system. Honourable members know that the GST there will be a temptation for companies, retailers and others to impose larger increases than are justified by the impact of the GST itself. This bill will enable the Australian Competition and Consumer Commission [ACCC] to stop that exploitation and supervise the pricing system across Australia.

The ACCC has released guidelines as to when prices will be considered unreasonably high. It has also been given wide powers to impose heavy penalties on companies that exploit the GST to make a profit. The Christian Democratic Party is pleased to support this bill, which is important to ensure that the GST and, indeed, the new tax system are introduced as calmly and as clearly as possible for the benefit of consumers.

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [9.04 p.m.], in reply: I thank honourable members for their contributions to the debate and for their support for the bill. I shall address concerns previously raised by the Hon. R. S. L. Jones about informing people of their rights and remedies against price exploitation under the GST. I assure the honourable member and the House that the Government shares those concerns.

While the Commonwealth has already commenced the process of educating the public about the GST and its implications, honourable members will agree that the general impression in the community is one of uncertainty and confusion. That uncertainty and confusion is not only in the general community. There is a great deal of confusion and uncertainty in not only small business but also big business, which one assumes would have the resources to get on top of these things.

However, the new tax system is so complicated and its impacts on business are so difficult to foresee with any certainty that real problems are being created for all businesses—and, I might add, governments as well. In many cases the efforts made by many businesses and governments to comply with the GST will match their efforts in terms of Y2K compliance. People will have to undertake a massive exercise. The first and best thing the State Government can do is pass this bill to ensure that it is ready to commence in early December in accordance with the Commonwealth's wishes.

I remind honourable members that this legislation is essentially a Commonwealth Government initiative. Of course, the Government expected the Commonwealth to provide substantial resources to educate and, thereby, protect consumers from potential exploitation under the GST. I am advised that specific details are still being finalised. I can give the House an undertaking that the Minister for Fair Trading will follow up the honourable member's concerns and seek additional details of actual Commonwealth expenditure and plans.

I can advise the House that the Carr Government wants to ensure that the process of complaint for consumers adversely affected by the GST is as painless as possible. The Department of Fair Trading is currently working with the ACCC to ensure that a streamlined system is put in place. On behalf of the Minister for Fair Trading I undertake to keep the Hon. R. S. L. Jones informed in this regard.

I can confirm that the Department of Fair Trading is awaiting advice from the Commonwealth about the implementation of additional measures to give effect to the preferred position of the New South Wales Government that the Commonwealth take responsibility for all GST-related complaints. I am sure honourable members would agree that having different agencies from different levels of government handling different types of GST complaints might increase the level of confusion. As I said, we await the Commonwealth's final view on this matter. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

Parts 1 to 6 agreed to.

Schedule 1

The Hon. M. J. GALLACHER (Leader of the Opposition) [9.11 p.m.]: On behalf of the Opposition I move amendment No. 1:

No. 1 Page 19, schedule 1. Insert after line 6:

1.2 Duties Act 1997 No 123

Section 313A

Insert after section 313:

313A Valuation for duty purposes to exclude GST component

(1) This section applies to any transaction or instrument:

(a) on which duty is chargeable under this Act, and

- (b) on which GST is chargeable under the Commonwealth Acts,
 - (c) and so applies despite any other provision of this Act.
- (2) To the extent to which duty is chargeable under this Act on the value of a transaction or instrument to which this section applies, that value does not include any GST that is payable under the Commonwealth Acts, or that has been paid under the Commonwealth Acts, in relation to the transaction or instrument.
- (3) In this section:

Commonwealth Acts means the following Acts:

- (a) the *A New Tax System (Goods and Services Tax) Act 1999* of the Commonwealth,
- (b) the *A New Tax System (Goods and Services Tax Imposition - General) Act 1999* of the Commonwealth,
- (c) the *A New Tax System (Goods and Services Tax Imposition - Customs) Act 1999* of the Commonwealth,
- (d) the *A New Tax System (Goods and Services Tax Imposition - Excise) Act 1999* of the Commonwealth,

GST has the same meaning as it has in the Commonwealth Acts.

The Hon. M. R. Egan: Point of order: The Opposition's proposed amendment is outside the leave of the bill. It seeks to amend an entirely separate Act, the New South Wales Duties Act. The amendment does not deal with the substantive subject matter of the principal Act, which is to apply certain Commonwealth laws concerning price exploitation as laws of the State and thereby allow the Australian Competition and Consumer Commission to exercise its powers.

The CHAIRMAN: Order! The Leader of the Opposition has moved an amendment to insert a new section 313A in schedule 1 to the bill. The admissibility of an amendment is governed by Standing Order 175, which states:

Any amendment may be made to a clause, provided the same be relevant to the subject matter of the clause, and a new clause or schedule may be proposed if relevant to the subject matter of the Bill, or pursuant to any instruction, and be otherwise in conformity with the Rules and Orders of the House; provided that no amendment or new clause shall be inserted which reverses the principle of the Bill as read a second time; but if any amendment shall not be within the scope of the title of the Bill, the Committee shall extend the title accordingly.

In determining relevancy, reference must be made to the long title of the bill. The long title of the Price

Exploitation Code (New South Wales) Bill is very specific: it is a bill that applies to "certain laws of the Commonwealth relating to the New Tax System Price Exploitation Code as laws of New South Wales".

The Opposition's amendment would insert a new section 313A headed "Valuation for duty purposes to exclude GST component". Given the narrow scope of the bill, as determined by its long title, the amendment is clearly beyond the scope of the bill, and I therefore rule it out of order.

Schedule agreed to.

Title agreed to.

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

WATER AMENDMENT (FLOOD CONTROL WORKS) BILL

Bill received and read a first time.

Motion by the Hon. M. R. Egan agreed to:

That standing orders be suspended to allow the passing of the bill through all its remaining stages during the present or any one sitting of the House.

ELECTION FUNDING AMENDMENT BILL

Second reading

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [9.17 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

The Election Funding Act 1981 was introduced by the Wran Government to ensure that our political system was not just for the rich. It gives all candidates and parties who have community support the funding to assist their election campaigns. It established a Central Fund to fund parties running in the Legislative Council and a Constituency Fund to fund candidates for the Legislative Assembly. The amount of funding distributed to parties and candidates depends upon their level of electoral support. As Neville Wran said in the second reading speech to the Election Funding Act:

It should be emphasised that the voters will determine the distribution of funds by the way they cast their votes. This is a thoroughly democratic measure, designed to enhance the democracy.

While the amount paid out of the Central Fund and the Constituency Fund is based upon electoral support, the amount that goes into those funds is calculated differently. That formula requires the calculation to be made by reference to the number of voters and the number of years between elections.

Any additional fraction of a year is to be treated as one year. The Election Funding Act was enacted well before the introduction of fixed four-year terms in New South Wales. It was never anticipated that the period between the return of the writs for two consecutive elections could exceed four years by a few days. The more likely scenario was that the Government would run just short of its term, in which case it should not be limited to funding only for the completed years.

However, now that fixed four-year terms have been introduced there will be times when the period between the issue of the writs for the current and previous elections will be just over four years. In these circumstances it is inappropriate for five years worth of funding to be provided. This bill corrects this drafting anomaly. It does so by putting an absolute ceiling on funding so that it can be calculated in relation to no more than four years between elections.

The bill also makes the relationship between time periods and funding more accurate by measuring the funding according to the number of months between the return of the writs for elections, rather than the number of years. While the advent of fixed four-year terms makes this amendment less important, the Constitution does still provide limited circumstances in which an election can be held early.

In such cases, election funding will be more accurately calculated because it will be measured in relation to the number of months between the return of the writs for the current and previous elections. This bill is necessary to increase the transparency of election funding and to ensure that funding anomalies do not occur in the future. I commend the bill to the House.

The Hon. D. T. HARWIN [9.17 p.m.]: The Coalition does not oppose the bill. It will prevent political parties from receiving a higher than expected election funding amount by changing the formula for calculating election funding from a full yearly basis to a monthly basis. The bill provides a more just and equitable basis upon which to fund political parties for participating in elections. This is a relatively straightforward bill to adjust election funding arrangements to take into account the fixed four-year terms in New South Wales. It is a matter of record that the role of money in the political process can be pernicious and dangerous as well. The existing funding arrangements in Australia mitigate the danger of money to some extent.

The Hon. R. S. L. Jones: Not in the United States of America.

The Hon. D. T. HARWIN: It is often said that the average American congressman spends 85 per cent of his time raising money. Clearly, that is not a healthy situation.

The Hon. R. S. L. Jones: It is not democracy.

The Hon. D. T. HARWIN: Arguably, it may not be democracy, although the Americans would probably take the view that they have a very fine democracy. However, I think that the Australian arrangements are beneficial to the political process. Personally, I do not think they are comprehensive enough. Our election funding arrangements and in particular our disclosure provisions should deal with the role of money from the trade union movement in politics.

The Hon. R. S. L. Jones: And to big business.

The Hon. D. T. HARWIN: Disclosure from business is already covered. It is also a matter of record that the fact that there is disclosure of donations from the business sector has, if anything, only served to even up the amount of money that is given to the two major parties. It has not reduced the role that the business sector plays in the election process, but it has certainly removed many of the question marks that some people put over it. These amendments are designed to ensure that the current system retains its integrity, and as a result the Opposition will support them.

The Hon. R. S. L. JONES [9.20 p.m.]: I support the legislation, being aware that it does have a negative impact on the funding of the major parties. Nevertheless, we have to tidy up this anomaly which only occurred as a result of fixed four-year terms. I agree with the Hon. D. T. Harwin that we should minimise the impact of donations on political parties and the effect it has in distorting democracy; and the impact it may or may not have on Government decisions—and we believe it has some effect on Government decisions.

The more we can minimise the impact that trade unions, big business, small business or any external money have on Government, the better it will be. Therefore, I believe that all funding for elections should be paid out of the public purse and that there should be no donations whatsoever from organisations, except for small amounts of, say, less than \$100. That will remove the potential for corruption.

The Hon. Dr A. CHESTERFIELD-EVANS [9.22 p.m.]: The Australian Democrats support the bill. We believe that it is necessary to codify the question so that a few extra days will not result in one year's funding. We hoped that the amount of

money that would be accepted would be equivalent to four years—on the basis of a fixed four-year term. Instead it blew-out, merely because it was a few days over four years. Suddenly it became five years worth.

Parties that spent huge amounts of money only to wind up in financial trouble naturally benefited greatly from that process. I look at the Liberals here. Other parties that stayed within their budgets, submitted appropriate claims and got refunds naturally do not have large claims to get more money from the little slip that this bill is correcting. We are disappointed that there was not a tightening up of the disclosure provisions, but I suppose having received one small indulgence one should not ask for another. We therefore support the bill.

Reverend the Hon. F. J. NILE [9.23 p.m.]: The Christian Democratic Party supports the Election Funding Amendment Bill. The bill does not introduce election funding; it has been in operation for some time, in fact since 1981. I recall the first comment I made after I was elected and I saw Mr Wran in the election tally room. I said to him, "Thank you, Mr Wran." It was his reorganisation of the upper House and the funding that facilitated my election—and he also paid for the campaign! We all make mistakes.

This bill merely seeks to correct an aspect of the election funding that has been out of kilter since Parliament increased the term of office from three to four years. The bill will further increase that period to 48 months. As I said during the briefing, I understand from the former Electoral Commissioner that there are still some problems in that all the legislation has not caught up with the fact that it is now a four-year period, and it may be necessary to look at some other aspect of the funding.

That was in regard to the issue of whether political parties can in fact receive an advance of a percentage of the funding each year. If of course, they fail in their bid to be elected—this does not affect the major parties but it is certainly a factor in the thinking of the minor parties—they have to pay back the \$40,000 as well as the costs of the election campaign. That is always a matter of stress and pressure on minor parties—

The Hon. M. R. Egan: Do you only receive public funding if you are elected?

Reverend the Hon. F. J. NILE: Or 4 per cent. It means that if a candidate just missed out on being elected, he or she has to repay the moneys advanced. However, the commissioner said that the

advance arrangements in the legislation are based on a three-year period, not on a four-year period.

The Hon. Dr P. WONG [9.26 p.m.]: Unity also supports the Election Funding Amendment Bill. We realise that, following the 1999 election, many political parties have received much higher than expected funding through the electoral commission. I believe that the bill rectifies that anomaly, and we fully support it.

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [9.26 p.m.], in reply: I thank honourable members for their contributions to the debate and their support for the bill. I thought the Hon. D. T. Harwin delivered a very impressive speech. It could have been even more impressive. The most impressive speech that has ever been made in this House—and it was made on at least 30 occasions—consisted of five words: "The Opposition supports the bill." It was a speech that was regularly made by the then leader of Her Majesty's Opposition, the Hon. Michael Egan.

The Hon. J. H. Jobling: Brian Vaughan said, "Her Majesty's loyal Opposition".

The Hon. M. R. EGAN: Okay, Her Majesty's loyal Opposition. I commend that speech to members of the Opposition, and also to the crossbenchers. There has been a lot to do about nothing. We have been on this bill for half an hour, with everyone in agreement. I am not sure that all members had their hearts in it.

Motion agreed to.

Bill read a second time and passed through remaining stages.

LAW ENFORCEMENT AND NATIONAL SECURITY (ASSUMED IDENTITIES) AMENDMENT (CORRECTIVE SERVICES) BILL

Second Reading

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [9.28 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

The Government is pleased to introduce the Law Enforcement and National Security (Assumed Identities) Amendment (Corrective Services) Bill 1999. This bill is evidence of the Carr Government's ongoing commitment to law and order in this State, and in particular, its commitment to providing law enforcement agencies with the means to effectively target those suspected of serious crimes like drug trafficking.

Last year this Government implemented the Law Enforcement and National Security (Assumed Identities) Act 1998 to permit the Chief Executive Officers of authorised agencies to approve the acquisition and use of documents in assumed names for law enforcement purposes. The Assumed Identities Act was an important initiative in the fight against crime. It allows law enforcement and national security officers to obtain documentation such as drivers licences and credit cards in an assumed name and to use them in the course of their authorised duties.

In most cases, an assumed identity is needed when officers must have direct contact with suspects, for example, in undercover operations or to protect investigations into corrupt police or public officials. Officers involved in an undercover capacity are not the only ones who require the protection of an assumed name. Others include technical staff and surveillance officers who need to carry out their duties under assumed names.

The Department of Corrective Services, State Investigative and Security Group employs surveillance officers to investigate drug trafficking in jails, alleged corrupt activities by Corrective Services staff, and inmates who breach the conditions of their parole or other release programs. The SISG has been operating since November 1994. It plays a major role in protecting the safety of inmates, visitors and staff in New South Wales correctional centres.

It is evident that it is necessary for the Department of Corrective Services to be an authorised agency for the purposes of this Act, so that investigators can better target the problem of drugs in prisons. An important function of the SISG is to verify inmates' compliance with the terms and conditions of temporary leave of absence under section 29 of the Correctional Centres Act 1953. This includes work release, and day and weekend leave schemes.

In order to carry out their duties, SISG officers sometimes have to give proof of their identity in order to maintain contact with a person they are investigating or to protect the integrity of a covert operation. It is essential that in such circumstances officers can give an assumed name. Otherwise their own safety or the integrity of a case they are working on could be jeopardised.

Corrective Services investigators have been using documentation in assumed names such as false drivers' licences which they obtained under the ad hoc system that existed prior to the introduction of the Law Enforcement and National Security (Assumed Identities) Act. The Act now restricts the issue of such documentation to authorised agencies only. At present, agencies authorised to use the Act are the:

- New South Wales Police Service
- New South Wales Crime Commission Independent Commission Against Corruption
- Police Integrity Commission

- Australian Federal Police
- Australian Secret Intelligence Service
- Australian Security Intelligence Organisation, and
- Australian Customs Service

There is a clear need for the Department of Corrective Services to be included as an agency authorised to use the Act. Without the support for law enforcement activities that the Act provides, the department is not able to carry out essential services to protect the public. Equally importantly, Corrective Services needs access to assumed identities for its officers so that they can identify drug trafficking in jails and mount effective operations to prosecute the criminals involved.

This bill builds on the Government's previous initiatives in the fight against crime. It will permit officers employed by the Department of Corrective Services to obtain documentation in assumed names and use it in the course of their official duties. In order to do this, the bill makes a small amendment to section 3 of the Act to include the Department of Corrective Services in the definition of authorised agency, and the Commissioner of Corrective Services in the definition of Chief Executive Officer.

This bill is further evidence that the Carr Government is pulling out all stops to give police and other law enforcement agencies the powers and the tools they need to do their job. I commend the bill to the House.

The Hon. M. J. GALLACHER (Leader of the Opposition) [9.28 p.m.]: The Opposition supports the Law Enforcement and National Security (Assumed Identities) Amendment (Corrective Services) Bill. This is extremely important legislation with respect to the administration of law, especially with regard to serious offences that are currently taking place within the Corrective Services system of New South Wales. Honourable members would be fully aware that criminal activities take place behind bars and involve inmates—by themselves, with the assistance of people outside the criminal justice system or, even worse, with the assistance and support of officers of the Department of Corrective Services.

This legislation gives legal security to officers involved in the identification of criminal activity within the corrective services system in New South Wales whether that is activity of inmates or employees of the Department of Corrective Services. This legislation will protect those who assume undercover identities, referred to in the context of current legislation as assumed identities. This measure relates to officers undertaking undercover duties within the jurisdiction of the Department of Corrective Services. I note the interjection by the Hon. R. S. L. Jones, "Yes, you would know all about that." That is correct, as for a period of time I operated under an assumed identity in the criminal jurisdictions of this State.

The Hon. R. S. L. Jones: A hippy at the Cross.

The Hon. M. J. GALLACHER: The honourable member rightly points out that I was a hippy on the streets of Kings Cross. The honourable member is probably the only member of this Chamber who has seen photographs of me operating in that undercover capacity.

The Hon. R. S. L. Jones: I will not show anybody.

The Hon. J. H. Jobling: Have you seen the Hon. R. S. L. Jones in his undercover capacity?

The Hon. M. J. GALLACHER: When I showed him the photograph, I asked, "Who do you think that is?" When I identified it as a photograph of me the honourable member was quite surprised. I was in the role of an undercover officer of the New South Wales Police Service trying to do our best to eliminate corrupt members of the New South Wales Police Service. It was a time in my police career of which I am very proud. I understand fully the difficulties experienced by officers who perform such duties, whether in the New South Wales Police Service or for the Department of Corrective Services.

I take this opportunity to pay tribute to those who perform undercover duties within our corrective services, because that would be one of the most difficult law enforcement jobs in this State. The confined environment of a corrective institution affords an undercover officer who is identified limited opportunity to escape. Officers who perform this line of duty should be commended in the strongest possible terms.

The Opposition supports the legislation, on which it has had discussions with the Government. I congratulate in particular the personal staff of the Minister. They have given great assistance in dealing with the concerns that the Opposition has put forward. They have been more than prepared to come back to Opposition members to discuss and negotiate relevant issues and the implications of officers with assumed identities working within corrective institutions and generally performing their duties under the criminal law. I thank in particular one member of staff of the Minister for the consultative role he undertook on this legislation.

The Opposition had some concerns about the operation of some aspects of this legislation. They related to ethical and health issues with regard to assumed identities being undertaken by health

professionals and clerics. Certain amendments have been incorporated to address the concerns of Opposition and crossbench members. Therefore the Opposition will not have to express any outward concerns about the application of this measure. This is a necessary legal measure to protect those who operate in this manner. The Opposition is pleased to support the bill.

The Hon. R. S. L. JONES [9.35 p.m.]: The Leader of the Opposition has come a long way: from an assumed identity of a hippy at the Cross to the assumed identity of Leader of the Opposition in this House! Considerable discussion has taken place between my office, the shadow Minister for Corrective Services and the office of the Minister for Corrective Services since the second reading of the bill in the Legislative Assembly on 22 September. I understand that the Hon. A. G. Corbett's office also has been involved in the discussions on the problems that we perceive with the legislation.

On the first reading, I was extremely concerned that the powers accorded to Corrective Services officers by the bill had the potential to be abused. Prison officers naturally exert extensive power over inmates, and it is crucial that safeguards are imposed on those wishing to adopt assumed identities as outlined in the bill. In addition, I was concerned that, despite the passing of legislation in 1997, the post of Inspector General to the Department of Corrective Services had not been filled until very recently. Thus a long-awaited independent avenue for dealing with complaints and monitoring the activities of the department were not available to inmates at a time when the powers of departmental officers were being increased.

Due to these concerns I drafted an amendment, to move in Committee, stalling the proclamation of the legislation until the post of Inspector General had been filled. I was also supportive of the amendment that was drafted by the Hon. A. G. Corbett. It is not necessary now to move my amendment because the first Inspector-General was appointed on 26 October, just six days after the terms of my amendment reached the ears of the Minister. I am gratified that the Minister acted so quickly. Mr Brad Hazzard in another place also was very much involved in those discussions.

For this reason, and because of the safeguards offered in the cognate bill recently drafted by the Government, the Corrective Services Legislation Amendment (Assumed Identities) Bill 1999 can now be supported. My support is conditional on the stated commitment of the Minister that both pieces

of legislation will be proclaimed at the same time. The timing of debate in the Parliament, as long as it occurs before the end of the session, does not matter. What is crucial is that neither bill is proclaimed before the other.

I have seen a draft of the cognate bill, and I am satisfied that its proposals cover the concerns raised by Justice Action, the Law Society and the Reverend Harry Herbert. It also therefore incorporates the amendment that was circulated by the Hon. A. G. Corbett. I will, however, raise some issues that canvass why it is important to have limitations on the powers provided for in the bill. Recent investigations by the Independent Commission Against Corruption have shown that there are serious problems in the Department of Corrective Services. I quote from the most recent report, released in November 1999, titled "Fourth Report: Abuse of Official Power and Authority":

This report deals with yet another example of corrupt conduct, what in essence amounted to a very real and significant abuse of power. It serves as a salutary warning of the danger that exists where individuals are given extensive power and control over the everyday actions of other individuals.

The legislation before the House seeks to add the Department of Corrective Services to the list of authorised agencies under the Law Enforcement and National Security (Assumed Identities) Act 1998. That Act allows officers from the New South Wales Police Service, the Independent Commission Against Corruption, the New South Wales Crime Commission, the Police Integrity Commission and various national crime and security agencies such as the Federal Police and the Australian Security Intelligence Agency to assume false identities during the course of their duties.

Under the legislation, officers from those agencies may acquire false drivers' licences, birth certificates and passports to authenticate an assumed identity. In practice, it allows authorised officers legitimately to portray a fictional identity, complete with authentic identification, to gain intelligence in order to catch criminals or inform on corrupt officers.

The royal commission into police corruption noted that assumed identities had been used by crime agencies for some time, and therefore the legislation introduced in 1998 regulated a previously unregulated system. The Minister for Corrective Services said that the ability to use an assumed identity is only intended for officers of the State Investigative Security Group [SISG], despite there being no evidence supporting this in the bill before the Parliament.

I am hopeful that some of my concerns about the potential for abuse of power in the bill will be offset by the cognate amending bill, which will limit the use of assumed identities as it applies to all officers. However, I urge the Minister to ensure that authorisations to use assumed identities are limited to officers of the SISG. I therefore support the comments made by the Positive Justice Centre:

The SISG is already the most secretive group within the most intransparent of government departments . . . Every precaution should be taken to assure that [their] existing powers do not extend by legislative omission to employees beyond this group and clear guidelines must be implemented to assure that only a utilitarian minimum number of DCS/SISG employees are authorised to wield this sought after power.

The SISG conducts investigations into drug trafficking in gaols and alleged corrupt activities by Department of Corrective Services staff. The unit also undertakes investigations of serious misconduct by inmates, including escape plans, and monitors inmates who are on work or day release programs when there is reason to suspect that they may be breaching their conditions of leave. The SISG has an annual budget of \$6 million.

While the SISG may conduct some worthwhile activities, I am concerned that there is no independent scrutiny or oversighting of its activities, and the potential for abuse of power in the bill is great. The reporting requirements of the SISG are relatively informal, with the commander of the SISG meeting with the Commissioner of Corrective Services fortnightly to inform him of their activities and only infrequent meetings with the Minister.

Even though the Department of Corrective Services is required to report on the number of assumed identities that have been authorised throughout the year, there is nothing to stop officers from the SISG from assuming the identities of prisoners, Legal Aid representatives, drug and alcohol counsellors, academic or medical researchers, religious clerics or official visitors who inspect the prison from time to time.

Making false and misleading representations is a clear intention of the Law Enforcement and National Security (Assumed Identities) Act, which is amended by this bill. As the Minister said in his second reading speech in 1998:

Assumed identity documents must appear normal and officers must be able to use them as if they are real. Therefore it is important to remove any offences that might otherwise attach to their authorisation, issue or use.

This includes, but is certainly not limited to, such things as making false or misleading representations or creating false or misleading records of any kind. Specifically the bill ensures

that anything misleading regarding the acquisition, provision or the use of assumed identities that is done in good faith by officers of an authorised agency or an issuing agency is not unlawful and does not constitute an offence or corrupt conduct.

Clearly, the bill may allow officers from the Department of Corrective Services to mislead prisoners in the care of the department as well as have the potential to corrupt officers in the department. It is completely unacceptable that prisoners could be unknowingly duped into providing personal information about their drug habit to a correctional officer, who could then use the information against them. Should the powers outlined in the bill be used in this way, the effect of the breach of trust on harm minimisation would be unthinkable. As Justice Action noted:

Prisoners already have the justified apprehension that any information they may give about their drug use will lead to sanctions. Requests for bleach, which can be used to sterilise syringes, are often met with cell searches, urine tests and increased harassment of visitors. If prisoners could have no faith in the information they gave a "counsellor", "solicitor", "doctor", "peer", or "priest", the tiny observation window society now has on activities in its prison system would be firmly shut. Any chance of managing blood born diseases or risk taking behaviour would be lost.

If abuses of power have been documented at the managerial level in the department by the Independent Commission Against Corruption [ICAC], there is a very real chance that abuse of power and breach of confidence can also occur in the undercover activities of the SISG.

The Hon. A. G. Corbett drafted an amendment to ensure that the SISG cannot impersonate a range of persons, including a doctor, medical researcher, social worker, psychologist, drug and alcohol counsellor or any other health worker, legal practitioner or a member of the clergy. Such an amendment is crucial to the legislation and my support of the bill is conditional on this amendment being accepted in Committee. Fortunately, this amendment will be incorporated into the Correctional Centres Legislation Amendment (Assumed Identities) Bill.

In addition, the power offered to Corrective Services officers in this legislation is particularly unchecked when consideration is given to the watchdog provisions of other State agencies that are authorised to have false identities. For example, the New South Wales Police Service is oversighted by the Police Integrity Commission; the Police Integrity Commission is oversighted by a bipartisan parliamentary committee. ICAC, another authorised agency, is also overseen by a bipartisan parliamentary committee. Such oversighting would

ensure that any breaches of power or corruption in the course of activities could be reported and dealt with independently and in a timely fashion.

No such provision exists for officers from the SISG, nor more broadly for the Department of Corrective Services. This led me to my amendment to stall the proclamation of the bill until an inspector-general was appointed. Currently the ability of inmates to lodge complaints occurs in an ad hoc organisational environment. I will quote two paragraphs from ICAC's latest report on the department to illustrate the importance of this point. The report states:

Correctional officers exercise a great deal of power over inmates. That is a natural consequence of incarceration and the relationship between inmates and correctional officers. Conversely, inmates are relatively powerless in that relationship. When conflict arises between a correctional officer and an inmate, the latter does not have the luxury of being able to avoid the situation by absenting himself, at least not lawfully from the correctional centre.

This situation is exacerbated by the fact that most of the time there is little or no scope for external scrutiny. Whilst inmates have access to official visitors and can make complaints to the Ombudsman, the Governor of the correctional centre or the commission, in most cases this will not provide an immediate remedy.

The report continues:

If correctional centres are to be properly administered, it is essential that those in positions of authority and power exercise and be seen to exercise their authority fairly. To do otherwise sets a bad example for other like-minded officers to follow and serves to perpetuate the distrust and animosity which often exists between inmates and correctional officers.

Thus the harm caused to the Department by the conduct of Kelly—

a person who was the subject of an ICAC investigation—

goes beyond the harm to the particular individuals the subject of his actions. The examination of his conduct brings into sharp focus the imperative of appointing highly ethical and capable persons to management positions within the Department.

As noted, despite the passage of legislation in 1997, the Government had failed to appoint an inspector-general for the Department of Corrective Services. I recognise that the New South Wales model of an inspector-general is considerably diluted when compared to Commissioner Nagle's suggestions in 1978. For example, the post is not independent and does not have to report to Parliament, as Commissioner Nagle recommended.

However, it remains an incremental step towards an open and transparent prison system

which is accountable to the community and its elected representatives. I am pleased that an appointment has been made but I am disappointed that the appointment of the inspector-general occurred only after much prodding by the community and the threat that this legislation would not be proclaimed.

In fact, when the shadow minister for corrective services noted that I would be moving an amendment to stall the proclamation of the bill until an inspector-general was appointed, it took only six days for Mr Lesley Le Compte to be appointed as the inaugural inspector-general. I hope that Mr Le Compte takes up his post with enthusiasm and provides a genuinely independent avenue for oversight and investigation in the prison system.

The negotiation process on this bill has been considerably drawn out but I believe that significant safeguards have resulted from it. The discussions with the shadow minister for corrective services, Mr Brad Hazzard, have been particularly fruitful. I also welcome the Minister's efforts in responding to concerns of a number of honourable members, including the appointment of an inspector-general and the use of the powers proposed in the bill. The proposed cognate bill alleviates my concerns, and I am pleased that the Minister has taken on board the concerns of the members of the crossbench and the Coalition and has come up with viable solutions.

Reverend the Hon. F. J. NILE [9.47 p.m.]: The Christian Democratic Party is pleased to support the Law Enforcement and National Security (Assumed Identities) Amendment (Corrective Services) Bill. This minor bill gives the Department of Corrective Services the power to be an authorised agency so that its State Investigative and Security Group [SISG] can operate effectively.

I have been informed that the group has been using assumed names for law enforcement purposes without the legislative authority that is already conferred upon the New South Wales Police Service, the New South Wales Crime Commission, the Independent Commission Against Corruption, the Police Integrity Commission, the Australian Federal Police, the Australian Security Intelligence Service, the Australian Security Intelligence Organisation and the Australian Custom Service.

Perhaps during the ICAC investigation of corrupt prison officers the gap in the list of authorities was identified, and so this bill was introduced. During hearings of the Royal Commission into the New South Wales Police Service, the commissioner stated that the use of

assumed identities is essential to the success of some types of investigations, including, but not restricted to, undercover operations.

The State Investigative and Security Group [SISG] within the Department of Corrective Services employs surveillance officers to investigate drug trafficking in gaols. That is most important because honourable members often hear of the widely held view in the community that it is easier to get drugs in prison than it is on the streets. If that is true, far more extensive efforts are needed to get rid of drugs in prisons. Therefore undercover activities are needed to ensure that visitors or prison officers do not give drugs to prisoners.

The efforts by that group also include alleged corrupt activities by the staff of the Department of Corrective Services and inmates who breach the conditions of their parole or other pre-release programs. SISG has been operating since November 1994. It also plays a major role in protecting the safety of inmates, visitors and staff in correctional centres. Quite often honourable members have heard of bashings within the prison system. Such bashings could occur if prisoners think that a prisoner is giving information to the police or others about drug trafficking and other matters. Those prisoners need to be protected within the prison system by undercover activity. The Christian Democratic Party is pleased to support the bill.

The Hon. A. G. CORBETT [9.51 p.m.]: The Law Enforcement and National Security (Assumed Identities) Amendment (Corrective Services) Bill permits the Commissioner of Corrective Services to authorise officers from the Department of Corrective Services to acquire and use assumed identities. That would enable an officer of the State Investigative and Security Group [SISG] to legally assume a false identity in order to carry out surveillance activities.

The bill creates a circumstance in which officers from the Department of Corrective Services could falsely represent a person who would normally have a working relationship with a prisoner that is characterised by trust, such as a doctor, medical researcher, social worker, psychologist, drug and alcohol counsellor or any other health worker, legal practitioner or member of the clergy. It is vital that the confidentiality of those relationships is maintained in order that those people can effectively carry out their duties when working with prisoners.

Should the bill pass without amendment, prisoners will be aware that the counsellor or doctor whom they trust may, in fact, be an officer of the SISG who is compiling information about their

activities. Prisoners may then decide to keep their drug or sexual activity secret for fear of information being used against them. The consequent risk would be a potential increase in deaths by overdose and incidence of blood-borne and sexually transmitted diseases, which are already very high in New South Wales prisons.

The Minister has assured me that it is not the intention of the bill to empower SISG officers to assume identities as nurses or counsellors, but for them to obtain vehicle registrations in fictional company names. However, it is important that prisoners trust workers inside gaols. I had intended to move an amendment in Committee to ensure that prisoners can feel confident about the integrity of those providing medical, legal and counselling services inside gaols.

After negotiating with the Minister for Corrective Services, Mr Debus, and the shadow minister for corrective services, Mr Hazzard, we have come to an agreement that the amendment I proposed will, instead, be incorporated in a new bill soon to be introduced in Parliament. That bill will protect the integrity of human service professionals working in prisons. Therefore, I will support this bill, which the Minister for Corrective Services has stated will not be proclaimed until the new bill restricting the types of assumed identities available to officers of the Department of Corrective Services is also proclaimed.

I thank the Minister and his staff for their work on this matter and for the genuine manner in which they conducted discussions with my staff. I also thank the Minister and Mr Hazzard for their demonstrated concern for the welfare of prisoners. Mr Hazzard co-operated very effectively with me and my staff in this matter. That process shows the benefit of co-operation between the various sides of politics, and the positive outcomes that can be achieved. I also welcome the Government's recent appointment of the first Inspector General of Corrective Services. I hope that the Inspector General will ensure that there are appropriate ethical practices within corrective services facilities. I support the bill.

The Hon. Dr A. CHESTERFIELD-EVANS [9.55 p.m.]: I support this bill. I am always very concerned about bills that increase police powers to conduct various undercover surveillance operations, particularly in relation to drugs in prisons. Given the rapidly rising prison population, the huge cost of building and maintaining prisons, the social harm that we reap from that poorly invested money, the management of the dispossessed in our society due

to global capital and technological forces, and the rise of drugs through prohibitive policies in the prison area, it is obvious that we have failed to learn the lessons of Australia's history.

Such policies did not work with convicts when the industrial revolution swept through Britain more than two centuries ago, and it is not working now. If honourable members assume that prison is not the way to treat offenders with drug problems and those in poverty, it seems odd that they now say that this bill provides a great and better way to control the drug problem in prison, which from all accounts is worse inside prisons than outside them, although I am not and do not pretend to be an expert on what happens in prisons.

The high incidence of hepatitis C in prisons suggests that there is still a lot of needle use in prisons. Prisoners sharing needles are incubators of, and provide a transition mechanism for, diseases that are harmful to prisoners and to society in general. It is worrying that by supporting a bill one may be seen to be strengthening the framework which that bills supports. In fact, I would not want to be seen to be supporting an approach to the drug problem and society's problems that this bill assumes as part of its very nature.

Justice Action is a new group that is trying to get a better deal for prisoners and trying to get society to see the error of its ways in the way it uses prisons as a blunt and ineffective instrument of social change. It is interesting that in its press release dated 11 October Justice Action said:

The Department of Corrective Services should not be granted powers which can be so easily and catastrophically abused and restrictions should be placed on undercover activities by any body, State or Federal, which have the ability to compromise faith in professional confidentiality.

At that stage the group was concerned that the identity that could be assumed was that of priests, counsellors, doctors and other health professionals who were "the tiny observation window society now has on activities in the prison system". Those issues have been addressed as a result of co-operation by the Minister for Corrective Services, the Hon. A. G. Corbett and some others so that the identities that may be assumed are somewhat limited.

Certainly if undercover groups are going to go into prisons they should do so in a regulatory rather than an unregulated framework. I support this bill although I really do not support its framework at a more global level. This bill amends the Law Enforcement and National Security (Assumed Identities) Act 1998. It appears that the Government

neglected to include the Department of Corrective Services, the Independent Commission Against Corruption, the Australian Security Intelligence Organisation, the Australian Federal Police and the New South Wales Police Service in the Act.

The State Investigative and Security Group [SISG] falls within the Department of Corrective Services. Its job description seems a little rubbery. The Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development—who delivered the second reading speech in another place—seemed to be saying that SISG's main job was to tackle the problem of drug trafficking in prison.

During the Address-in-Reply debate the Minister for Corrective Services added that the SISG undertakes surveillance of inmates who are on work release or day leave. Its tasks, therefore, are unclear. It is always worrying when a measure that is passed to deal with one problem is used for another purpose. The 1997-98 annual report of the New South Wales Department of Corrective Services stated that the SISG conducted 27 large-scale visitor interdiction operations that yielded various drugs and drug-taking implements as well as 36 large-scale drug interdiction operations involving inmates. That is the only information in the annual report about the SISG, and there are few details.

The SISG also investigates corrupt conduct by other Corrective Services staff. The trafficking of drugs in gaols is sometimes a two-way street, and it is obviously easier to get drugs into prisons if a Corrective Services staff member is involved. The problem with the SISG using assumed identities is that a number of the people who have relationships with prisoners, such as social workers, drug and alcohol workers or clergy, are bound by confidentiality provisions. If the confidentiality of those relationships is compromised, the rehabilitation of prisoners will be slowed.

Prisoners, particularly those who are drug-addicted, are distrustful of most people at the best of times. If they are not able to trust the people supposedly working to help them, they will not be able to address the problems that they need to overcome. This is a particular problem with injecting drug users, as there is always the problem of the outbreak of blood-borne diseases such as HIV, AIDS and hepatitis C.

The high rate of infection in prisons was identified in the report of the Standing Committee on Social Issues inquiry into hepatitis C entitled "The Hidden Epidemic" and an earlier report by the Corrections Health Service entitled "Inmate Health Survey", which was released in November 1997.

The amendment proposed by the Hon. R. S. L. Jones is unnecessary as I understand that the appointment of the inspector general has already occurred. The inspector general will act as an ombudsman in the Department of Corrective Services, and will oversee all correctional centres, investigate and make recommendations on administrative matters and conduct inquiries into other major problems in the correctional system.

The Government made an election commitment in 1995 to appoint an inspector general as recommended by the Nagle royal commission in 1978 and later by the Wood royal commission. The Coalition in the other place made much of the fact that no appointment had been made by the time of the Wood recommendation. The Minister has said that appointment action has been put in train, and that is encouraging. The success of the position of inspector general will depend on the calibre of the person appointed and whether that person can gain the support of the department in performing the role of an ombudsman.

Internal investigative bodies always have difficulties, as the police internal affairs branch has found in the past. The question is whether the inspector general, working inside Corrective Services, can be sufficiently independent to be effective in the job. If the inspector general does the job well, it will be a good thing. However, if the position is used to cover up wrongdoing in Corrective Services, the Ombudsman would be a more effective investigative body.

I am pleased that the Hon. A. G. Corbett and the Minister have reached agreement on what identities can and cannot be used. Having been given that assurance by the Minister and assuming the appointment of the inspector general, I support the bill, though I do not think that prisons are the answer to society's problems or its drug problems.

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [10.03 p.m.], in reply: I thank honourable members for their support for the bill, which I commend to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

SPECIAL ADJOURNMENT

Motion by the Hon. M. R. Egan agreed to:

That this House at its rising today do adjourn until Thursday 11 November 1999 at 10.57 a.m.

ADJOURNMENT

The Hon. CARMEL TEBBUTT (Minister for Juvenile Justice, Minister Assisting the Premier on Youth, and Minister Assisting the Minister for the Environment) [10.07 p.m.]: I move:

That this House do now adjourn.

WESTERN DIVISION DROUGHT ASSISTANCE

The Hon. R. T. M. BULL (Deputy Leader of the Opposition [10.07 p.m.]: Honourable members may not be aware of the difficulties that some farmers in the Western Division are experiencing as a result of the serious drought that has beset the region over a number of years. The drought and the low wool prices of the past two years have affected their viability and livelihood. Falling wool prices and negative profitability have caused a number of farmers to reconsider their position on the land. However, they have nowhere to go and property values are diminishing as wool prices decrease and drought conditions persist.

The Government's lack of response, especially with drought assistance through the transportation of fodder or stock to agistment, has compounded the problem. Farmers in the Western Division are not able to grow fodder on their properties and in most instances have no alternative but to move stock off the land, which is the main Landcare consideration. The sooner stock are moved from drought-affected properties the sooner the land will recover following rain.

But farmers in a number of areas are suffering from other government action or inaction with regard to workers compensation insurance rates. They are frustrated by the kangaroo culling program and the inability to cull kangaroos for skins only; they suffer interference from the National Parks and Wildlife Service; and they cannot fulfil third party insurance commitments on the unregistered vehicles they use on their vast properties. The imposition of government fees and charges, especially those of the State Government, is unfortunately the straw that has broken the camel's back.

I urge the Government to assist farmers over this difficult period. A good start would be for the local member, Mr Black, who purports to represent these people, to show some interest. Broken Hill has not escaped the difficulties, because the Government has failed to provide funding for the Living Desert Nature Reserve. The Government has been asked to

provide assistance to enhance the nature reserve, which would be a great tourism icon in the area, but assistance has not been forthcoming.

The Federal Government provided financial assistance for the whole area to be fenced, but requests for assistance from the State Government have fallen on deaf ears. The nature reserve will be a great tourist attraction with its Aboriginal sites, flora and fauna, and a number of other distinct and valuable features of the outback. Broken Hill needs jobs. Industry in Broken Hill has many splendid things to show the rest of the world and, indeed, Australia. All it needs is some assistance from a caring government and local member.

Unfortunately, the Australian Labor Party has represented the area for so long that its people are being taken for granted; it is not interested in doing anything positive for the area. The region will be better off as soon as the local member and the Government realise that Broken Hill needs support and attention, and as soon as they realise that some areas of New South Wales are more important than the Olympic Games and the greater Sydney region.

UNITY

The Hon. Dr P. WONG [10.12 p.m.]: I place on the record the principles of Unity and the circumstances surrounding my election to this House to resolve any misunderstanding that may have been created by the twisted and almost psychotic, misleading allegations made against me in this House this afternoon. Unity was formed to support multiculturalism and the principles of social justice. It believes firmly in Aboriginal reconciliation. It stated clearly in its policies that it is not a left- or right-wing political party.

Unity believes in the integrity of the political system and, for that matter, the integrity of politicians. That includes those who aspire to be parliamentarians or those who lobby politicians to achieve a desired outcome for their communities. I have been in the community welfare arena for more than 30 years. My reputation in the ethnic community and, indeed, in the mainstream community is beyond question. I am by no means perfect but I have tried my best to be honest.

The speech of the Hon. H. S. Tsang this afternoon alarmed me. It was full of hatred and untruths, and was an insult to my credibility. It showed that the honourable member has an incredible lack of political skill and understanding of the political system and, indeed, Labor Party

working mechanisms. The complexity of the existing voting and preference system obviously confused the Hon. H. S. Tsang, and, it seems, the Hon. Jan Burnswoods. That is why I supported the reforms of our electoral system that were proposed by the Government.

Apart from promoting and maintaining cultural diversity in this country, Unity wants to be the political voice of people from multicultural backgrounds and the underprivileged. Just before the Federal election I founded Unity with the help of many friends. The primary goal of Unity is to turn the tide of racism and intolerance. It was also keen to assist the Labor Party during the Federal election, partly in response to Prime Minister John Howard's inaction to resist the simplistic and divisive politics of One Nation.

Unity raised more than \$350,000 during the Federal election and campaigned in more than 90 seats across Australia in support of the Labor Party, knowing that Unity had no chance of winning a seat. We kept to our side of the agreement. Sadly, in certain seats, Labor did not keep to its side of the agreement. Indeed, in one seat Labor placed Unity behind the Liberal Party.

During the State election campaign, through the urging of a good friend who is a member of this House, Unity again decided to support the Labor Party in the upper House instead of the Coalition in the lower House. Unity reached agreement with the Labor Party that in two seats, Ryde and Kogarah, it would not give preferences to any major party, partly out of respect for Michael Photios and Marie Ficarra, whom we believe have done excellent work for the ethnic community. That promise was kept.

A few weeks before the State election the Hon. H. S. Tsang called a press conference, the topic of which was the collapse of Unity. The honourable member made all kinds of allegations, including an allegation that the vice-president of Unity had resigned. That assertion was totally untrue. Subsequently the Labor Party, on behalf of the honourable member, issued a public, unreserved apology to Unity.

To this day the Hon. H. S. Tsang has not said sorry. That in itself speaks volumes for the integrity of the honourable member. Some members of this House might have seen the letter of apology from the Labor Party, which Unity accepted. In turn, the Labor Party assured us that it would educate the Hon. H. S. Tsang from now on. Finally, I should like to read a statement made by the Unity candidate in the Ryde electorate at the last election—

The Hon P. T. Primrose: Point of order: I am loath to take points of order during the adjournment debate. However, in terms of the standing orders and the traditions of the House, if a member wishes to cast aspersions on another member, as the Hon. Dr P. Wong is doing, he should do so by way of substantive motion. While the Hon. Dr P. Wong can raise general issues, it is inappropriate for him to attack another member by name during the adjournment debate rather than by way of substantive motion.

The Hon. Dr P. WONG: To the point of order: I should like to read a statement by Mr George Gao—

The DEPUTY-PRESIDENT (The Hon. A. B. Kelly): Order! Is the honourable member speaking to the point of order?

The Hon. Dr P. WONG: Yes. The advice I received led me to believe that it is normal practice for members to make personal statements during the adjournment debate and that is what I am doing.

The DEPUTY-PRESIDENT: Order! I uphold the point of order. If the member wishes to cast aspersions on another member, he should do so by way of substantive motion.

BONALBO RSL SUB-BRANCH ANNUAL LUNCHEON

The Hon. JANELLE SAFFIN [10.17 p.m.]: Recently I attended a function at the Bonalbo RSL sub-branch. Each year the RSL club hosts a luncheon for members of the community, at which there are guest speakers. Major Steve McCrohon, Officer of the Commanding Battle Wing of the Army Promotion Training Centre at Canungra in Queensland, and I were the guest speakers. My mother accompanied me to the function. Host of the luncheon was the President of the RSL, Tom Hale, a World War II veteran and an ex-prisoner of war. He was a member of Sparrow Force, 8 Division, and was in East Timor at the time of his capture.

Also in attendance was Bob Ralston, the senior vice-president of the Bonalbo sub-branch. Bob is also a World War II veteran and an ex-prisoner of war. He served with the 2/20 Infantry Battalion, 8 Division. He was a prisoner of war imprisoned in Thailand and Singapore, and was in Saigon at the time of the surrender of the Allies in the region. During 3½ years as a prisoner Bob slaved at the infamous Hellfire Pass.

Elsie Hale was there as President of the Sub-branch Women's Auxiliary. Jean Ralston, Vice-

President of the Sub-branch Women's Auxiliary, and Ethel Short, Treasurer of the Sub-branch Women's Auxiliary, were also present. Glen Haggarty was also there. The sub-branch membership stands at 35, which is significant given the population of Bonalbo. The bulk of the members are of World War II vintage, but a number of members have seen service in South Vietnam. A couple served in Malaya and one served in Korea.

Many residents of the Bonalbo area were troopers in the 15th Light Horse. Glen Haggarty received a certificate for 50 years of service. He was very proud of the certificate and wanted to show it off; 50 years of service to any organisation is something to be proud of. Other guests included Councillor Ernie Bennett and his wife, June. I congratulate Ernie on now being President of the Northern Rivers Regional Organisation of Councils, NOROC. He is a former mayor of Kyogle. Councillor Lindsay Passfield and Ann Passfield were also present. Reverend Ann Van Gent said grace. Senior Casino-based Salvation Army officers were also present.

Members of the Bonalbo business community were also there. They are very supportive of the local community. Many business communities in small towns do not do it easy, yet when they are called upon to donate their time and goods, particularly for charitable purposes, they always deliver. As I said, Major Steve McCrohon and I were the guest speakers. Major McCrohon was accompanied by Wing Sergeant Major Warrant Officer Class 2 Kieron O'Brien and Mark St George. I did not find out his title. He talked about Canungra and the training of overseas soldiers. He said that they were training people for East Timor.

There were many toasts. Obviously, as it was an RSL function, the first toast was to the Queen. There were toasts to the fallen, the RSL, visitors and guests, the ladies auxiliary and our soldiers currently serving in East Timor. I was there to talk about country issues and I mentioned that I am Vice-President of Country Labor. [*Time expired.*]

BARRABA CENTRAL SCHOOL PHOTOVOLTAIC POWER SYSTEM

The Hon. JENNIFER GARDINER [10.22 p.m.]: Last Friday I had the pleasure of handing to the Barraba Central School the keys to the school's new grid-connected photovoltaic power system, making it the first school in Australia to have such a system. This was very much a community project. It brings to Barraba Central School security for its power supply, protecting

computers and other operations from power failure and providing educational opportunities for its students. It exposes them to a wider curriculum relating to the generation of alternative energy. There will also be environmental benefits because the system will cut approximately four tonnes of greenhouse gas emissions each year.

The Barraba community got behind this project. Unemployed members of the community, retirees and other interested individuals and local businesses were involved in seeing the project to fruition. In addressing those attending the handover of the system, I drew attention to key elements in the communique of the Regional Australia Summit—an initiative of the Federal Leader of the National Party, the Hon. John Anderson—issued the previous week. The communique stressed the importance of local leadership, something with which Barraba is well endowed, having a very go-ahead, caring, and down-to-earth mayor in Councillor Shirley Close.

The communique also stressed the need to develop new partnerships between education institutions, individuals and businesses in country communities so that they may best meet the challenges of changing times. This project was a very good example of the benefits of such projects. The communique pointed out that rural and regional communities must invest in their youth. Again, the Barraba project, involving as it did the Barraba Central School, was spot on in pre-empting the thinking of the hundreds of impressive delegates to the Regional Australia Summit.

Another element of the communique referred to the need for a careful eye to be kept out for the physical environment in rural and regional parts of our country. Again, the Barraba project fits neatly in with that important need. Given that the project is a first for any school in Australia, any reasonable person would think that agencies such as the New South Wales education department and the Sustainable Energy Development Authority would be interested enough to respond to invitations to attend the handover of this remarkable project. Sadly, I have to advise the House that no-one in the Carr Labor Government from the Premier down would accept the kind invitation of the mayor of Barraba shire to officiate at the opening.

The Premier would not go to Barraba, the Minister for Education and Training would not go to Barraba, the Minister for Energy would not go to Barraba and the Minister for Information Technology would not go to Barraba. In fact, the education department, apparently because of

industrial turmoil, could not even arrange for a public servant to travel from Tamworth—or anywhere else in the State for that matter—to attend this important event in the history of Barraba and its central school. We all understand that Ministers of the Crown have very demanding schedules and they cannot always attend functions such as the one at Barraba. However, a government is usually sufficiently well organised and sufficiently interested in public affairs to arrange to be properly represented at such functions.

This was not the case at Barraba. I was pleased to step in and do the honours at the handover because of my interest in rural and regional development and the National Party's great interest in rural and regional development, and its great history in caring for small towns and encouraging them in pioneering projects. Country Labor was conspicuous by its absence. So much did I enjoy filling in for the absent Carr Labor Government that I returned to Barraba the next day to participate in the opening of the town's new and long awaited water treatment plant and to see the many people who had come to town to enjoy the local festival. Again, no Minister turned up to officiate at the opening of this basic and massively important infrastructure, the new water treatment plant.

Barraba is a town on the move and one which all members of this house should visit at some stage as it is a good example of how a town which is away from a highway can successfully adapt to the challenges facing many smaller country towns. My only regret is that the students did not get any afternoon tea. If I am invited back to Barraba Central School I would like to rectify that gap in the proceedings.

ENVIRONMENTAL TRUST FUND

The Hon. R. S. L. JONES [10.27 p.m.]: In December 1995 the forestry industry structural package was introduced to provide assistance to displaced workers and businesses affected by reductions in resource availability as a result of the regional forest assessment process and the resultant restructure of the native forest industry. The regional forest assessment process and resultant restructure of the native forest industry were initially expected to take five years. The Act consequently limited the payments for that purpose to 30 June 2000 and the total payments to \$60 million.

In 1998 the Government extended the period for which the trust funds could be used to reimburse the Consolidated Fund for forest industry

restructuring to 30 June 2001 on the grounds that "getting the right balance between conservation interests and productive interest in the forests" was "complex" and "required intense scientific review and consultation with stakeholders" that "takes considerable time". While the need to extend the deadline for payments was recognised and supported by both the Opposition and crossbench members of the House, at the time concerns were raised about how the further moneys would be spent and the level of transparency and public accountability that such expenditure would be subject to.

For example, the Opposition wanted to ensure that "the funds . . . would not only pay for redundancies but also for investment in job creation", while the Greens pressed the need for "the people of New South Wales" to be "clearly aware where the money from the trusts goes". The Greens also pressed upon the Government the "need to be doing what the trusts were set up to do". It appears now that those concerns were extremely well founded.

The Government stated that the Environmental Protection Authority has indicated that the Environmental Trust Fund has the capacity to support the minimal annual programs for important environmental initiatives prescribed in the Environmental Trust Act 1998 even with the increase of \$20 million passed by the House the other night. Is that really good enough?

The environmental trusts were set up to promote environmental education and research and the restoration and rehabilitation of the environment, not forestry restructuring. Admittedly, the Government redirected the trusts' funds towards obtaining land for new national parks and related conservation strategies, forest industry restructuring and additional environmental protection and nature conservation schemes in 1995, but that redirection was meant to be for only a limited period.

The environmental trusts were never intended to provide the Government with a never-ending source of funds to raid to prop up the Consolidated Fund. The moneys in the trusts are not and never have been from general taxation revenue. They have always been derived from revenues, fines, charges or levies from non-government sources, from the private sector. Nor were they ever intended to provide a minimum source of funding for programs for important environmental initiatives. Therefore, we should not be called upon to agree to continuously allow the trusts to be distorted and plundered in this way. Forestry restructuring should be funded from consolidated revenue.

The New South Wales Regional Forestry Agreement, brokered by the Labor Government, has already cost the fund, and therefore the environment, some \$60 million. Meanwhile, the Queensland Labor Government has managed to broker a landmark regional forestry agreement—which has won ringing endorsements from the timber industry, conservationists and timber workers unions—that will phase out all logging in Queensland State forests by 2025 and boost the areas of the forest reserves in that State by almost half a million hectares for a mere \$80 million. The Queensland Government can also apparently manage to go it alone and fund their entire agreement, whether or not it qualifies as a Federal regional forestry agreement and attracts Commonwealth funding.

The Regional Forestry Agreement, which was brokered by this Government, ratified by the Federal Government and attained dollar-for-dollar funding from the Commonwealth, on the other hand, has been hailed as useless by conservationists and charged with ignoring the public's demand that our old growth forests be genuinely protected and that clear felling and wood chipping be stopped. While the Government would, of course, argue that this is not the case, the National Parks Association of New South Wales has challenged any politician, member of the public or press to call its bluff and go with it into an area at the heart of endangered koala habitat, in the south-east forest around Eden, to see for themselves the intensive woodchip operations that are taking place there.

Make no mistake: Appallingly intensive logging and clear felling is continuing in the south-east forests around Eden. How could it not, when our Regional Forestry Agreement guarantees a long-term continuing supply of woodchips to the Eden Woodchip Mill of Harris Daishowa, of nearly 350,000 tonnes per annum, from the Eden region? What sort of value for money, therefore, have the people of New South Wales got for their \$60 million? And what sort of value for money can they expect to get from the extra \$20 million provided for in the bill that this House passed yesterday?

It is time that we knew the answers to those questions. It is also time that the Government recognised the shortcomings of its forest agreements and personally consulted with stakeholders about developing real solutions, not political compromises, for the protection of our forests and growth of the timber industry.

The future of the wonderful forests of the South Coast, which are currently being assessed

under the Regional Forestry Assessment process, depends on it. Without such action those forests may also end up as a long-term source of woodchips for the Daishowa mill, which is already receiving between 60,000 and 70,000 tonnes per annum from the South Coast.

BATHURST AND GOULBURN RAILWAY WORKSHOPS

The Hon. P. T. PRIMROSE [10.32 p.m.]: The media recently reported the unanimous decision of the New South Wales State Parliamentary Labor Party to make an unequivocal commitment to supporting jobs in regional and country New South Wales. I am very proud of that decision, and am particularly proud of the decision of the State Parliamentary Labor Party to specifically recognise that Rail Services Australia [RSA] workshops in Bathurst and Goulburn play a critical role in their respective communities, and called upon the Minister to continue to work with Country Labor and the unions to secure an opportunity that would ensure long-term and sustainable employment at these Rail Services Australia workshops.

There are approximately 40 people employed at the Bathurst RSA workshop and 65 people employed at the Goulburn RSA workshop. Of these, approximately 30 people at Bathurst are members of the Australian Manufacturing Workers Union [AMWU] and 54 people at the Goulburn workshop are AMWU members. A number of other unions are involved at the sites, in particular the Rail, Bus and Tram Union. The people are employed in engineering associated with the maintenance of wagon rolling stock for the RSA. They are tradespeople, such as fitters, boilermakers and trades assistants. A small number of non-tradespeople are also employed in the administration and management of the workshops.

The workshops were last modernised in 1982 and have very modern engineering facilities by today's standards. A downturn in the workload for both Bathurst and Goulburn, however, has been recognisable over the past 12 months. The State Parliamentary Labor Party has recognised that this needs to be remedied. The AMWU has repeatedly raised with RSA management at joint consultative committee meetings the need to be more aggressive in seeking out work for the two workshops. Particularly at Goulburn the response from management has been that it is a shrinking market and that there is no work available. The most common expression by management, I understand, is that the workshops may just "bleed to death".

In addition, I am advised that on Friday 5 November the general manager of workshops, Mr Michael Peter, informed delegates at the regular divisional consultative committee that a proposed joint venture with the French company Alstom, which will supposedly deliver work to a number of other workshops in metropolitan Sydney, will explicitly exclude Goulburn and Bathurst from tendering for maintenance of rolling stock. It is believed by a number of workers on the sites that a condition of the Alstom contract is that there should be no competitive tendering against Alstom.

The RSA itself owns approximately 900 of its own rolling stock, which is used for general line maintenance. The workers believe that if it were not for the conditions of the Alstom contract, which, it is suggested, exclude competitive tendering by Bathurst and Goulburn, there would be no reason whatsoever why Bathurst and Goulburn could not tender for the ongoing maintenance work of the RSA's own rolling stock.

Both Bathurst and Goulburn have very high unemployment rates, and the opportunity for skilled engineering tradespeople to find alternative sources of employment is extremely rare. Bathurst and Goulburn provide modern facilities with a skilled and committed work force in an area of high unemployment. Given the decision of the State Parliamentary Labor Party, I look forward, together with other members of the AMWU, to the State Government's actions to ensure that the Bathurst and Goulburn workshops can compete on a level playing field.

UNIVERSITY OF WESTERN SYDNEY STUDENT PROTEST

Ms LEE RHIANNON [10.36 p.m.]: During an adjournment speech I delivered on 27 October I informed the House about the actions of students of the University of Western Sydney Macarthur Bankstown campus. At that time a number of members of the Opposition interjected to suggest that I was trying to incite revolution by talking about class war. I would like to inform the House that after 15 days of occupation—it is regarded as the longest student occupation in Australia since the Vietnam War—the students at that campus have been successful in the majority of their demands. They have issued a public statement through the Vice-Chancellor, David Barr.

The students have secured a range of demands, including 24-hour computer access to increased on-campus security, women security guards, an assurance that library fines will not be imposed, and free printing services. I hope that other members of the House will join with me in congratulating the students on their victory, which sends a message to campuses across Australia that by having such strong protests students are able to secure their demands.

[Time for debate expired.]

Motion agreed to.

**House adjourned at 10.37 p.m. until
Thursday 11 November 1999 at 10.57 a.m.**
