

LEGISLATIVE COUNCIL

Thursday 23 November 2000

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

The President offered the Prayers.

LEGAL AID COMMISSION AMENDMENT BILL

TRANSPORT ADMINISTRATION AMENDMENT (RAIL MANAGEMENT) BILL

Bills received.

Leave granted for procedural matters to be dealt with on one motion without formality.

Motion by the Hon. J. J. Della Bosca agreed to:

That the bills be read a first time and printed, that standing orders be suspended on contingent notice for the remaining stages and that the second reading of the bills set down as orders of the day for a later hour of the sitting.

Bills read a first time.

LEAVE OF ABSENCE

Motion by the Hon. J. J. Della Bosca agreed to:

That leave of absence be granted to the Hon. Carmel Tebbutt, Minister for Juvenile Justice, Minister Assisting the Premier on Youth, and Minister Assisting the Minister for the Environment from 14 November 2000 for the remainder of the year.

TABLING OF PAPERS

The Hon. E. M. Obeid tabled the following papers:

Annual report of Tourism New South Wales, year ended 30 June 2000
Annual report of SAS Trustee Corporation, year ended 30 June 2000
Statement of corporate intent of Newcastle Port Corporation, year ending 30 June 2001
Statement of corporate intent of Sydney Ports Corporation, year ending 30 June 2001

Ordered to be printed.

FREIGHTCORP PRIVATISATION

Return to Order

The Clerk tabled, in accordance with the resolution of the House of Thursday 16 November 2000, documents relating to the privatisation of FreightCorp, received by him on Wednesday 22 November 2000 from the Director-General of the Premier's Department and referred to in paragraph (1) of the resolution, together with an indexed list of the documents provided. The Clerk advised that, in accordance with the resolution of the House, the documents are available for inspection by members of the Legislative Council only.

Ordered to be printed.

PETITION

Windsor Women's Prison Select Committee Recommendation

Petition praying that the proposed women's prison at Windsor be abandoned and that the alternative punishment suggested in the interim report of the Select Committee on the Increase in Prisoner Population be acted upon immediately, received from the **Hon. R. S. L. Jones**.

WATER MANAGEMENT BILL**Second Reading**

Debate resumed from 22 November.

The Hon. Dr A. CHESTERFIELD-EVANS [11.10 a.m.]: The Water Management Bill is one of the most important bills that this House will ever consider. This bill is intended to provide for the protection, conservation and ecologically sustainable development of water resources in New South Wales. Water is the key to life and the decisions we make will affect the pattern of the use of water in New South Wales and, in turn, that will determine the productivity of the land forever. Civilisations have risen and fallen according to their agriculture, and many areas that were previously fertile have become deserts. Australia, with a population of 20 million, is currently feeding about 80 million people and with globalisation there will be huge population movements. It is noted that there are already pressures to have population movements.

The transition of people, money and resources across international boundaries has been facilitated and its implications on natural sovereignty, world resource development and the uncontrolled growth of the human population in relation to the finite resources of the planet and other species is a continuing problem. Western thought—coming from Greek times and embodied in our legal system and in many of the deliberations of this House—is that there is an immense responsibility on the individual. We are concerned about an individual's rights, potential and comfort, but if we stand back and look at the planet, while every individual is important, collectively there are too many people and the number is growing too fast. Collectively it would be much better if there were fewer people and a lot more respect for the environment.

The Hon. J. R. Johnson: What a load of rubbish!

The Hon. Dr A. CHESTERFIELD-EVANS: I acknowledge the interjection of the Hon. J. R. Johnson, who should be hung on the stupidity of his own words. I would like that interjection recorded in *Hansard* because that is the sort of mindless stupidity and criticism that drags down this House and stops us from even thinking about problems. The emphasis on the individual without considering the overall long-term picture of the world is a great danger. This House must go beyond simply thinking about the individual and should have a global perspective, which is far more difficult to think about. Many of the problems we face—this bill deals with one example—arise when an individual's right, the legal system and economic pressures are against what the world and the State need in the long-term.

The Hon. D. F. Moppett: Are you proposing a new world order?

The Hon. Dr A. CHESTERFIELD-EVANS: Parliament would have great difficulty addressing that. We will have even more difficulty if we simply go down the road of ridicule and absurdity, as suggested by the interjection of the Hon. D. F. Moppett. It is very difficult to have solutions when the problems are not acknowledged and discussed. That is the kind of anti-intellectual stupidity that ill behoves people who presume to lead this House and this State. However, unfortunately it is almost standard in debates in this Chamber. The individual has to be looked after but we have to look also at the bigger picture and the long-term picture.

This bill is long on rhetoric, has extremely worthy practical manifestations, but falls short of its aim. The amendments suggested by the Government have yielded already even further to vested interests against the interests of the State in terms of the ecologically sustainable long-term future of maintaining arable land as opposed to turning it into desert by a gradual process of unsustainable practices. The bill will repeal several Acts that currently deal with the management of water in our State, including the Water Act 1912, the Irrigation Act 1912, the Water Administration Act 1986, the Water Supply Authorities Act 1987 and the Irrigation Corporations Act 1994. The bill will provide for the transition of existing arrangements from water licences to the new regime. The objects of the bill are:

- (b) to protect, enhance and restore water resources, their associated ecosystems, ecological processes and biological diversity and their water quality and,
- (c) to recognise and foster the significant social and economic benefits to the State that result from the sustainable and efficient use of water ...
- (d) to recognise the role of the community, as a partner with government, in resolving issues relating to the management of water resources,
- (e) to provide for the orderly, efficient and equitable sharing of water from water resources, ...

The current Water Act 1912 is nearly one century old. It was drafted at a time in our history when the concept of environmental sustainability was non-existent, nation building at all costs was the motto of the day and the development of a viable agricultural and horticultural industry in New South Wales was dependent on the availability of water for irrigation and to meet the needs of towns and regional centres throughout our State. The level of scientific knowledge and understanding of our native ecosystems and the realisation of just how fragile habitats are in this ancient continent have gradually come to light since the 1960s, when we gained awareness of it. As colonisers of this continent, Australians of European extraction still have a lot to learn about how the native vegetation, wildlife rivers and oceans operate. If political leaders of that time had known what we know today, problems such as dryland salinity, algal blooms in inland rivers, water quality degradation and acid sulfate soils could have been prevented.

Public policy, especially relating to environmental matters, has the unfortunate habit of being very shortsighted. Many times I have debated legislation in this House that seemed insane from the point of view of the Australian Democrats. The proposed Gunnedah charcoal plant, the natural resources amendment bill, or as I like to call it, the burning-the-forests bill, and legislation on pesticides are fine example of legislation introduced for short-term political and economic interests. This bill is one small step towards rectifying the past but it still needs more work. To simply allow long leases with management plans worked out every ten years—which may not be implemented for some longer time if they get stuck in the courts, with the existing rights maintained until final determination, which could be in 15 years or more—may do far more harm than can be readily rectified by flowery words that do not impact on the decisions made.

The compensation packages that the State is locking itself into may mean that the State simply cannot afford to buy out water licences and thus, even though harm is being done, the processes put in train will make that result inevitable. That is the great danger of the bill. While it tries to address the issue, it is in fact hobbled, even in its initial conception and execution, by vested interests. The increasing value of water, and its recognition as being more valuable with time, may mean that all the laudable objectives of the bill cannot be implemented in practice. That, of course, would be a disaster for the ecology and ultimately the fertility of the State.

The Hon. D. F. Moppett: This is by about the year 10,000 AD, I suppose! What you are saying has just no foundation in reality.

The Hon. Dr A. CHESTERFIELD-EVANS: You have no idea of the timeframe, so you take a ridiculous time that you think is 10,000 years. But you do not have any quantification of the increased salination and timeframes in these global plans.

The Hon. D. F. Moppett: You are talking as if this is the first piece of legislation. All this is going on.

The Hon. Dr A. CHESTERFIELD-EVANS: Yes, the salination is going on.

The Hon. D. F. Moppett: No, the environmental assessments, and the reductions have taken place.

The Hon. Dr A. CHESTERFIELD-EVANS: To maintain the sustainability of State water resources, the principles of environmentally sustainable development and strategic water management plans, and community participation in the development of water management plans are factors that need to be incorporated into legislation to meet the needs of resource management in the twenty-first century.

I am sure that honourable members are aware that Australia is one of the driest continents on earth, second behind Antarctica. Water is a precious commodity. I am sure all honourable members would agree that to many rural communities west of the Great Dividing Range water is more precious than gold. It is west of the range where approximately 80 per cent of the State's water extraction and usage occurs, with irrigators being the largest users. However, 75 per cent of the State's average rainfall occurs on the more populated coastal areas of the State.

As I said, this is a very important piece of legislation. It attempts to address and balance the needs and demands of agricultural water users, urban dwellers, indigenous communities and the environment. But there are some aspects of the bill that the Democrats are very concerned about. Several members who spoke to the bill last night expressed their intention to move amendments. I also will move amendments to the bill. The *State of the Environment Report, Australia 1996* highlighted the present deficient state of monitoring and data collection in relation to water quality. It said:

Australia lacks basic data on water quality and catchment characteristics. Where they do exist, figures are often not collated nationally or are unavailable because of ownership. Information is often of poor quality, incomplete and not comparable between agencies, localities and over time.

That quote was from D. Smith's "Water in Australia: Resource and Management", Oxford University Press, 1998, page 259. In order to develop better scientific knowledge that will enable better management, I will move three groups of amendments. The first will seek to establish an independent expert panel to provide objective scientific social and economic policy advice to water management committees established under chapter 2, part 2, of the bill and to the Department of Land and Water Conservation.

The second group of amendments will seek to establish an independent auditor that will operate like a utilities regulator. The auditor will assess the content and implementation of management plans drawn up by the water management committees and by the Minister and will assess trading and license compliance and administrative processes. The third will seek to provide that a register of licences, approvals and transfers of licences be publicly accessible on the Internet.

It is extremely important that people be able to follow what is happening. That information should not be commercial-in-confidence, or only available from a few outlets to those who understand how a complicated system works. If we are to get any benefit from the market—and I think considerable caveats should be put on that proposition—the system needs to be open.

My amendments have been drafted in consultation with the Nature Conservation Council and the Total Environment Centre. I congratulate them on the work they have done on the bill overall and their recognition that ecologically sustainable development needs to have reality in the workings of the bill, not just in its laudable objectives. If the leases are too long, if the expertise is not legislated into the water management committees, if compensation levels are too high for any variation in water allocations, those laudable ecological objectives will be unattainable in practice. I think that is the great danger of this bill as a whole.

My amendments will seek to ensure benchmarking, and sustainability indicators will be based on the best science available and on expertise, so that solid and credible advice can be sourced from truly independent sources. The Australian Democrats are following the hard path in trying to strike a balance in public policy. My office has been in constant contact with two of the main peak interest groups who represent stakeholders with the greatest interest in this legislation: New South Wales Farmers and the Nature Conservation Council. Along with the Irrigators Council, we have consulted peak primary interest groups on this legislation.

In February I travelled to Wagga Wagga, Griffith, Leeton and Albury. I met with members of the Irrigators Council, rice growers and horticulturalists. I visited their properties, had morning tea and lunch with them, and listened to their concerns. I met with councillors from Wagga Wagga to discuss the effects of dryland salinity in urban areas. With Department of Land and Water Conservation staff, I visited farmers whose properties were affected by dryland salinity, and I looked at the strategies they had employed to combat this problem, which relates to the clearing of native vegetation. In Albury, I met with local conservationists and university academics about sustainable water management.

The Hon. D. F. Moppett: It is far too simplistic to say that the salinity in Wagga Wagga has to do with clearing native vegetation. It has to do with urban development in that situation. There is no general formula for salinity, or the genesis of it.

The Hon. Dr A. CHESTERFIELD-EVANS: Salinity is a serious matter, and I would just like to say that I am well aware of the majority of concerns held by all interested stakeholders in the Murrumbidgee Basin. In March, on my way from a meeting with dairy farmers in Kempsey, I met with oyster farmers in Port Macquarie who were concerned about acid sulfate run-off into the Manning River. The effect on water downstream of farming operations on the land is critical for oyster farmers. What one person does on the land and what effect that has on water downstream is a universal principle.

During my travels I saw first-hand the damage caused by previous water management practices to the environment and to communities. I saw also the impact that had on the sustainability of the agriculture industry. I believe that those practices will have an effect for years to come. I received a letter from the Gunnedah Environment Group, which is extremely concerned about the effect of cotton growing in its area. The letter states:

The Cotton Industry has caused irreversible environmental and social devastation in our region. Its voracious thirst for water has lowered our groundwater table to the extent that our natural terrestrial vegetation is dying and diversion banks on the floodplains have caused major impacts on neighbouring farm and shire infrastructure. Our cattle industry has suffered contamination to the extent that our overseas markets have been threatened and people now believe our once beautiful healthy district to be contaminated by chemicals. We have been told by real estate agents that potential outside buyers are not prepared to risk their families health by bringing them to the area.

GEG members and many others, have serious fears for the health of our families. Ill health attributed to chemical exposure has already brought personal tragedy to a number of our members. We have particular concerns for the children of the cotton growing regions. These children are being regularly exposed to chemicals that overseas research has long linked to serious and often fatal illnesses. Australian studies are now starting to confirm this.

Please help us by refusing to vote for amendments that do not treat all entitlement holders equally—regardless of size or current usage. A vote for re-allocation based on "History of Use" is a vote for the expansion of the Cotton Industry and the further devastation of our region and lives. "History of Use" penalises the very people who have conserved and protected our resources and rewards those who have received enormous personal gain for their exploitation. At the same time, it would also put the control of a very significant portion of our water resources in the hands of an industry that clearly has no consideration for others.

The responsible management of our water resources is vital to our survival and must not be put at risk by policies driven by economic rationalism and vested interests. We are all entitled to clean healthy food and water and a safe environment in which to live, basic civil rights to clean air and clean water.

Please ensure a clean safe and healthy environment for future generations. Communities need intergenerational equity. You can do this by only endorsing a bill that:

- Doesn't discriminate in favour of the Cotton Industry or large Water Users
- Encourages clean, healthy organic type agricultural industries
- Discourages chemically dependent environmentally destructive crops
- Does not allow the Cotton Industry to adversely impact on other agricultural industries, environmental or human health.

This is a plea by someone who is trying to implement other more conventional types of farming alongside the cotton industry, which is having an adverse effect on the environment. I wrote to the Gunnedah Environment Group and asked how the practices of the cotton industry had affected the aquifer, because an inexplicably large number of trees were dying and the bores and dams were drying up. Sometimes people conveniently do not want to know the explanation for things of this nature as they might be required to change their farming practices. The group wrote to me in the following terms:

The water table in Gunnedah which is on the same aquifer systems as my properties ... (6 klms North of Gunnedah) fell 4 to 5 metres. The Upper Namoi Valley underground water system which travels from Quirindi to Narrabri is broken up into 12 zones ... Zone 3, south east of Gunnedah to Breeza has gross over-allocation and excessive irrigation extraction, the decline in the water table has far exceeded the rate of recharge.

In the Upper Namoi Valley the DLWC—

that is, the Department of Land and Water Conservation—

has determined an over-allocation of 140%.

Figures are: Total allocation 276,000 megalitres

Sustainable Yield 115,000 megalitres

Maps and accurate information detailing the decline in the water tables in individual zones and highlighting those areas known as "hot spots" should be available from the Sydney Office of the DLWC.

The Gunnedah Environment Group is stating that if those who draw up a plan have imperfect knowledge and later their mistakes are realised, if the plan is in existence for 15 years, as has been suggested, and if those water rights persist, it could take many years before a redetermination is made. Everybody who has taken a matter to the Supreme Court would know that it could take five years of negotiation before a matter is finalised. So, effectively, unsustainable practices may be continued for years before problems such as these are rectified. The alternative is a horrendous taxpayer-funded compensation bill.

Unsustainable practices were not recognised initially due to a lack of expertise. However, those unsustainable practices, which were recognised later, have persisted for many years. Despite the excellent objectives in this bill, no action can be taken because of the time frame and the high compensation levels. While this bill supposedly provides for an orderly framework, effectively the Government is saying, "Let it rip." It gives me no joy to discuss the difficulties that people might experience if their water rights are taken away. However, that is necessary to protect the land. That is really what it is all about.

My office has received many letters from individuals and interest groups expressing concern about this bill. The Democrats are well aware of the significance of the legislation and the potential effects that it might

have. We will try to achieve what we believe to be the best outcome for the sustainability of our precious water resources and the best environmental, economic and social outcomes for the people of New South Wales. I hope that this bill does not end up like the Native Vegetation Act—an Act which both conservationists and land users have agreed is now unworkable.

The contents of this bill are interesting. Chapter 2, part 1, deals with water management principles, a State water management outcomes plan and water resource classification. Part 2 refers to the constitution and functions of the water management committees. Part 3 relates to the development of management plans and it outlines the provisions for water sharing, water use, drainage management, floodplain management, control activities and aquifer interference, environmental protection, procedures for making management plans, amendment of management plans by the Minister and regional environmental plans. Chapter 3 deals with water management implementation.

In part 1 basic land-holder rights are divided into domestic and stock rights, harvestable rights and native title rights. Part 2 deals with access licences and it establishes a register. In 1995 the Department of Land and Water Conservation published a survey of land-holder and community attitudes towards managing the water resources of New South Wales. An attitudinal-based survey was designed and distributed to 1,925 riparian land-holders. When asked about impediments to sustainable riverine management, the main impediments identified by riparian land-holders were economic and administrative in nature and they acknowledged a lack of understanding of riverine systems. The survey, which was conducted by the Department of Land and Water Conservation in December 1995, concluded:

Economic constraints and inadequate financial incentives impede the adoption of sustainable riverine practices. However, still the incentives to encourage sustainable water management are lacking in this bill.

An article in the *Environmental Planning Law Journal* of June 1996 entitled "Transferable Water Allocations—Property Right or Shimmering Mirage?" by Margaret Bond and David Farrier quotes the Environmental Defender's Office as arguing:

It is all very well to look at water and decide that wealth maximisation requires moving water to its highest value use, but this is essentially a one-dimensional view of water resources, focusing on the water alone as a resource that can be extracted without regard to its relationship with other elements of the environment. It ignores the complicated effects of water extraction on other aspects of the environment and ignores cumulative and long term effects which are not adequately taken into account by market or property based mechanisms.

That is a very significant and clear statement of the problem with this bill, which is, as often happens in this House, a careful juggling of vested interests rather than a scientifically based and prescient plan for the sustainability of the land which traditionally has been regarded in economic terms as an externality—in other words, virtually unquantified and not lobbied for in the sense that it is for the general good. It is in a sense like the Aborigines who sold the site of Melbourne to a man called Batman for a small number of beads and trinkets. It did not cross their minds that taking those trinkets meant that they would be excluded from all the land that was necessary for their lives and that they would then be shot if they tried to use the land the way they had previously.

They had no concept of money and no idea that they would be excluded because of the beads they were getting. In a sense, they saw the land as primary, and humans had to be integrated with all the other creatures on the land as part of a long-term and sustainable view. As I thought of this I was mindful of King Canute. Honourable members may recall that at low tide King Canute sat with all his courtiers in the tidal area. He said to the waters, "Cease. I command you to come no further." Of course, the tide came up and they all got wet. King Canute has been criticised in some accounts for being foolish and deluded about his own power. In fact, this is not true. Canute recognised that the tide would come in and he wanted to show his courtiers the limits of his power.

In this case the Government is doing quite the opposite. It is talking about economic rights and economic rationalism in a legalistic framework with the primacy of individual water and property rights, when the laws of science regarding salination and turning land into deserts by bad practice will have their way whatever Parliament decides. I feel we are rather more like the courtiers, who did not know the limits of their power and were not willing to grasp the nettle. Speaking of kings, perhaps we are like King Lear, the famous Shakespearean figure who gave away his kingdom but still wanted to be king. In the sense that these rights are being given away in the bill, if the State should want to buy them back to minimise harm, the compensation would make it too expensive.

The Hon. Jennifer Gardiner: On the other hand, we can say of this speech: worse, there is none!

The Hon. Dr A. CHESTERFIELD-EVANS: There have been a lot worse speeches than this. You have probably made some yourself. David Ingle Smith, writing in "Water in Australia: Resources and Management", from Oxford University Press, says:

A community workshop was held in early 1996 to discuss and formulate policy options for farmland catchment management in the Liverpool Plains. Discussion centred on policy instruments and barriers to their implementation, rather than on technical issues.

The major barriers to implementing best-management practices were seen as financial, ranging from the need for assistance from government, to the problem of commodity prices and farm viability. Other key barriers were lack of knowledge and experience, resistance to change (linked to lack of confidence in scientific advice), and the fear that government assistance would be tied to the imposition of costly and prescriptive regulation. Group discussions probed further into these barriers, making it possible to divide financial measures relating to land care into those with high or low community acceptance.

Those with high acceptance were:

- tax rebates—for example, for tree planting and soil-conservation works program
- subsidies—for example, for wetland preservation and fencing
- bank lending policies rewarding those undertaking conservation measures
- education for landholders (improve the declining provision of extension services)

There was low acceptance for:

- government regulations of all kinds—for example, controls on land use
- adjustment of council rates
- taxes for non-compliance or to recompense off-farm impacts
- new forms of property rights involving greater government control over land use
- land set-aside policies (that is, policies taking land out of agricultural production)

That is all understandable, but that is saying that these are factors mitigating against better practices and the implementation of scientific knowledge. Governments in Australia, as part of this trend to economic rationalism, are winding back traditional intervention roles in many spheres of contemporary Australian life. This House has many varying opinions about that, but what is a trend in government versus market may do immense harm to our natural resources. Trends that last for a decade or two may seem very significant to us but in the context of the progress of natural resources they are a mere aberration in the stream of time.

The bill complies with the requirements agreed to by the Council of Australian Governments [COAG] initiated in 1995 and, as such, has a touch of economic rationalist ideology. COAG's strategic water resources policy working group produced a report in 1994. Two key threads run through the recommendations. These relate to pricing mechanisms and the need to better balance water allocation between consumers and aquatic ecosystems. The report acknowledges the difficulty of allocating environmental flows and highlights this as a priority for future research. The article by David Ingle Smith continues:

The fifth meeting of COAG was held in Canberra in April 1995. This meeting supported the national competition reform package, and the heads of government signed agreements to implement the reforms. The reforms were far reaching and, in addition to the effects on the water industry ... covered a range of government services that included public housing, electricity, gas, and transport. The meeting essentially confirmed the recommendations of the Hilmer report.

Economic modelling indicated large national savings, and an integral part of the agreements between the States and Territories and the federal government was that the latter would make payments to the States and to local government in three instalments, termed "tranches". Such payments to individual states will be conditional on progress towards stated objectives. Payments for water have a longer lead-time than payments for other services (for instance, gas and electricity).

... In relation to water, the granting of this [first] tranche will be conditional on the states meeting the deadlines for review of regulations and for the establishment of competitive neutrality. The second tranche, 1999-2000 is dependent on "the effective implementation of all COAG agreements on the strategic framework for the efficient and sustainable reform of the Australian water industry" ... The final tranche, in 2001-02, requires the states to "have fully implemented and continue to fully observe, all COAG agreements with regard to electricity, gas, water and road transport" ...

In principle, these agreements appear to relate to local as well as to state government. In some states, and this applies especially to Queensland, water services have traditionally been supplied by local government authorities who own the infrastructure. Thus, the application of the COAG national competition policy will raise some major problems.

Effectively, all the COAG agreements are being implemented. I have read that onto the record as it is part of the mantra of economic rationalism, which assumes that if the money is fixed the resources will be fixed. When I was doing my time in hospitals it was said, "Fix the paperwork of the patients and the patients will be okay." I found that to be not quite true. I had to concentrate on the patients first, and hopefully the paperwork came right, because I could write great stuff and lose track. The worry is that that is what will happen in the concentration on ideology, competition and transferability.

The Australian Democrats do not support the provision for the effective privatisation of water, which is in chapter 3, division 4 of this bill, as we believe the power to use and control the flow of water must remain vested in the Crown if a global view of it becomes necessary. Water is a public good. It occurs naturally, and Government attempts to have rights to water on its own are absurd. Economic rationalists extol the virtues of market forces to determine efficiency. Now they want to apply this to water. Economic rationalism operates within the concept of a perfect market. Of course, the perfect market does not exist. There are always distortions and interference in the market, and this may become more obvious as time goes by and cumulative effects are noted.

This bill is an attempt to deal with a difficult problem. It has the right rhetoric regarding the environment, but it gives away a lot of the capacity for action. Water is life. One person's right is another person's dispossession. The future of the land should not be given away as a right. If the science that is currently relatively in its infancy shows that certain practices cumulatively are unsatisfactory and unsustainable, the Government may not be able to afford to buy back the rights. Perhaps calculations will show that there are three to five years of irrigating before the salt level makes the land infertile and uneconomic. Perhaps the owner will want to get those last few years before abandoning the farm. The State will not want desert, but it will not be able to afford to act as the problem will be widespread and there will be insufficient money.

What will we do then? This Parliament will have made the decisions, yield to vested interests and paint the State into a situation in which it does not have the power to keep control of our major resource—the land itself. Amendments are needed to address this, and there are a number of amendments that will attempt to address it. The primacy of money is too absolute in philosophical terms in western society, and I think that is reflected in this bill. Some years ago I tried to stop tobacco advertising associated with the Melbourne grand prix. Sponsorship was clearly being used to avoid the restrictions on tobacco advertising so that the tobacco companies could spread the message about the wonderful product of tobacco—which kills about 50 or 60 people a day in Australia.

We went to the Supreme Court, and it was said that we would definitely be able to prove that companies were about to advertise against the law, but we did not have any standing. Why did a group that had existed for 25 years to fight the tobacco industry—it was the leading activist group in Australia—not have standing? We did not have standing because we did not have a financial stake. In other words, standing related only to money; it did not relate to any philosophical effect, historical effect or health effect. That says a lot about the priorities of the law, and that is a worry in terms of what may happen in the future. Arguing over water is a worldwide problem. When I visited Nevada as part of a political exchange tour in 1995 water was in extremely short supply and most of it was being used for high-intensity farming, such as rice, while downstream in the cities of California there was insufficient water for the cities to survive. The water was being used in a most cost-ineffective way. To some extent the introduction of market forces did improve water allocation.

I will not deny that some economic force can make for more rational water use. Interstate and intercountry, the politics of water have been important in North America, particularly between America and Mexico, and in the Middle East. I am not saying that the market has no place in water. It can get rid of some silliness but it is not an overall solution. If the market decides that a certain crop or product has a very high value during a transitory time then the water allocation will be purchased for it. However, that is a factor almost totally unrelated to the land's capacity. It is only an arbitrary crop at an arbitrary price using water in an arbitrary way without any relationship to the ecosystem which will be used to produce that crop and use that water. The complete disjunction of the engine driving behaviour from the reality in which the behaviour takes place, which is the ecosystem of New South Wales, is a worry.

It is interesting that cotton, which is generally acknowledged to be very damaging environmentally, is always preferable to hemp because it is a little softer. Hemp requires very little water. Indeed, the Hon. R. S. L. Jones has been greatly criticised in this House for advocating hemp. It makes one wonder whether it would be possible, with a little more research, to provide a soft hemp suit. Everyone hates hemp because some varieties of hemp can be used as a hallucinogen and a sedative. However, if hemp, which requires very little water, could

provide a softer cloth presumably this would enable Australia to produce a material for cloth without the ecological damage, and we would simply get used to using slightly tougher materials in our clothes. That would not be too great a hardship. Perhaps with the same amount of research that goes into less worthy causes a softer variety of hemp could be found. Opportunities such as this, which allow the market and its demands to be modified to fit into the ecological reality of the land on which crops are grown, would be a worthwhile step.

President Clinton was elected on the slogan "It's the economy, stupid". I believe that we need to have a slogan for what we do here, "It's the ecology, stupid", because in the end that will be the long-term determinant. North Africa is now desert. However, my understanding is that in Hannibal's time it was the breadbasket of the Roman Empire. Civilisation prospered in the fertile valleys in Mesopotamia between the Tigris and Euphrates rivers. Those areas are now desert. The reason for that is not recorded on the pots in the Nicholson Museum.

Who owned the water rights for the areas that are now desert? Whatever happened, those areas have not been maintained as fertile areas; they have lost their fertility. In the long term there is danger in desertification. This Parliament must retain the power to ensure that basic laws of the environment are not broken. I will not even say that those laws should be fully defined—for example, as to what can and cannot be done, how much is reversible, and what must be done to preserve the land in Australia, which is generally acknowledged to be a very fragile continent.

We must have respect for expertise and research in this area. This House should debate the science and examine the consequence that will flow, rather than arbitrate between vested interests as occurs in the courts. Effectively, we sit on pots of money from the taxpayers and we dole it out to vested interests in accordance with their political power, rather than look at the scientific evidence to see what can be done within the constraints, and then work from that position.

My amendments relate to the independent expert panel. I am very concerned about the Government amendments. It is already backsliding with regard to the 15-year rights and the proposal that the period between management plans be 10 years rather than five years—all this on shaky advice. Interestingly, the members of the water management committees are not required to have expertise. The membership of the committees will comprise vested-interest players, who of course are interested in water issues, but it is not a requirement, except at the discretion of the Minister, that members of the committees have any expertise.

One of the key decisions to be made by the water management committees will relate to the allocation of water to the environment—that is, environmental flows in rivers and groundwater systems. The science behind the concept of environmental flows is currently the basis of extensive research being undertaken by academics, scientists and government agencies across the State. Because of the nature of ecological and hydrological processes, sound data and information are unlikely to be gathered in anything less than five years; that is, not before 2005.

Water management committees cannot wait five years before making decisions about the allocation of their water and the fate of their aquatic ecosystems. The precautionary principle in protecting the environment can only be extended so far. Benchmarks and indicators that guide water management committees must be developed by experienced scientists and resource managers. Clause 13 in part 2, which relates to the membership of management committees, refers to all the stakeholders but does not refer to expertise, except at the Minister's discretion. For these reasons the Nature Conservation Council has proposed the establishment of an independent expert panel to provide objective scientific and socioeconomic direction and advice to water management committees and the Department of Land and Water Conservation. I hope that the Government will support this group of amendments.

On many occasions in this House I have said that water management legislation—indeed all legislation—should include transparent and accountable processes involving the broader community. Such processes require auditing. The Nature Conservation Council proposes that a position of independent auditor, similar to the position of utilities regulator, be created within the Independent Pricing and Regulatory Tribunal, and that the auditor be appointed by the Premier's Department to undertake an annual audit of the water planning, management and implementation process.

It has been suggested that the Environment Protection Authority [EPA] should have the auditing role. I do not support such a proposal. The EPA is intrinsically involved in the water planning process through participation on water management committees and as a result of the Minister for the Environment having a concurrence role. The auditor would be required to audit the plans and the actions of agencies against the plans. Obviously, one of the agencies involved in that process would be the EPA. Members would be familiar with the boilermakers provision, which says that the expert and those involved should not be appointed the regulator.

For auditing to be successful it is essential that it should reveal potential faults in the entire operating system. While the operating agency is the main focus of an audit, it should also report failings in regulation. If it were noted that there were failings in the regulatory aspects of water management, it would involve the EPA reporting failings of its own activities. Clearly, that is not a desirable situation.

For similar reasons, the Department of Land and Water Conservation would not be an effective auditor. The department has a somewhat confused role as both an operator and a regulator in that it operates dams and water delivery systems throughout the State. The department has internal conflicts that make it difficult for it to be a credible regulator of other water operators. I received a letter from the Gunnedah Environment Group, which reads:

Gunnedah and District again face a disastrous flood situation as a result of 9 days of rain. It is clearly evident on the Liverpool Plains as in 1998 flooding, structures that have been erected to divert water from private property, and exclusion banks protecting cotton crops are greatly compounding the damage and losses to neighbouring crops and property. The Gunnedah Environment Group and many others have absolutely no confidence in the DLWC's approach to the management of either our floodplains or water resources, and are calling for an immediate public inquiry into the situation.

Of course, that is simply one person's opinion on one matter, and it does not necessarily apply to the whole situation. However, it suggests that the Department of Land and Water Conservation is too actively involved to be given the role of auditor.

The operational role of the Department of Land and Water Conservation should be subject to audit to ensure that operations meet determined standards and objectives. As part of the new water reforms a statutory instrument should be prepared setting explicit operational parameters to be met by the department. The operational parameters set out in the operating instrument should also be subjected to regular independent audits. The auditing body would assess the content and implementation of management plans, implementation plans, trading and licence compliance, and administrative processes. The auditing body would also assess the effectiveness of the independent expert panel, which is an additional amendment proposed.

To ensure that adequate records are kept of licences, approvals, transfers and prosecutions, amendments are proposed that provide for registers to be kept and made available to the public via the Internet. I have spoken in this House on a number of occasions about the importance of transparency with regard to various bills. Lack of information should not preclude action. That is an important aspect that must also be clarified in the bill. In one sense the bill is courageous; however, the Government is already backsliding and I believe some of provisions of the bill are dangerous. Therefore, I hope that some of the amendments proposed will address these problems and give us a far better outcome. The Democrats are concerned about the management of this State for ever; they are not merely concerned about balancing vested interests. Members of this House should bear that in mind as they cast their votes on these amendments.

The Hon. J. S. TINGLE [12.09 p.m.]: I will speak only briefly to this bill.

The Hon. Dr A. Chesterfield-Evans: Hear! Hear!

The Hon. J. S. TINGLE: A long time ago I learned that the longer you speak and the more you say, the less people listen, the less they understand and the less effective it is. I intend only to say that I support the bill in general terms with the reservation that the final form of the bill is unknown because of all the amendments that have been foreshadowed. But whatever else is said about the bill and whatever is felt about it by either side of politics, it is an initiative that deserves to be applauded because it is an attempt to tackle a problem that I believe will take the wisdom of a couple of King Solomons to finally resolve. Whatever happens with the bill, some will be happy with it while others will be discontented.

It is fair to say that throughout our history we have squandered our resources, particularly water. Australia is a dry continent with 15 per cent of the land surface being arable. It has taken us a long time to discover that we, as the people who use the land, have to learn to fit into the cycles of nature. For some years I had a property at Coolabah, which is between Nyngan and Bourke, where the annual rainfall was 15 inches in a good year. I also lived in Tamworth, where I experienced the 1955 flood. I know what the extremes of nature can be when it comes to providing water for our sustenance, but I also think we should take into account that there is a very big difference between rivers that flow east and those that flow west of the Great Dividing Range. The rivers of the west have a salinity problem and the rivers of the east have acid sulfate and other pollution problems. Whatever is done in relation to water management, either through the Water Management Bill or any other measure, those factors have to be taken into account.

Enormous changes have taken place in agriculture, even during the last half-century, in this State. We have seen the development and emergence of crops such as cotton and a greater reliance on irrigation. There has been an increase in the extent of the country that is under irrigation in this State. Inevitably, over the years we have reached the stage of inequitable sharing of available water resources. I can remember travelling in 1980 to Carinda, which is in one of the Macquarie Marshes, and being astonished to see that the mighty Macquarie River was merely a trickle. In fact, somewhere I still have a photograph of a beer can which I stood up in the middle of the Macquarie River to show that there was just enough water to cover the bottom half-inch of the can. The mighty Macquarie was gone and the marshes were dry. What had happened?

At that stage we had gone to one side of the pendulum where far too much water was being taken from the river, but now we have swung back the other way. As the Hon. D. F. Moppett said by way of interjection, the water flows for irrigators have been reduced and they are not taking away as much as they previously did. I suppose that the questions that this Parliament must face now are: How far can the irrigators be screwed down, and how much more can be taken from them? Whatever is done about the irrigators, there is now also the problem of allocating water resources used by people in towns. I actually think that the provisions of this bill, the acceptance of which will mean that towns will be given allocations based on existing use, are probably adequate for those towns, with the exception of Tamworth and some other places. But we have to find a balance. This is what the bill is about. We have to find a balance in water distribution between water usage for irrigation and water usage for other purposes.

At this stage I point out that this bill and water management generally are not just about the type of environment referred to by the Hon. Dr A. Chesterfield-Evans. The issue is not just about earth and water. It is also about the human environment, which must be protected as much as the natural environment must be. The detail of the bill still has to be worked out. There is a massive pile of amendments. In fact, the ones I have before me at the moment are as thick as is the bill itself, and it is obvious that a great deal of work has to be done. The amendments proposed by the Government are not included in the stack of amendments to which I have referred, so a great deal of work will have to be done to sort the chaff from the grain.

There has been colossal misinformation about this bill and lies have been told. In one particular release from the Nature Conservation Council we are told that the Irrigators Council has overall support for many of the points that it has made. Yet we have been told by the Irrigators Council that it does not, as suggested by the Nature Conservation Council, support those particular points. Indeed, the Irrigators Council claimed in a letter to me that the Nature Conservation Council had deliberately misinterpreted correspondence between the two bodies as support for the Nature Conservation Council's position. While I am on that subject, I would like to know what the role is of the Nature Conservation Council in this debate. Is the Nature Conservation Council running the debate? Certainly I have seen a pile of documents which are headed "NCC's amendments to the Water Management Bill". How does an outside body get to make amendments to the Water Management Bill? What of the amendments already foreshadowed by a number of members of the crossbench which seem to have written on them the name "Kathy Ridge", who is, I understand, a member of the Nature Conservation Council? Do such people have access to the Parliamentary Counsel?

Are there members of this Chamber who are letting outside bodies draft their amendments for them? If members are doing so, how honest are those amendments? How real are they, and whose purposes and ends are they serving? As I said earlier, I believe that this bill is basically good legislation. It is a good attempt to address the issues, but considerable work needs to be done. We have heard a lot about who represents the stakeholders. I dare to say that there is no one body that represents all the stakeholders on this very important question. Many groups of people are involved, and I do not believe that one particular group should be allowed to run the agenda only for its own particular left-wing conservation political ideals. That is not what this bill should be about. The bill is not perfect and we have to do a lot with it, but it is better than what we have now. I really believe that it is an important beginning to addressing a question that should have been resolved in this country 50 or 100 years ago. I support the bill.

The Hon. C. J. S. LYNN [12.15 p.m.]: In speaking to the Water Management Bill I congratulate the Hon. D. F. Moppett and the Hon. R. H. Colless on their contributions to the debate. The Hon. R. H. Colless noted that the legislation being debated in this Chamber and in the wider community generally is the most significant resource legislation to come before the New South Wales Parliament in a long time. He noted that it is absolutely imperative for the general framework of the bill to be structured to meet the needs of the vast majority of families and local communities who will be affected by the provisions proposed. The honourable member also noted that the first consideration in any decision-making process must be to ensure that the quality of life and the needs and aspirations of local communities are enunciated by the communities themselves. The

honourable member said that we must put in place legislation to enable families and local communities to meet those needs and to fulfil their aspirations. The Hon. R. H. Colless and the Hon. D. F. Moppett are well qualified, because of the positions they hold, in seeking to achieve a balance between competing goals.

This legislation, which seeks to improve on the Water Act 1912 by overhauling it and other relevant legislation, aims to cater for the necessity to manage the water resource equitably while preserving sustainability. It is an extensive and complex bill, and that is evidenced by the number of amendments that have been circulated since the bill was tabled in June this year for public comment. Consultation with the broader community and with the people who are most concerned and most affected by the bill has resulted in more than 180 amendments being proposed to the original legislation. The Opposition welcomes these amendments because there are some positive moves towards the Opposition's position which have been well documented in the submissions on both the White Paper 1999 and the Water Management Bill 2000. I hope the process will be ongoing to allow for more consultation and to allow for a review of currently unsustainable water management practices.

The bill initiates an important process of reviewing and improving the Government's water management reforms, policy objectives and mechanisms for achieving these objectives. It embodies a strong environmental protection element to ensure that irrigation, industrial use and town water supplies can all contribute to a sustainable economy in their own way. Water reform is much needed, not only because our water resources are becoming scarce but also because it still has to suit the multiple needs of irrigation, town water suppliers, industrial purposes and the watering of stock. Moreover, reform is needed because of the evolving rules and policies that influence the existing water resource management practices. Therefore, water management is becoming more complex. Management of a limited water resource within high environmental sustainability standards is a real challenge. The process initiated by this legislation is a very positive step towards addressing these challenges.

Having said that, I believe that it is important that honourable members are fully aware of the issues contained in the bill. In general, the primary issue is how to ensure that the goals set out in the bill are achievable as the provisions currently stand. More specifically, the legislation must be considered in the light of ensuring the transparency and accountability of government operations and how the interests of the broader communities, especially rural communities, are protected in a just and equitable way. I intend to limit my comments to just three issues in regard to this legislation. First, it separates water property rights from land. For the first time in water resource legislation water property rights are separated from land title.

Clause 393 expressly provides the State with rights to control the use and flow of all water resources, regardless of whether or not they are already under the control or the management of the Minister or whether water occurs naturally above or below the surface of the ground. These rights are further extended in clause 394, which provides for the abolition of riparian rights of land-holders under common law. However, State entitlement of ownership, volume reliability, quality and transferability, et cetera, are not specified in the bill. While the bill contains detailed provisions on a number of other issues, it should also clearly clarify those property rights issues. That would not only add an element of transparency into the bill; it would ensure that the provisions are easier to implement.

The separation of water rights from land title will have a significant impact on the value of land in rural areas. In clause 6A(3) in the current Valuation of Land Act 1916, in determining land value with a water right, it shall be assumed that the right shall continue to apply in relation to the land. Furthermore, the bill is designed to curtail or restrict the access to water rights through what is called harvestable rights. According to the New South Wales Government's farm dams policy, landowners are allowed to use a minimum of 10 per cent of the rainwater run-off from their land. In practice, that is also the maximum level of water to be consumed by the landlord. That principle has been carried over into the bill. In relation to the problem of local government rating income being attached to lower land values as water is separately traded, the Valuer-General will take into account both land and water value for valuation purpose.

Unless necessary amendments are made to other legislation, as part of broader review of the local government rating base, this provision will have negative impact on broader rural communities—an issue that could not be ignored by the Government. I wish to restate the Opposition's position. It will support the proposed legislation if a secure, compensable water property right is included. Of the numerous amendments proposed by the Government, its circulated amendment No. 124 is most interesting. The main thrust of it relates to establishment of the Water Investment Trust, which will be operated through a board of trustees. The board will consist of five members, including the Minister, the director-general of the department, a person with financial expertise, a person representing the environment and a person representing water user groups.

I understand that a smaller number of representatives would produce a more workable and efficient board. I accept that this might be the case in some work environments. However, I believe that the bill should be amended to enable the mandatory representation of bodies or organisations that are principally concerned with water use, such as the irrigators, industrial users, water suppliers, indigenous groups and so forth. For instance, in inland New South Wales irrigators use approximately 80 per cent of the State's water, whereas urban communities are the main users of water in coastal areas. Such groups are in the best position to understand their own needs, and representation from those respective groups will ensure that their legitimate needs for water are met. Leading water user groups have written to us expressing their grave concern that their interests might be at stake if this bill is passed. During the years water user groups have established rights and entitlements to water resources. They have contributed significantly to regional industrial development, local employment and related service industries. They are in the best position to continue playing an important role in water conservation.

The Opposition supports the argument that the Minister will be given excessive powers by this bill. He will appoint all five members to the board of trustees. He will have unlimited powers of arranging for use of the services of any staff or facilities of a government department or public authority. He is given the power to levy the irrigators, and supplement charges already imposed on entitlement and water use by the Department of Land and Water Conservation to fund the restoration and rehabilitation of water resource programs. The Water Investment Trust is designed to become a fund-raising mechanism. It seems that it will be nothing more than just another charging authority, with the power to remove water licences from holders should they refuse to pay the levy. The section sets out in general terms what is intended by the Government. Details of operation will be defined in other rules and regulations as yet to be drafted. It is therefore extremely difficult to assess the precise effects of the legislation before the details are fully disclosed.

Another matter of critical concern is the composition of the management committees. They will consist of at least 11 and up to 20 members. I repeat my position as stated earlier in the debate that smaller committees have proved to be more workable and efficient. The bill will give the Government a discretion to appoint extra people to the committee, thus placing it in a privileged position to achieve whatever outcome it may wish to pursue. I might add that this Government has a record of stacking community committees to achieve its objectives according to its own agenda. Our shadow Minister, Mr Don Page, quite rightly pointed out during debate on this bill in the lower House that water management is a partnership arrangement and that the community has the right to have a say in relation to outcomes, in the same as the government of the day has.

I strongly believe that the Government has a social responsibility to protect the interests of the communities, to promote social and economic advances. Therefore I urge the Government to seriously consider the comments and suggestions of the communities that are reflected in the Opposition amendments, and put community interests before the interests of government when passing legislation or making decisions. I congratulate our shadow Minister, Mr Don Page, on his extensive and exhaustive work to bring forward amendments that will improve substantially the Government's attempt to improve the water management legislation. I also endorse the comments made earlier by the Hon. R. H. Colless and the Hon. D. F. Moppett in this debate.

Reverend the Hon. F. J. NILE [12.25 p.m.]: The Christian Democratic Party supports in principle the second print of the Water Management Bill. Honourable members know that the first print of the bill was tabled in Parliament on 22 June. Debate on it was deferred until this time to allow sufficient time for a final round of public consultations. Up to 15 September more than 340 written submissions were received and analysed. On the basis of that consultation and feedback, and after discussion with interested groups, the Government amended the Water Management Bill in the lower House. The second print of the bill contains a number of very important improvements to water management which have satisfied the majority of stakeholders and interest groups. Obviously not everyone can be satisfied, because environmental groups, farmers and irrigators want more. It seems that this bill has achieved a balance. Honourable members have referred to the flood of amendments, which have arisen mainly from discussions with the Nature Conservation Council of New South Wales. I am concerned that if the council's point of view is adopted it may tilt this balanced and widely accepted legislation in another direction. Others could then argue that the bill as amended should not be passed and should go back to the negotiating table.

Negotiations have taken place and the bill should be passed with perhaps minor—not major—amendment. For example, the lower House included reference in the bill to the establishment of the Water Investment Trust, which I understand is to be funded by irrigators and others. Will the Government indicate from where the funding will come to set up the Water Investment Trust? Could the New South Wales Aboriginal Land Council be involved? Could that council invest its funds, and get interest on them, in the trust

to give it a role in water management in this State—a role from which it believes it is excluded at the moment? This bill also includes the development of a New South Wales water management outcomes plan, prepared on a five-yearly basis following further public consultation. The Christian Democratic Party supports that proposal. The bill also allows the Minister to make water management plans for a term of 10 years whereas the term in the original bill was five years with a possible extension to 10 years.

The Christian Democrat Democratic Party supports the term of 10 years but the Nature Conservation Council and other groups are lobbying to leave the length of the term at five years. Irrigators need to be provided with much greater resource security and the Christian Democratic Party will not support any amendments to reduce the term. The bill provides for the Minister, on the advice of the Water Management Committee, to set the initial bulk access regime for water management in priority areas within 12 months of the enactment of the legislation. The bill also provides for domestic and stock water rights to be defined by purpose only, not by volume or method as was the case originally. Also, to help to provide some certainty in relation to water management, the bill specifies that the term of licences for water users, excluding utilities, will be for 15 years.

Fifteen years may seem a long time, but I believe that that provision is a major improvement in the legislation. A period of less than 15 years would also be accommodated at the request of the applicant. Licences would be linked to the 10-year water management planning cycle. The bill provides for up to 15 years, with ministerial discretion. The bill will provide certainty of licence renewal after 15 years, with criteria for assessment and subsequent renewal. The criteria will provide for a priority renewal in most circumstances, and the licence will not have to go back onto the market. We support that improvement.

The most important aspect of the new bill is the provision of compensation based on the market value of water forgone, as determined by the Valuer-General, where diversions available to individual licence holders are decreased. Another very positive aspect of the legislation is its replacement of the opportunistic water licences with supplementary access licences to manage off-location water and link the latter with general security access licences.

The bill also will set initial volumetric allocations for town water, to allow for readjustment every five years based on population growth. Some towns that have become aware of this aspect of the bill have expressed concern. The Government may address those concerns, whether in this bill or in subsequent consideration. Some towns, particularly in coastal regions—and I think of Port Macquarie, Coffs Harbour and other places—have a growth rate that is so rapid that it may be too restrictive to say that adjustment will be made only every five years based on population growth. The town with a slowdown in growth one year may have a dramatic increase the following year. That would put pressure on the water needs of the town.

I would urge the Government to include in the bill some provision to provide for perhaps an annual review of volumetric allocations for towns that experience a rapid growth in population. That provision might at least provide that the council or shire could put a submission to the Minister that its population growth had exceeded its allocated water use and the town needed a change in its allocation before the expiration of the five-year period. The Government could have some machinery for towns that experience rapid growth and would be seriously disadvantaged if they had to wait five years for a review of water allocation. Perhaps the shire or council could put to the Minister that the growth has been so rapid that it cannot wait for the five-yearly review.

The bill addresses indigenous rights and interests, where court-determined basic rights exist, to provide that native title holders will be entitled to exercise their basic native title water rights. Essentially, that provision is similar to basic landholder rights and has the same priority. I have one concern, which I raised when debating the fisheries management bill. It seems that some very large Aboriginal communities that have not moved from their land since white settlement have not applied for land rights. Because they actually occupy the land, they have not applied for land rights. Maybe they do not think it is necessary to make that application. But, somehow, they have dropped from consideration of water rights under this bill.

The Hon. I. M. Macdonald: On the previous point that you were making, you would be concerned that a town like Tumut might have a large new industrial enterprise established and therefore need more water, or something to that effect?

Reverend the Hon. F. J. NILE: Yes. There has to be some way in which such a town could write to the Minister and ask for an early review of its water allocation. It is not to encourage abuse of water, or to obtain excess water, but to meet the town's needs. Perhaps it would need advice on that prior to a development going ahead, because it may be that the enterprise might not go ahead without such a guarantee.

I return to the indigenous water rights issue. This matter has concerned me and some Aboriginal communities. Maybe they should apply for a native title but simply do not want to become involved in court cases. They may feel they have security over the land on which they have lived all this time. Obviously, they would be granted native title if they applied for it, but some Aboriginal communities tell me that they have not registered for native title recognition. Those communities do not seem to be covered by either this bill or the fisheries management bill.

The bill provides also for the full separation of water rights from land. This is a matter of concern. Obviously, people who purchase land that has water supplied by creeks, rivers and so on pay a price that reflects the value of that water. Now, a farmer will find that the value of water has been separated from the value of the land. It is said that the bill will allow the Valuer General to take account of the value of water rights in land valuations in the short term. I question whether that will be adequate for all farmers involved. But that is the present state of the legislation.

Another matter that concerns me has been the subject of my proposed amendments. Those are in fact very minor amendments; they are in no way radical, and they will not change in any way the main machinery of the bill. They are of a more philosophical nature; they provide that the social and economic benefits to Aboriginal communities should be maximised, and that the identification of requirements for water for the social and economic benefits of Aboriginal communities should be recognised. The effect is that the Aboriginal aspect is not omitted but is provided for in the bill in a much clearer way. I hope those amendments will be supported by the Government and the Opposition. They are not controversial, but sometimes people see controversy where I do not see. It is an important matter.

I know that in the past there has been controversy over the ownership of the land by Aboriginal people. As we know, with colonial settlement of Australia the English took the land. I know that some angry Aboriginals have said—as has been said in Africa and other countries—because there were often missionaries in these first settlements, "They took our land and in return gave us the Bible." I am glad they got the Bible, but I have never been happy that their land was taken from them so deliberately and forcefully. When I was in Canberra recently I read some of the history of that city. One colonial officer who liked the land around Canberra simply applied for a land grant, and was told he could have all the acreage that eventually became Canberra. He did not have to buy the land; it was just given to him by grant. Though Aboriginal people were living on it the settlers treated the land as if it was empty.

I know that over the years it has been argued that there was no structure among the Aboriginal people that enabled consulting with them or the signing of treaties. I am sometimes suspicious about that argument, even if that kind of legal arrangement had been available. In the United States of America many tribes were well organised, and treaties were signed with them. But what happened? The red Indians, as they have been called, fought the white man, but eventually agreed to take the white man's approach and signed treaties. Then the white man broke those treaties. So, even if treaties had been entered into in Australia, they may have been broken by the early authorities in any case. The end result was, of course, that Aboriginal people were dispossessed of their land. That is why in 1983 I supported the passage of the first Aboriginal land rights bill in this Parliament, probably the first in Australia. I voted for it.

There was a lot of controversy surrounding that land rights bill. Quite a few of my supporters who were opposed to it—particularly country supporters—said they did not support Aboriginal land rights, in the same way that the National Party expressed that position in the Parliament. I felt that in all good conscience I had to support the bill, and I did. I suffered politically for that; I lost some of my conservative country supporters. But in my heart I knew I had done the right thing by ensuring some justice and rights for the dispossessed Aboriginal people. I paid a price for that, but I do not regret what I did in any way at all.

I place on record my strong objection to some of the abusive language that was used this week in debate in this Chamber. I also object to the false accusations that were made against me and the suggestions in the fisheries legislation debate that I in some way betrayed Aboriginal people. It is not my intention to betray Aboriginal people and I will not do it. In the past I have supported Aboriginal people at a political cost to me. When I intend to move amendments to any legislation I try to consult with the Minister and the Cabinet Office in an attempt to reach agreement. I did not want to force anything on indigenous people and I certainly did not want to move amendments to the fisheries legislation that would be rejected in this Chamber.

However, the Hon. I. Cohen adopted a different strategy. He rammed his amendments through the Committee, we voted on them and they were rejected by the combined parties in this House. I inquired of

members of the Government whether that would help the cause of Aboriginal people in the long run. I was told that it would not; that it would actually make it more difficult for Aboriginal people. Without attacking members of the Australian Labor Party, it must be remembered that Labor originally introduced the white Australia policy. I know that some members of the Labor Party supported Pauline Hanson's party. I know that those views are not held by Cabinet members, but I am sure that there must be some people in the Labor Party who hold those views.

It could be said by some honourable members when the Hon. I. Cohen and I move amendments to the Water Management Bill—which might be rejected by the Committee—"Why should the Government allow amendments to the Water Management Bill because there is no support for indigenous people in this Chamber?" There is support for indigenous people. But what strategy do we adopt to reflect in the legislation that there is that level of support? The Government must adopt a clear strategy and deal very carefully with these issues. The Hon. I. Cohen, for reasons best known to him, might have acted in the way he did to gain mileage for the Greens. However, I believe that in the long run he has not assisted the cause of Aboriginal people. He has made it more difficult to achieve some of the strategies to which I referred earlier and it will be difficult to effect improvements to legislation in the future.

I hope I have the support of all honourable members when I move amendments in Committee to the Water Management Bill. The Government might not object in principle to my amendments but its policy might be to keep some balance in the legislation. The Government might be of the view that, if it included my amendments, it might have to go back to stakeholders and open up the whole matter for further debate. In my view that would not be in the best interests of Aboriginal people. The Government might be prepared to give Aboriginal people a commitment that it will do whatever they want, which is what the Minister for Fisheries did in debate on the fisheries bill. I will not go through my amendments in detail now because they will be discussed later in Committee.

I am not a farmer and I have no farming background. Honourable members would be aware that I am a city person. However, I have received some strong letters from various farming groups who oppose this bill. When listening to the debate on this issue I have sometimes wondered whether there are two arguments to be made in relation to the Water Management Bill. Will this bill result in the privatisation of water? Some members on the crossbenches have attacked that proposal. However, some farmers believe that this bill is a socialist approach and that the Government will be taking more control of water. Are our water resources being privatised or is this legislation backdoor socialism? We will have to wait to see what develops in the future.

As I said earlier, I have received much correspondence in relation to this legislation. I will not refer in detail to correspondence that I have received from the Nature Conservation Council as we have already been subjected to a lot of that in the debate on this bill. A number of organisations that have written to me recently are very angry as the Nature Conservation Council claimed to have received support from a number of stakeholders to the proposed amendments to be moved by members on the crossbenches. The Nature Conservation Council issued to members on the crossbenches a list of the amendments that it required to this bill. Underneath that list of amendments is the statement "Supported by the Irrigators Council and the New South Wales Farmers Federation." Other organisations are also referred to.

Those groups have written to me saying that that statement is not correct and that they have not even seen the list of amendments circulated to members on the crossbenches. The Nature Conservation Council then said, "We actually interpreted some of the earlier statements that those groups made in correspondence we received from them." It is dangerous for anyone to try to interpret statements made by other organisations. Members on the crossbenches have subsequently been misled and that has probably given rise to the wide support that the Nature Conservation Council received for some of its proposed amendments. Those amendments are not supported.

I urge the Nature Conservation Council and other similar groups not to claim to speak on behalf of stakeholders. The best that those groups can do is to pass on letters from stakeholders which support specific amendments. The Nature Conservation Council is not in a position to tell members on the crossbenches, as it did, that its amendments have general support from the various groups that it listed. That is only its interpretation of the statements that have been made. That might not have been done deliberately to mislead members on the crossbenches, but it has had that effect. I was surprised when I saw the alleged support for these amendments. I wondered why all those stakeholders had agreed to them. They did not agree to them.

Most of the letters that were sent to me, which were received only within the last 24 hours, are strongly critical of the statements that have been made by the Nature Conservation Council. I urge all members on the

crossbenches to carefully read their correspondence. I received a letter from the New South Wales Irrigators Council that is headed "Response to NCC Briefing Notes for Cross Bench 21 November 2000". I seek leave to incorporate that two-page letter from the Irrigators Council, which deals with each of the amendments to be moved in Committee. The letter is not critical of the Government; it is critical of the Nature Conservation Council.

Leave granted.

*Response to NCC Briefing Notes for Cross Bench
21 November 2000*

Don't be misled by Nature Conservation Council's Brief...

This brief seeks to clarify NSWIC position, which has been misconstrued in NCC's brief to the Cross Bench of 21 November. NCC has claimed to have reached agreement with NSWIC and other stakeholder groups on several amendments.

When reading NCC's brief we note that it may appear that there is NSWIC agreement with all the NCC's proposed major amendments, because of the structure of the document. This is not the case. NCC have provided a misleading interpretation of some 'agreements in principle' that formed part of a joint letter to Premier Carr.

The numbering system below relates to the number on NCC's brief on amendments which they claimed to have agreement with NSWIC and NSW Farmers on.

1. Tenure of Management Plans and Licences

There is no agreement between NCC, NSWIC and NSW Farmers on the issue of tenure of management plans.

2. Independent Auditing:

NCC claims to have agreement with NSWIC and NSW Farmers on their proposed amendment on independent auditing. This is not the case. The intent of NSWIC & NSW Farmers' agreement with NCC regarding an Independent Auditor was to ensure the outcomes instructed by the Water Management Plans are implemented, not to audit the Plans themselves, as NCC's brief suggests. The agreed policy position between NCC, NSWIC and NSW Farmers is:

"The Act needs to incorporate an on-going audit mechanism which ensures that the key elements of the Water Management Plans are implemented. This process should be independent transparent and cost effective. It is likely that this can be best achieved by the appointment of an Independent Auditor."

3. Independent Expert Panel:

NCC claims to have agreement with NSWIC and NSW Farmers on their proposed amendments on the independent expert panel. This is not the case. The intent of NSWIC and NSW Farmers agreement with NCC regarding the independent expert panel is that it only be activated where agreement cannot be reached by Water Management Committees, for the purpose of independent review, arbitration and mediation. However NCC's brief states that the role of the Independent Expert Panel will assist in the determination of environmental water rules, establish targets, benchmarks and indicators to be included in both the State Water Management outcomes Plan and management Plans. The agreed policy position between NCC, NSWIC and NSW Farmers is:

"Water Management Committees must be the primary means by which catchment communities develop Water Management Plans, including sustainable extraction limits.

However, an Independent Assessment Panel is also required for an independent review of WMP's mediation or arbitration, where agreements cannot be reached by WMC's."

4. Monitoring

NCC claims to have agreement with NSWIC on their proposed amendment on monitoring. This is not the case. Monitoring was not part of the formal agreement and letter to Premier Carr.

7. Implementation Programs:

NCC claims to have agreement with NSWIC and NSW Farmers on their proposed amendment on implementation programs. This is not the case. The groups had discussed the need for State Water Implementation of environmental flow rules to be tied to Water Management Plans. However, there was no agreement on detail, including the role of an IEP, if any, as has been suggested in NCC's brief. These discussions were not part of the formal agreement and letter to Premier Carr.

The NSWIC is extremely disappointed about the manner in which the NCC has misconstrued agreements that were negotiated in good faith.

Council is serious about developing long term strategic alliances with the environmental groups. Council is also committed to Water Plans that are regionally-driven. Council is concerned that the NCC proposals remove this responsibility from our communities in favour of central decision-making.

We are currently preparing a brief for the Cross bench on our key issues, which will be provided as soon as possible.

Reverend the Hon. F. J. NILE: I received a similar letter from the New South Wales Farmers Association, dated 22 November. The association refers to me in its letter as the Right Reverend Nile. Only bishops have the title "Right Reverend."

The Hon. J. R. Johnson: It won't get you into heaven.

Reverend the Hon. F. J. NILE: That was not my intention. We can only get into heaven through faith. The Irrigators Council and the New South Wales Farmers Association, the two main stakeholders involved in this debate, are critical of the documents that have been issued by the Nature Conservation Council. I know that the Deputy-President, the Hon. Helen Sham-Ho, is aware of those documents. Members on the crossbenches are placed in a difficult position when they are given briefings. They assume that the information they are given is accurate and correct, but in this case it was not, and that does not assist us in this debate. The other letter I wish to incorporate is from the New South Wales Farmers Association dated 22 November. It is a similar letter. Both organisations came to be supporting the Nature Conservation Council's amendments that will be debated shortly.

The DEPUTY-PRESIDENT (The Hon. Helen Sham-Ho): Order! Does the honourable member seek leave to incorporate the letter?

Reverend the Hon. F. J. NILE: Yes.

Leave granted.

Dear Rt Rev Nile

Water Management Bill

In response to the Nature Conservation Council briefing note that you would have received yesterday and the ensuing NSW Irrigators' Council letter, there are several points that require further clarification regarding the position of the NSW Farmers' Association. It should be noted that the NCC Briefing note was circulated to the Cross-benchers before the NSW Farmers' Association had sighted or approved it. It does not accurately state our position.

This following information clarifies the position of the NSW Farmers' Association on the issues over which there may presently be some ambiguity.

Independent auditing

The position of the NSW Farmers' Association is that it supports the use of audits to ensure that plans are properly implemented. These audits should not be used for any other purpose.

Independent Expert Panel

The NSW Farmers' Association supports the concept of an Independent Expert Panel as identified in the NCC briefing however, such a structure should only be required where the local Water management Committee cannot reach agreement. The position currently in the Bill would see the decision being referred to the Minister. The intent of the Expert Panel is to ensure that decisions are based on reliable science and are not treated as a 'political football'. It should be stressed that Association would only support this measure where the Water Management Committees could not reach agreement.

Monitoring

While the NSW Farmers' Association agrees that monitoring of the resource and key indicators would be useful to assist the Water Management Committees with their decisions, no agreement was reached on the collection and analysis strategy outlined by the NCC.

Targets

Concerns had been raised within the membership of the NSW Farmers' Association that the State Water Outcomes Management Plan would be prescriptive, effectively restricting the extent to which the Water Management Committees could operate to come up with local solutions. In this regard the Association has asked the Government to clarify in the Bill the purpose of the State Water Outcomes Management Plan and the extent to which it relates to the roles of the local committees.

Having clarified our position on the above issues, we would like to express our interest in continuing discussions with other stakeholder groups to refine points of agreement.

Should there be any further points of clarification that you require, please do not hesitate to contact either myself or Simon Carson on (02) 9251 1700 or 0419 697 347.

Reverend the Hon. F. J. NILE: I thank honourable members. As I said a moment ago, I have had a number of letters from people expressing concern. I will mention them, to keep faith with the writers. Marion Downes of Bourke expressed serious concerns about future riparian rights under the Water Management Bill and asked how the Government can take upon itself to abolish common law rights. That letter is dated 30 October. On 7 November the Gwyder Valley Irrigators Association wrote to the Minister for Agriculture, and Minister for Land and Water Conservation in the following terms:

This Association rejects outright the clauses in the Amendments to the Water Management Bill 2000 No 14, page 193, Part 3 Water Investment Trust, Clauses 389 to 398, and request that they be withdrawn.

The association then gives argument in support of that request. I will not incorporate that letter, but to save the time of the House I might table the letters and honourable members can read them.

The Hon. D. F. Moppett: Other members have copies.

Reverend the Hon. F. J. NILE: Yes, as the honourable member says, other members have copies. A letter dated 15 November comes from Central Tablelands Water and expresses concern over the danger of the town water volumetric allowance of 4,300 megalitres being reduced. Of course, the Farmers Association indicated some of its concerns but I think a lot of them have been addressed. As I said earlier, it is not easy for the Government to try to balance the almost conflicting demands of all the stakeholders, but it seems it has achieved that in this bill, with the amendments that have been included in the other place. The bill is more widely accepted and therefore will be effective, so we support it.

The Hon. Dr P. WONG [12.52 p.m.]: Following some of the comments made by Reverend the Hon. F. J. Nile I inform the House of a letter from the Nature Conservation Council of New South Wales that was used as a crossbench briefing note. The letter is dated 23 November, and I seek leave to incorporate it in *Hansard*.

Leave granted.

The Nature Conservation Council of NSW would like to respond to recent correspondence from NSW Farmers and Irrigators.

Our Briefing Notes were the result of a joint letter between NCC and NSW Irrigators (14 August 2000) and the results of a joint stakeholders meeting to discuss a tabled document (integrating the joint position), held on 20 November 2000. The briefing paper refers to amendments, not as specific wording that has been produced by Parliamentary Counsel (these are not yet available from all parties), but as policy positions. Inevitably as amendments are produced, discussions held with MPs various parties and debate intensifies, there will be different interpretations and grades of position.

Tenure of management plans and licences

This proposed amendment clearly does not make reference to any other stakeholder group support.

Independent Auditing

With respect to the section which relates to independent auditing processes, the role of the auditing body is expected to focus on implementation of plans which inevitably involves review of the plan's content. As the Water Management Plan is to also cover such aspects of water management and delivery such as trading and licensing, these implementation processes will also be audited.

Independent Expert Panel

The joint letter of 14 August does not prevent the panel from reviewing management plans. Two roles are outlined—"independent review of the WMPs" and "mediation or arbitration where agreements cannot be reached by the WMCs". Clearly there has been some confusion and both the NSW Farmers and Irrigators support only the second role. We believe both roles are relevant, with the first allowing for a view on quality and consistency, before the minister decides to adopt the plan.

It should also be noted the amendments proposed by the Government which were only recently tabled have changed the way water determinations available for extraction (bulk access regime) will be determined. The role of the Water Management Committees has also changed as the Minister will be determining the initial bulk access regime.

Monitoring

The joint letter of 14 August refers to "an on-going audit mechanism which ensures that the key elements of Water Management Plans are implemented". The only way to achieve this is to have a monitoring regime.

Implementation Programs

The NCC has been discussing the need to incorporate Implementation Programs with the NSW Irrigators Council for some time. This has been agreed to in principle on a number of occasions. Our briefing notes do not refer to any detailed proposals.

It is unfortunate that misunderstandings have arisen and we hope the above clarifies our position. We also hope to continue our discussions with NSW Farmers and Irrigators on points of agreement.

The Hon. Dr P. WONG: I support the Water Management Bill. I commend the Government for deferring debate on the bill in June to allow a further round of public consultation to take place. This further consultation was clearly necessary to allow input from the large number of groups who have a deep interest in the legislation. I strongly support the thrust of the bill. The proper management of water usage in New South Wales is clearly vital to maintaining adequate domestic supplies, to protect the environment and to sustain a range of industries that are reliant on irrigation and other water usage. We are all aware that our State's water supplies are limited, and that they are regularly affected by drought. Therefore we need to be meticulous in how we plan, allocate and monitor our water usage. We cannot afford to take too many chances or we will do long-term damage to our environment and rural industries.

I recognise the broad strengths of this bill. It includes within its objectives the protection and enhancement of water sources and ecosystems. There will be community participation in developing water management plans, and water usage rights will be made clearer. The bill is an opportunity to put in place a good regulatory framework for water management in New South Wales, and it is necessary that we get the details right. I believe that the Government is negotiating in good faith with interested parties, to take into account their various concerns, while working out the detail of this legislation.

I am pleased that the Government has already made a number of amendments to the bill arising out of its most recent consultations. The establishment of a water investment trust is a welcome initiative to assist water-saving projects. I agree with the importance of placing indigenous issues in planning principles, increasing Aboriginal representation on water management committees and the inclusion of a State water management outcome plan to guide local water management plans. I agree that the Minister should be able to trigger a mid-term review.

Also, it is appropriate that the Valuer-General determine the level of compensation for reduced water allocations to irrigators within the term of the management plan, and that water management plans have statutory force. To provide proper environmental protection it is right for the Government to limit basic water usage rights in times of severe water shortage.

In addition to the amendments already made by the Government, I will be interested to consider a number of amendments that I believe may be moved in Committee, and I believe the Government is also actively considering some of these amendments. I understand that these amendments relate to auditing and an independent expert panel, monitoring, review of management plans, environmental protection, indigenous outcomes, water return flows, nomination of members to water management committees, the functions of these committees, targets, and the allocation of revenue.

I thank the large number of interested groups who have given their time to give me and other members of Parliament the range of information and viewpoints that are required to make an informed decision. I value the input from the Nature Conservation Council of New South Wales, the New South Wales Irrigators Council, the Farmers Association, the Local Government and Shires Associations, the New South Wales Aboriginal Land Council and the various water usage groups who have forwarded their views.

[The Deputy-President (The Hon. Helen Sham-Ho) left the chair at 12.59 p.m. The House resumed at 2.30 p.m.]

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

FITNESS SERVICES (PRE-PAID FEES) BILL

LAW AND JUSTICE FOUNDATION 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.

CRIMES AT SEA AMENDMENT BILL**Second Reading**

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [2.32 p.m.]: I move:

That this bill be now read a second time.

The Crimes at Sea Amendment Bill will amend the Crimes at Sea Act 1998 to bring the co-operative scheme established in that Act back into line with the uniform co-operative schemes established, or to be established, by the Commonwealth and the other States and Territories. The Crimes at Sea Act 1998 was introduced to give effect to a nationally uniform Commonwealth-State application of criminal laws regime. The scheme applies the criminal law of the States extraterritorially in the area adjacent to the coast of Australia. It requires all States and the Commonwealth to enact legislation containing a schedule that is identical in all substantial respects and that details the co-operative scheme.

The adjacent area in which the State's criminal law will apply extends from the baseline of the State to 200 nautical miles, or to the outer limit of the continental shelf, whichever distance is the greater of the two. The boundaries and the baseline are described in the map contained in the bill. The Act was assented to on 14 December 1998 but has not been commenced. We have been waiting for the passage of uniform legislation by the Commonwealth and the other States and Territories. In the meantime, uniform transitional provisions have been enacted by the Commonwealth, Victoria and Western Australia which need to be incorporated into the New South Wales legislation.

This bill adopts those transitional provisions and makes other minor amendments to reflect the withdrawal of Norfolk Island from the scheme, and to ensure that the Crimes at Sea Act 1998 is uniform with the legislation established. The Standing Committee of Attorneys General agreed at its last meeting that the national uniform Crimes at Sea scheme should commence on 1 February 2001. By making these minor amendments to return our legislation to uniformity with the scheme, New South Wales will be in a position to participate in the scheme from that date. I commend the bill to the House.

The Hon. J. H. JOBLING [2.35 p.m.]: Thank you, me hearties! I apologise for not having the appropriate stuffed parrot for my colleague the Hon. J. M. Samios, who was expected to respond on behalf of the Opposition. As the Leader of the Government said, the purpose of this bill is to make some minor amendments to the Crimes at Sea Act 1998, which is still an unproclaimed Act, to bring it into line with legislation of the Commonwealth and the other States. Therefore, the Opposition does not oppose this bill. It is interesting that this legislation has been brought forward as a result of what was thought to have been an earlier High Court challenge, which did not eventuate for a number of years. It is interesting to note the question of moving from one set of navigable waters to another which my colleague the honourable member for Gosford related in the other place and which is worth recounting. He said:

The ownership of the land under the three nautical mile mark and various other jurisdictional points was never really put to the test, bearing in mind the role of the British Empire as a naval power and that the Federal Constitution could not override the Imperial Act, the Merchant Shipping Act—

this is interesting—

The opening statement to the Constitution expressly provided that the Imperial Act, the Merchant Shipping Act, should apply notwithstanding the Constitution and that the general regulation of the sea waters and the navigable waters off the coast was left largely to Imperial legislation and Imperial practice.

Clearly, that left problems that needed to be tidied up. Questions such as who holds sovereignty over coastal waters, where the State's sovereignty runs, how far the territorial waters of the Commonwealth extend, when the criminal law of the State applies and how it is applied have not been resolved. This bill will amend the Crimes at Sea Act 1998 to ensure a uniform approach, which is highly desirable. The fact that the matter had not been tested back in the Gorton era was raised. Indeed, it arose during the period of the Whitlam Federal Government. Interestingly, a test case eventually took place in 1975, under the Whitlam Government. When the case was finalised it made clear the jurisdictional powers of the Commonwealth and the States. A clear determination by the Commonwealth meant that the control, jurisdiction and ownership of these waters were largely settled in favour of the Commonwealth.

The legislation amends an Act of Parliament that is not yet in force. The amendments allow this Parliament to rectify a number of minor and technical matters. The most substantial changes are amendments to

reflect the withdrawal of Norfolk Island from the co-operative scheme, new transitional provisions to ensure that the proposed co-operative scheme will apply to acts and omissions that take place after the scheme commences, and the current law will continue to apply to acts and omissions that take place before the commencement of the scheme. A new map indicating areas relevant to the scheme and excluding Norfolk Island is attached to the bill as appendix 1 at page 6.

I understand that the Standing Committee of Attorneys-General has agreed that the national uniform Crimes at Sea scheme should commence on 1 February 2001. The bill will ensure that New South Wales participates in this uniform national application of criminal law at sea. As I said, I had hoped to bring in a nice parrot. My colleague the Hon. J. M. Samios—who originally proposed to deliver the Opposition's contribution to the debate—could deliver his speech with the parrot sitting on his right shoulder. However, as he is not present, on his behalf and on behalf of the Opposition I commend the bill to the House and expect the support of all members at the appropriate time. When the motion is put I expect that members will agree to the bill by exclaiming, "aye, mateys". If there are any landlubbers in the Chamber, I expect that they will say "nay". The Opposition commends the bill to the House.

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [2.40 p.m.], in reply: That was one of the more impressive debates that this Parliament has heard in almost 200 years. I hope that the standard and brevity of debate and the spirit of co-operation that has been displayed during the debate will be followed on future occasions. One of the benefits of this debate was that there was no crossbench participation.

The Hon. J. R. Johnson: You should hurry in case they come in.

The Hon. M. R. EGAN: They can't speak; I am replying. The Hon. Dr A. Chesterfield-Evans did not make a contribution, Ms Lee Rhiannon had nothing to say—

The Hon. Dr A. Chesterfield-Evans: Why is Norfolk Island out of it? Don't let Norfolk Islanders struggle.

The Hon. M. R. EGAN: It is a good question. All members should vote for the bill; I hope they do. If a division is called I will be very disappointed.

Motion agreed to.

Bill read a second time and passed through remaining stages.

GENERAL GOVERNMENT DEBT ELIMINATION AMENDMENT BILL

Second Reading

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [2.44 p.m.]: I move:

That this bill be now read a second time.

The New South Wales Government has specific mid-year reporting requirements under the General Government Debt Elimination Act 1995, which was one of the first initiatives of the Carr Government. Under the General Government Debt Elimination Act the Government is required to publish in February a half-yearly statement for all general government agencies. This statement includes updated budget projections for the current financial year and an explanation of any significant variation in major aggregates from budget time projections, as well as the latest economic projections for the current financial year. Under the Act the half-yearly statement is based on data collected at the end of December.

The proposed amendment bill will result in the half-yearly statement being brought forward to December, with data based on that collected as at the end of October. The amendment bill also provides scope for the Treasurer to vary the time of release in the event of a late budget. Where a budget is presented between June and September, which was the timing prior to the advent of early budgets in 1996, it is quite reasonable to present a half-yearly statement in the following February. However, the Act does not adequately cater for current arrangements under which budgets are now brought down in May or June, well before the end of the preceding financial year. Where the budget is presented in May or June, the release of a half-yearly statement in February is less appropriate. In these circumstances the budget update may not become available until up to nine months after the budget was delivered.

The bill seeks amendments to the Act to allow for the earlier presentation of half-yearly budget updates. The Act will be amended so that where a budget is presented prior to the commencement of the financial year the Government will be required to release the half-yearly statement by the end of December. The amendment will require that the statement be based on data collected at the end of October. There will be no changes to the disclosures within the statement. The half-yearly report will continue to report budget projections for the current financial year and an explanation of any significant variation in major aggregates from budget time projections, as well as the latest economic projections for the current financial year.

A December half-yearly statement is midway between May budgets and will provide revised projections and forward estimates earlier than in the past. A December statement will help improve the coming year's budget process as Treasury will be able to fully focus on forward year expenditure and revenue options from January. In an election year a budget could be presented after June. For example, last year we had a March election and then a June budget, and it is almost impossible to formulate a budget in the time between the election and the budget. Certainly after the 2003 election I will not expect agencies or Treasury to undergo the task that they fulfilled last year. In 2003 I will propose that the budget for 2003-04 be presented to Parliament after the beginning of that financial year. Where a budget is presented after June, the amendment allows for the date of release of the half-yearly statements to be varied and the effective date of the statement also to be varied. I commend the bill to the House.

The Hon. J. F. RYAN [2.47 p.m.]: On the face of it the bill is reasonably straightforward. I suppose it is incumbent upon the Opposition to point out the fact that, to some extent, some of the reporting requirements relating to financial matters, which the Treasurer has imposed on himself, have rarely ever been delivered. The monthly statements that he promised would be published in the *Government Gazette* on a regular basis are rarely delivered. This is simply another attempt by the Treasurer to change the rules because he has not been able to comply with them. In some respects the new rules are not difficult. The Treasurer has focused his contribution on what might happen the year after an election.

In an election year there would be no reporting, in statistical terms, on the progress of government debt elimination from any results taken after October, prior to the election. In effect, this would set up everything wonderfully for an incoming government after an election to say, "We didn't know that there was no money in the kitty; we didn't know we were in debt. We can now proceed to repudiate every election promise made." Under these arrangements, if the budget is delivered in May the next half-yearly report will occur in December, but it will be based on statistics and figures compiled as at October. Since elections now occur in late March, obviously there will be a significant time lag between the last official Treasury report in regard to these matters and the time that the election is conducted and concluded. I sincerely hope that that is not the Government's intention.

The Hon. M. R. Egan: It actually works the other way.

The Hon. J. F. RYAN: As I understand it, under the current arrangements the Treasurer has to report in February about results which occurred in December. Under the proposed arrangements the Treasurer will report in December on results which occurred up to the previous October. The date is being moved back.

The Hon. M. R. Egan: It would be impossible for an Opposition to have to put forward financial commitments for the March election campaign if it does not get the mid-year financial statement until the end of February.

The Hon. J. F. RYAN: So it is an opportunity to keep the Opposition on side? I find that fascinating.

The Hon. M. R. Egan: No, you are not listening to me.

The Hon. J. F. RYAN: I understand the Treasurer to be arguing that at the time at which members of the Opposition formulate policies, the Opposition will have better economic data. If only I could believe that that is the Government's genuine intention! But I am not sufficiently naive to accept that. The truth is that the people of New South Wales will not know the bottom line in regard to debt recovery in this State until the budget is delivered, after the election. Incoming governments like a nice long delay before they receive the statistics; they like a good election, which is one conducted in ignorance; and they like the election to be followed by the opportunity to say that the figures were not as good as were expected, and that therefore they have to repudiate all, some, or part of the promises they made during an election campaign.

The Hon. M. R. Egan: Are you setting up an excuse for when the Liberals and the Nationals next come to office?

The Hon. J. F. RYAN: I am not setting up anything. This is the Government's legislation. The incumbent Government used this exact excuse with regard to the western Sydney tolls. It made an absolutely irrefutable promise to abolish the tolls on the western Sydney motorways. Some months after Labor was elected to government it said, "It is not possible. We have had a chance to look at the contract and there is too much tax involved. It will cost more than we thought, so we cannot do it." Another Labor politician—former Prime Minister Hawke—made that excuse famous. He did that in a very special way. He claimed that there was a funding black hole that had to be filled and he then promptly ditched every single promise that he had made in the lead-up to the 1983 Federal election.

I reiterate my belief that it is necessary from time to time for the Opposition to mention State debt. The Treasurer regularly brags that his Government is busy reducing debt in New South Wales, but it needs to be pointed out that the bulk of debt reduction occurred partly as a result of the fact that taxation takes—not rates—have increased phenomenally. I believe that the current Treasurer receives in the order of 50 per cent more revenue than did the Greiner and Fahey governments during their term of office.

A member who participated in debate on this legislation in the lower House pointed out that when Nick Greiner was Premier, State debt increased by approximately \$6 billion. That just goes to show that if one extracts all the politics that might surround this discussion one usually finds that in an economy in which revenues to the State are reducing, it is possible to incur debts in the order of \$6 billion. No-one would doubt that former Premier Nick Greiner was utterly committed to reducing State expenditure and was lampooned as a person who reduced State expenditure rather than increased it. That example may illustrate to honourable members how bad circumstances can become when an economic downturn occurs, and those are the types of rainy days for which governments are supposed to save.

The truth is that, in cash terms, this Government is not saving anything like the level of funds that will be required to meet a rainy day in the future. This Government is catching up on State debt mainly in areas which have nothing at all to do with the Government's performance. One such area is that which relates to the book entries for roads, which now have a notional book value whereas previously none had been attributed to them. I am not making this up. These facts are made clear and are laid bare in the Auditor-General's Report which was presented to this Parliament earlier this year.

The Auditor-General reported specifically on the Government's performance in net debt reduction in terms of this legislation. He pointed out that some of the debt reduction that the Treasurer brags about has occurred as a result of book entries for roads and other assets. Another area where there has been improvement is superannuation, namely in the liabilities to which the Government is subject as a result of First State Super now being a fully funded scheme. Those reforms were met with lukewarm support from members opposite in this Chamber, but outside the Chamber they were very keen to make hay in various marginal seats. The decision to begin a fully funded superannuation scheme was a tough decision that was made by the Fahey Government.

The Hon. M. R. Egan: No, the Fahey Government did not fully fund it.

The Hon. J. F. RYAN: The Fahey Government at least made progress towards fully funding superannuation. The Carr Government is partly benefiting from the tough decisions made by previous governments. It would be interesting if the Treasurer at some stage reported on the outcome of the borrowings undertaken last year, which were intended to bring forward some superannuation liabilities to buy people out. It would be fascinating to find out how successful that has been. The Treasurer increases State debt by borrowing a significant sum, so it would be good to see whether the liabilities which the Treasurer has been able to reduce outweigh the borrowings. My memory may serve me incorrectly, but I do not know that the Treasurer has provided an update on how successful that scheme has been. I apologise to the people in the Public Gallery who are visiting us from the Jilliby Public School if this is a boring speech. Unfortunately, it is necessary to speak in detail about these matters.

One of the matters mentioned by the Auditor-General in no uncertain terms is that the rate of the Government's expenditure is far outstripping the cash it is raking in through taxes. The Auditor-General has stated that the tax take in New South Wales is increasing very rapidly—at an almost record rate—but that the rate at which the Government is spending money on capital projects and on employee-related projects is also increasing at the same rate. At some stage someone will have to make some very tough decisions if the windfall that this Government is receiving—as a result of the good state of the economy generally in Australia, including New South Wales—is reversed. If that happens the Government will be left with a high-water mark of expenditure, but with a decreasing rate of revenue.

New South Wales needs a plan for the future to deal with those circumstances if the Government's intent—and the Treasurer's oft-stated intent—to reduce overall Government debt is to be achieved. Frankly, any monkey can produce impressive budgets when a lot of revenue is coming in. The real test of management of a government is when there is an economic downturn in which revenue starts to decline. This Government has been in the fortunate position of being able to cut tax rates while it increases revenue, sometimes significantly beyond what even the Government expects to receive in the course of a year. This Government is certainly flush with funds. Any monkey can reduce debt at a time when funds are coming in at an unprecedented rate. It will take enormous skill—political, financial and otherwise—to ensure that the same objective can be achieved when the economy in Australia is suffering a downturn.

Having made those points, I conclude by endorsing the comments that have been made by my colleague in another place with regard to the state of taxation in New South Wales. I believe that New South Wales is certainly in a position, given the growth of payroll tax, to offer to match the rate of payroll tax that applies in Queensland, as the Treasurer once promised—although he regularly rejects the suggestion that he made such a promise. The Treasurer has not matched the rates applying in Queensland and, judging by the payroll tax take, it is possible that the time is drawing near when it will be possible to afford New South Wales businesses some relief in payroll tax. The Opposition looks forward to the Treasurer's response when the budget is presented next year.

The Hon. I. COHEN [2.59 p.m.]: On behalf of the Greens I will make a very brief comment on this bill, partly because the Treasurer seemed disappointed that there would be no input from the crossbenches. I will pass on the message that the Treasurer is desirous of crossbench participation. I apologise on behalf of my colleagues on the crossbenches for not making a contribution earlier. If the Treasurer insists, I could possibly deliver a short dissertation which I have prepared—but only if the Treasurer insists.

The Hon. P. T. Primrose: I do not think he will insist.

The Hon. I. COHEN: I have no problem with that, but I felt that there was a certain tinge of regret. The Greens always like to fit in. I simply make the observation that the Treasurer seemed disappointed. On behalf of the Greens, I simply say that we support this bill. The legislation provides for a change in reporting times. Under the Act the Government is required to publish half-yearly State returns in February, and that will be changed to December of the previous year. As December is mid-way between the end of the financial year and the May budget, that seems to be a sensible step. The Greens are quite happy to support the bill.

The Hon. M. R. EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [3.00 p.m.], in reply: I am delighted with the support of the Greens for this important measure. However, I wish to comment on the contribution of the Hon. J. F. Ryan, which did not have much to do with the bill. The comments he made were of the type he makes regularly when he has an opportunity to speak on financial matters. I was somewhat disappointed by his speech, because the Hon. J. F. Ryan—and I say this seriously—is one of the most intelligent people on that side of the House. The other one is sometimes mad but that cannot be said about the Hon. J. F. Ryan, who generally knows what he is talking about when he does his homework. But when he grabs a skerrick of information and different arguments from all around the place, unfortunately he makes a hash of things. The Hon. J. F. Ryan spoke about the need for governments to build up surpluses for a rainy day and he was somewhat critical of this Government for not having done so.

The Hon. J. F. Ryan: Exactly. Cash surpluses, not book entries—not funds that come from simply reordering the value of roads and so on, just as the Auditor General explained.

The Hon. M. R. EGAN: I think the Hon. J. F. Ryan is talking about the accrual surplus?

The Hon. J. F. Ryan: That is right.

The Hon. M. R. EGAN: The accounting accrual surplus is also adjusted for those valuation effects but even after that adjustment this Government has consistently had budgets with operating surpluses in excess of \$1 billion a year and increasing cash surpluses. The cash surplus for 1999-2000 was some \$850 million or thereabouts, but that is not something out of the ordinary. It was the largest cash surplus in the State's history but it follows surpluses in 1996-97 and 1998-99. The Government is proud of those cash surpluses because they allow us to pay down debt. This is the first government in the history of New South Wales to reduce the State's debt rather than add to it. In the seven years prior to this Government occupying the Treasury benches we saw deficits year after year. For example, in 1994-95 before we came to office the deficit was \$590 million, in 1993-

94 the cash deficit was \$896 million, in 1992-93 the cash deficit was \$1,115 million and in 1991-92 the cash deficit was \$1,624 million. No wonder members of the Opposition have buried their heads in whatever they are reading; the Coalition Government has an absolutely appalling record of financial mismanagement.

The Hon. J. F. Ryan: That was when Paul Keating was ruining this country and at a time of economic recession of phenomenal proportions.

The Hon. M. R. EGAN: That is true, there was a recession but it was not a seven-year recession. Throughout those seven years tax rates in New South Wales were much higher than they are today, as year after year the National-Liberal administration in this State increased tax rates. In fact for six out of seven years they increased tax rates, and put up payroll tax from 6 per cent to 7 per cent. It has only been the Carr Government that has reduced payroll tax.

The Hon. J. F. Ryan: Only the rates, but not the take! The take has gone up.

The Hon. M. R. EGAN: Don't you think the tax take went up between 1995 and 1998?

The Hon. J. F. Ryan: It did.

The Hon. M. R. EGAN: Of course it did. It went up not only because of inflation but because of population growth and economic growth.

The Hon. J. F. Ryan: We had inflation rates of 7 per cent and 8 per cent. You've got inflation rates of about 1 per cent or 2 per cent.

The Hon. M. R. EGAN: In 1988-89 recurrent expenditure grew by 15 per cent. One of the reasons for the huge deficits in the late 1980s and early 1990s was that in one year the Greiner Government increased recurrent spending by 15 per cent. The lesson that tax revenues declined, which the Hon. J. F. Ryan says this Government should learn, is a lesson drawn from the Greiner Government days. In its first year of office, revenues were extraordinarily buoyant because of the property market at the time. The Greiner Government simply factored that level of revenue into its budget forever and a day, and when the property market collapsed expenditure grew at 15 per cent and revenues grew at a much lower rate than was projected in the budget. It is with that lesson in mind that this Government factored in this year's budget a decline in stamp duty receipts of some \$500 million, simply because stamp duty receipts were high last year and we did not assume—in order to make the budget look even better than it was—that those revenues would stay at that level forever. We took a realistic assessment of what the revenues would be and factored in a decline of \$500 million. That factor, together with the recession in the early 1990s, was the reason we had those huge deficits in the late 1980s, early 1990s and right up until this Government took office.

At the start of its period in office, the Greiner Government let expenditure get out of control and at the same time revenues softened. This Government has had the benefit of buoyant economic times for which it takes some credit, but not all. I am certainly not going to apologise for the State's economy growing strongly every year. That is something in which we take pride and obviously it means more money is available from the tax take. We have also chalked up these increasing surpluses, notwithstanding the fact that we paid for the Olympics up front—obviously an expenditure that the Greiner and Fahey governments did not have to cope with. We have also chalked up increases in the budget surplus—the first consistent budget surpluses in the history of the State, I might point out. At the same time we have consistently reduced tax rates in New South Wales and have put some \$8 billion into superannuation funds. Those contributions of \$8 billion to fund the superannuation schemes came out of the budgets of the past five years. That contribution, together with the high earning rates of those schemes in recent times, is probably the major reason that the unfunded superannuation liability has come down from about \$14 billion to about \$6 million.

This Government is proud of its record in reducing tax rates. The last budget was the third in a row that reduced tax rates. That is in stark contrast with the Greiner Government, under which tax rates went up each and every year; that was a normal feature of its budgets. But how much further would tax rates have to increase under a future Liberal-National government to buy back poker machine licences from the many thousands of clubs and hotels in this State? There are over 100,000 poker machines in New South Wales. Permits to operate those machines in hotels are currently trading at about \$200,000 each. Even if we assume, for the sake of conservatism, that poker machines are on average worth half of that amount, and even assuming we bought back only 20 per cent of poker machine licences in this State, that would be a \$2 billion cost to the State. We are told by the *Daily Telegraph* this morning that the Opposition is proposing to increase taxes to fund that compensation.

The Hon. J. H. Jobling: Really!

The Hon. M. R. EGAN: Yes, really!

The Hon. J. H. Jobling: We are "proposing"? Is that what it said?

The Hon. M. R. EGAN: Read the article. The shadow Treasurer, Mr O'Doherty, is proposing that. The Leader of the Opposition made similar comments earlier this week. Do they really think that they will be able to compensate the clubs and hotels in New South Wales from whom they will buy back poker machine licences? If they do, each and every year they will be up for almost \$2 billion, because the total revenue from poker machines throughout New South Wales—revenue that either remains with the clubs and hotels or comes to the State through taxation receipts—is edging up towards \$2 billion. So the next Liberal-National government in New South Wales will have a \$2 billion tax hike to buy back all those poker machine licences.

The Hon. J. R. Johnson: And tens of thousands of dollars for electricity sales.

The Hon. M. R. EGAN: I think that is called a non-sequitor. I am not sure that was the most pertinent interjection. I did not see the relationship between it and what I was saying. I can assure the Opposition that this \$2 billion a year plan to buy back poker machine licences is a matter that the Government will be bringing to the attention of not only every taxpayer but every community club in New South Wales. Really, that shows that the Opposition at the moment is being led by a shadow cabinet of real dumbclucks—people who have no understanding of what they are proposing and what they are saying. If Coalition members think they will get away with this dumbcluckery, I can assure them they are in for a surprise. I commend the bill to the House and thank honourable members for their unanimous support.

Motion agreed to.

Bill read a second time and passed through remaining stages.

PASSENGER TRANSPORT AMENDMENT BILL

Second Reading

The Hon. E. M. OBEID (Minister for Mineral Resources, and Minister for Fisheries) [3.15 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.

New South Wales has a pattern of strong economic growth. New South Wales under the Carr Government has enjoyed strong economic and job growth for more than five years. New South Wales continues to enjoy higher per capita household income than any other State. Sound economic performance is expected to continue. The taxi industry plays an important part of the New South Wales economy in supporting business and residents. We are committed to seeing the taxi industry lift its game to ensure a good service for its customers.

Already we have introduced significant reforms to improve service delivery and availability. The first reforms improved driver and passenger security. The Government introduced compulsory security measures with an option of either a taxi security screen or a taxi video surveillance camera. The second reforms focused on measures to provide better services, including: a new Taxi Advisory Committee comprising the New South Wales Taxi Council, the Transport Workers Union, police, Tourism New South Wales, the Disability Council and the Country Operators Association to advise government on policy reform; more stringent driver training requirements to improve driver knowledge of key locations; raising the English language qualifications for drivers; extended hours of operation of the taxi hotline so passengers could obtain information or register complaints; and introducing a charter of rights outlining the rights and responsibilities of drivers and passengers.

As part of those second reforms the Government: made all taxis air-conditioned for passenger comfort; introduced compulsory global positioning systems in taxis to ensure driver's safety; added an additional 100 special taxi licences to operate during the driver changeover period of 2 p.m. to 4 p.m. to increase taxi availability; increased the maximum subsidy under the taxi transport subsidy to \$30 for people with disabilities or illnesses which prevent them from using other forms of transport; and made available 400 new wheelchair accessible licences. This was just the start of our reforms.

In 1999 the Government asked the Independent Pricing and Regulatory Tribunal [IPART] to review the regulation of the taxi and hire car industries under the Passenger Transport Act 1990, as part of the Government's commitment to improving the industry's

service levels. IPART recommended immediate and longer term actions to: improve the regulatory basis of the taxi and hire car industries; increase the availability of taxis through releasing more taxi plates; institute regular public reporting of taxi service standards; and establish cost recovery enforcement practices. The Government supports the majority of those recommendations.

Currently, the taxi networks provide their members with a range of services: telephone booking dispatch, and safety measures such as surveillance by a global positioning system in the event that a driver is in physical danger. There are 14 networks in Sydney, and 83 country networks. The networks are typically separate companies or co-operatives. In Sydney, booking services are centralised with the 14 networks operating through three booking services.

The networks need to be accountable for the overall service quality of the industry. The growing trend to absentee licensees, some of whom reside outside Australia and have no interest in the licence other than as a business investment, has not helped improve the standard of service. These absentee licensees need to accept their accountability to taxi users in New South Wales in regards to performance standards. This bill places the onus for the delivery of service standards on networks and operators.

The Passenger Transport Act currently specifies some 120 taxi offences. Many are imprecise and are not specifically targeted to improve service delivery. None are applicable to the licensee as the legislation allows the transfer of accountability to their operators and drivers. This bill adopts IPART's recommendation to clarify those offences.

This bill provides that the taxi networks are responsible for ensuring that network standards are met and that drivers provide a better standard of service. Currently, licences are treated as investment instruments where the highest financial return is achieved through minimising costs rather than improving service. The private sale of licences occurs regularly. Last year, the average perpetual metropolitan taxi licence traded for \$252,000. In regional areas values vary significantly. For example, in 1999 a perpetual taxi licence in Coffs Harbour traded for \$440,000 but only \$1,000 in Walcha.

The increase in values for taxi licences has occurred over some decades. Market values and the regulatory arrangements have allowed the trading to realise a very significant total market value today of approximately \$1.1 billion for taxi licences. The high capital value of taxi licences poses a huge financial barrier to new entrants in the industry. In Sydney a taxi would cost approximately \$40,000 to purchase and fit out and the operator has to lease or purchase a \$250,000 licence on current values.

Although legislation allows short-term—annual—licences to be issued, the relevant fees have been too high to encourage new entrants into the industry and limited the ability to meet growing demand. While individual values are largely a private business risk, investor outlays are an important consideration when evaluating significant reform options. This issue was acknowledged by IPART. For example, approximately 50 per cent of metropolitan taxi licences are owned and operated by individuals who have borrowed a substantial amount of money to enter the industry.

Under the new regulatory approach, the Government will set service standards that the taxi networks must deliver. This puts the onus on taxi networks to develop better business strategies to improve their service performance and attract customers. In the case of taxi availability during the changeover period, the Department of Transport will set service levels for both booking services and taxi response times.

A critical part of the proposed reforms is improved auditing of taxi performance. Network standards will specifically mandate that the Department of Transport be given direct electronic access to network service performance data relating for the network's booking service and number of the taxi fleet on the road at any given time. The legislation allows for data links to be established between the department and the booking service of each network so that the department can electronically audit the service data against legislated network standards. The department will be able to view service data in real time.

Currently taxi networks report only half-yearly on their own service performance. The establishment of modern data collection and electronic audits will ensure independent regular reports on network performance. IPART recommended regular customer service reports on network performance for public release. The Government supports this, as it will create competitive pressure amongst the networks to lift customer services.

Quarterly performance reports will be published for each network in the metropolitan area on: waiting times for bookings; waiting times for wheelchair accessible taxis; waiting time for taxis with baby capsules; waiting times for particular areas in the metropolitan area; and the proportion of network taxis on the road at certain times of the day including the traditional changeover period. To assist networks in maintaining their service levels, drivers, when directed by a network, will have to accept a booking, or provide a service at any location at any time. They will not be entitled to refuse a fare. However, networks will only be able to use this authority to meet the network service delivery standards set by the Department of Transport.

Issues relating to the quality of a particular taxi vehicle are generally outside the control of the taxi networks. This legislation will therefore amend the Act to: provide clear assignment of accountabilities for service performance and breaches on networks, licence holders, operators and drivers; strengthen penalties to enforce these through appropriate fines and suspension of individual licences; and simplify the regulatory regime to make the rules clearer and enable more effective compliance.

Taxi operators will continue to be authorised by the Department of Transport. They will be required to comply with the requirements that form part of the authorisation standards. Initial authorisation, and authorisation renewal, will depend upon the operator being a fit and proper person. Authorisation will depend on meeting the Department of Transport's requirements in relation to financial viability, vehicle safety and maintenance, driver safety—provision of a screen or camera—maintaining appropriate insurance over the vehicle and driver, and miscellaneous issues such as provision of a uniform for the driver.

Operators will be required to be part of a taxi network, and comply with the service requirements determined by the network. The network will be required to meet the network service delivery standards imposed by the Department of Transport. Operators will also be required to allow access to departmental officers for the purpose of auditing records and systems and checking vehicles.

These reforms will require operators to deliver a quality service. However, this must not be at the expense of driver's pay and conditions. Therefore, another of the key standards is that operators must comply with the Taxi Drivers Contract Determination

or face financial penalties, possible suspension or cancellation of their operator authorisation. The network and operator service standards will be finalised by the Department of Transport following consultation with the taxi industry and the Transport Workers Union.

The Government recognises the value of prior investment in current taxi licences and therefore to overcome any undersupply of taxis a staged introduction of new metropolitan short-term taxi licences is proposed. I have already announced that a further 250 licences will be issued in the next 12 months. These new licences will be issued for a period of six years and will be non-transferable. Sixty of these licences have already been released. The Department of Transport will issue further licences each year following an annual review.

IPART made reference to the release of new taxi licences in rural areas but no specific recommendations. The Government recognises the different operating environment between metropolitan and rural taxi operators. The Department of Transport will therefore consult the rural taxi industry before any decision is made to release more licences in country New South Wales.

Other measures not included in the legislation are: a new taxi and hire car bureau in the Department of Transport, with extra staff for increased on-road enforcement, complaints services and policy implementation; improving taxi infrastructure facilities throughout New South Wales; new secure taxi ranks throughout the central business district to enable safe, efficient and managed ranks at peak times; a taxi and hire car web site for consumers; data management systems to more effectively track industry performance; improved complaints management system; and driver training schemes.

The Government's reform package provides major benefits for people with disabilities. A further 200 wheelchair accessible taxi [WAT] licences are being made available. These licences are 20-year tradeable licences as an incentive for buying the more expensive WAT vehicle, at \$80,000 per vehicle. Sixty of these licences have already been released, and a further 60 are currently on offer. Reduced minimum operating hours have already been implemented by the Department of Transport. For rural and regional areas, the current practice of not charging WAT licence fees will continue. I commend the bill to the House.

The Hon. J. H. JOBLING [3.15 p.m.]: The Passenger Transport Amendment Bill is a particularly important bill dealing with the review of the taxicab and higher car industries. The bill attempts—and may well succeed—to regroup, rationalise and clarify certain provisions of the Act relating to taxicabs and private hire vehicles. The imposition of these provisions upon taxicab operators is highly desirable. The bill deals with control and licensing of networks delivering taxicab services, and that matter is important to most residents of New South Wales, whether they be within the highly urbanised areas of Sydney, Newcastle and Wollongong or in country areas in which taxicab networks operate.

This bill deals with provisions relating to advertising, document returns, number plates, and the times within which proceedings for offences can be commenced, as well as touching on some evidentiary matters. Some reforms that this Government attempted to introduce to improve driver and passenger security were unsuccessful. Those measures required taxicab owners to expand considerable sums of money, resulting in fare increases to pay for those measures. But the taxi security screen and surveillance cameras were not a success. The security screen was disliked by both drivers and passengers. They were uncomfortable and did nothing to improve the taxi industry.

I understand that some 14 major networks operate in Sydney and that some 83 smaller networks operate in country New South Wales. A number of things have caused great concern for many people who use taxicabs and hire cars. One of those relates to drivers knowing where they are going. Passengers are entitled to believe that when they hire a taxicab they will be transported by the quickest route possible to get them from point A to point B. Those of us who have travelled in taxicabs in London and elsewhere in England are aware of the knowledge and professional skills of those drivers.

Most taxidriver in New South Wales meet the required standards and most of them have a good understanding of the English language, although I have experienced some language difficulties with a few with whom I have had dealings. They work long hours in difficult conditions. The bill seeks to implement the recommendations flowing from the 1999 Independent Pricing and Regulatory Tribunal [IPART] review of taxi and hire car services. It specifically rationalises and clarifies the existing regulatory regime, increases the responsibility of the network and operators and tidies up a few other measures.

The Government has made a number of promises to the taxi industry. However, it is worthwhile noting that the Government has failed to alleviate the 3 o'clock taxi drought. It has had as much success as other bodies that have attempted to resolve that problem. Quite obviously, the matter has not been resolved; it is still difficult to get a taxi at 3 o'clock when the changeover takes place. In 1999 the Minister for Transport asked IPART to review the regulatory regime governing taxis and hire cars. IPART released an interim report in August 1999 and a final report in November 1999. IPART made 23 major recommendations ranging from increasing the number of taxis in Sydney to suggesting that options be drawn up for delegating taxi regulations to local councils in non-metropolitan areas.

The bill seeks to implement a number of those recommendations. IPART, which was scathing in its comments about a number of matters, said that several issues had to be dealt with. The taxi industry is a huge

industry. I believe that there are 4,537 licensed owners in the Sydney area alone and 930 licensed owners throughout the rest of New South Wales. The taxi industry in Sydney employs a vast number of people—approximately 20,000—in addition to the licensed drivers. The industry, which generates a lot of income, is important to those who use taxis on a regular basis.

I draw to the attention of the Minister the IPART recommendation that deals specifically with licences for taxis for the disabled and wheelchair accessible taxis. IPART was concerned about the licence fee. It was also concerned about an adequate supply of taxis for the disabled and about the unacceptable time delays experienced by disabled people waiting for taxi services. The Opposition does not oppose this bill. We will watch with a great deal of interest to see whether the bill rationalises and clarifies the existing regulatory regime, increases the responsibilities of networks and operators and achieves a better delivery of service for the people of New South Wales.

Ms LEE RHIANNON [3.24 p.m.]: The Greens support the Passenger Transport Amendment Bill, but note that many attempts have been made, with limited or no success, to reform the taxi industry. We will certainly keep a watching brief on the implementation of these measures. For many years the Greens have received considerable material from taxidriver. I commence my contribution to debate on this bill by referring to a recent taxi experience. Many honourable members who leave Parliament House at night walk onto Macquarie Street and hail a taxi. On one occasion when I hailed a taxi and we were travelling along the Eastern Distributor the taxidriver said to me, "You have been working late." I said, "Yes." He said, "Where do you work?" I replied, "Parliament House." He said, "Are you a parliamentarian?" I said, "Yes." He then said to me, "You look too young for that." As I am very proud of my years I said, "I am 49, nearly 50." He said, "I thought that job was for really old people who had a bit of a snooze and a bit of a drink to pass away the hours." I said "No, we work hard and we deal with a lot of legislation."

We then talked about this piece of legislation. He did not know anything about it, which is not that surprising as there are a lot of taxidrivers in Sydney. But that certainly highlights the need for the community to more widely debate every piece of legislation. The relevance of that story to this debate was his cynicism about the whole process of reform. Many taxidrivers are committed to their industry and they are committed to supplying a service to the people of Sydney and to visitors to Sydney. They have witnessed honest and sometimes phoney attempts to reform the system and they now have a great deal of cynicism. As taxidrivers are at the coal face of their industry we need to get them on board. There have been many failed attempts to clean up the industry. There is an urgent need to make the industry accountable for service delivery.

The issue that I flag in particular is the provision of taxis for people with disabilities—about which we get an enormous number of complaints. We work with people with disabilities and with groups that work with people with disabilities. Their stories are absolutely mind boggling. Many people are dependent on taxis to transport them around the city. If taxis take hours to turn up, the quality of life of those depending on them is severely compromised. That is one area that will really be a test for this legislation. We are interested to see the degree to which this legislation benefits the disabled. Are we just tinkering at the edges, or will we have to introduce another piece of legislation to implement necessary reform in this area? I congratulate the Minister on tackling this important issue.

The Hon. R. S. L. JONES [3.28 p.m.]: When I looked through the Passenger Transport Amendment Bill I was somewhat concerned about the number of quite draconian determinations that may be made by the director-general. For example, proposed section 31F, which relates to the variation, suspension or cancellation of authorisation and subsection (3) provides:

The authorisation of a corporation is automatically cancelled when there is no designated director or manager.

I was concerned also about appeal rights. I have discovered, however, that the principal Act contains adequate appeal rights. So far as I am able to determine, there has not been adequate consultation with taxidrivers. One leading taxidriver who has transported me on a number of occasions said to me that he believed that some of the provisions in this legislation were quite draconian. However, I do not believe that his concerns are well-founded. It would have been a good idea if the Government had met with taxidrivers, or at least their representatives, to tell them about the legislation and what was contained in it. I do not know whether that occurred. It does not appear to have occurred. I am particularly supportive of proposed section 31E (3) (c), which states that without limitation, standards may make provision for or with respect to:

- (c) requiring authorised taxi-cab operators to comply with the applicable contract determination in respect of the amounts of chargeable fares required to be paid to the operators by drivers to whom the determination applies.

This is good legislation that tightens up a number of matters. It makes compulsory the fitting of either taxi surveillance cameras or security screens. A couple of years ago I had a big battle with the Minister for Transport when the Roads and Traffic Authority decided to make every single taxi have a security screen. Many taxidriver expressed concern about that, and now we see they can have either taxi surveillance cameras or security screens. It is a good thing that they can at least make that choice. I spoke to a taxidriver the other day—I referred to him in a previous speech—and he said he was sick and tired of being bashed and threatened, and he cannot wait to get out of the city. He said that everything has changed here. I suspect that a number of taxidrivers are suffering from the same problems.

I hope that, with either the screens or the cameras, taxidrivers will gain more protection. As Ms Lee Rhiannon said, they are at the front line and they are very vulnerable, especially at night and in some dangerous areas. I use taxis a fair bit, often using a voucher to travel home from the Parliament, and I have many conversations with taxidrivers. They come from all walks of life. It is a pretty tough life: not as easy as some jobs. They deserve respect and support from the community.

The Hon. Dr A. CHESTERFIELD-EVANS [3.30 p.m.]: I speak to this bill after five minutes notice. I did not expect debate on the bill to be called on now. My staff go by the list they are given and naturally they are not prepared for bills that are scheduled a long way ahead. I put on record my criticism of the Government. It always drops a huge bill like the fisheries bill or the water bill on us right at the end of the session, and these bills require a large amount of work.

The Hon. E. M. Obeid: It does not stop you from talking.

The Hon. Dr A. CHESTERFIELD-EVANS: I thank the Minister for that reflection. By dint of a large amount of effort I endeavoured to respond to both the fisheries bill and the water bill—thanks to the quality of my staff and the good advice that came from other areas. I managed to make speeches. Lengthy legislation does not have to be jammed through at the end of a session. The public response to the water bill was so prompt and sophisticated that it has caused problems for the Government and the Government is now delaying matters by squeezing in a lot of little bills out of order. That is why bills like this can sneak through, because we have not necessarily had time to respond to them. It is a very poor show by the Government. It is almost a contempt of Parliament the way these things are engineered. It is difficult to respond to this bill out of order and at short notice.

The bill seems unexceptional in that it makes some minor changes to the way taxis work. Like Ms Lee Rhiannon, I have received a large number of representations about problems in the taxi industry. There have been problems with security, pay-ins being rigged to favour owners, levies being paid which are then added to the pay-in and not removed, corruption in the awarding of the security shield contracts, possibly corruption in the way contracts for disabled taxis were awarded, lack of representation by the Transport Workers Union for taxidrivers, and the Taxi Industry Council not being sufficiently representative of drivers and their interests—and this is all reflected in the incomes and safety of drivers. I have received a lot of representations about all these problems over a long time. I hope that if someone is trying to do something about the taxi industry, these concerns will be addressed.

The significance of this bill is not what is in it but what is not in it. Once again these little bills sneak through in the pile of legislation that is hurried along at the end of the parliamentary session without really addressing the industry's problems. It would be nice to think it is a coincidence, but I find it increasingly difficult to believe that. I do not think there is anything exceptional in this bill. I just think it does not address the major problems in the taxi industry, and I long for the day when legislation does that.

I think it would be very valuable if the Minister would publish a list of taxi licences owners. I challenge the Minister, in his speech in reply, to name those who own taxi licences in New South Wales. If it is good enough to have share registers of those who own company shares, and thus who own companies, surely it is a reasonable request that the names of the owners of a taxis be published. I challenge the Minister to release the list of the owners of taxi plates in New South Wales. As I said, we do not object to what is in this bill. Our objection is to what is not in it. Again I have to speak advisedly. Because of the short notice I have not taken advice from people in the taxi industry. All I can say is that the bill looks all right, and unless other information comes to me I will not oppose it.

The Hon. E. M. OBEID (Minister for Mineral Resources, and Minister for Fisheries) [3.35 p.m.], in reply: I thank all honourable members for their contributions, and commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

MARINE PARKS AMENDMENT BILL

Second Reading

The Hon. E. M. OBEID (Minister for Mineral Resources, and Minister for Fisheries) [3.36 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

The Marine Parks Amendment Bill 2000 provides sensible and necessary refinements of the Marine Parks Act. When the Government first brought forward the Marine Parks Act in 1997, it was in response to a growing sense within the community of the need to ensure the conservation of our marine biodiversity. This legislation enabled the creation of the first marine parks in New South Wales. The conservation of marine biological diversity and marine habitats through a system of marine parks, while allowing for ecologically sustainable use of the State's marine resources, continues to be the primary objective. Over the past three years, the implementation of the Marine Parks Act and the establishment of marine parks at Jervis Bay, the Solitary Islands and Lord Howe Island, has identified unforeseen difficulties in administering the legislation. The Marine Parks Amendment Bill will ensure the more effective delivery of the primary objectives of the Act and reconfirms the Government's commitment to conserve our marine environment in a responsible and balanced way.

The bill aims primarily to improve the operation of the Marine Parks Act 1997. Section 6 of the Marine Parks Act provides, with respect to the declaration of marine parks, that a proclamation must not be made without the consent of owners and occupiers of the land in question. This provision has created unforeseen legal and administrative complexities. This occurs because the informal nature of many interests has meant that many owners and occupiers within a proposed marine park are not known and not documented. In addition, the boundaries of those interests may be poorly defined, if they are defined at all. If owners and occupiers are not known, and boundaries are undefined, their consent cannot be obtained. In such circumstances it can prove extremely difficult and, in some cases impossible, to obtain the consent of all relevant owners and occupiers to the declaration of marine parks. Consequently section 6 of the Act can never be fully satisfied.

Therefore, to ensure the effective implementation and declaration of marine parks, the bill will remove the requirement for the consent of owners and occupiers in certain limited circumstances. Above the high-water mark, the requirement for consent from owners and occupiers of land will not be affected. Occurrences of this need for consent will in any event be unusual as the inclusion of lands above mean high-water mark will rarely be proposed for inclusion in a marine park. Native title interests will not be affected and nothing in this bill, or in the existing Marine Parks Act, can remove or adversely affect native title rights.

It is important to remember that the declaration of a marine park does not change the underlying land tenure. Unlike terrestrial national parks, marine parks do not require a change in ownership. The objectives of the Marine Parks Act are achieved by managing the way we use and enjoy the marine environment, not through reserving the land in a specific form of tenure. The principal mechanisms for managing activities in a marine park are the zoning and operational plans. Community consultation and the due consideration of the needs of all stakeholders are fundamental elements of the marine park framework in New South Wales. It is the implementation of zoning and operational plans, not the actual declaration of a marine park, that can effect existing activities and where consultation with affected stakeholders is essential.

The amendments in this bill propose that the relevant Ministers consider the impact of proposed regulations, being the zoning and operational plans, on any existing interest within the marine park. The proposed amendments in this bill will also provide the Marine Parks Authority with the legislative power it needs to deal with the removal and recovery of costs associated with unused property, such as sunken vessels or materials, in marine parks. The successful operation of marine parks in New South Wales will depend largely upon the ability of the Ministers, the Marine Parks Authority, and the park managers to ensure that all activities within the marine park are sustainable. It is therefore essential that both the proponents of developments and the determining authorities take the objectives of the marine park and the relevant zoning plans into consideration. The bill proposes that the most effective way of ensuring this happens is to have matters referred to the Ministers responsible for marine parks for their approval or concurrence before any development proceeds. This requirement would apply to both part 4 and part 5 developments under the Environmental Planning and Assessment Act 1979.

The functions of advisory committees are also addressed by this bill. The existing legislation providing for the functions of the Marine Parks Advisory Council is articulated clearly. This has assisted the council in understanding its role and in performing its functions effectively. This bill proposes amendments to include similar provisions for the advisory committees associated with each marine park. This would bring them into line with the Marine Parks Advisory Council. The amendments will also provide for marine science representation on the local committees, which is clearly desirable in their deliberations over marine park issues. Marine park rangers are currently officers of NSW Fisheries, National Parks and Wildlife Service and the police. The proposed amendments would provide for relevant officers from other government departments or a public or local authority being appointed as rangers. This is a sensible arrangement that recognises the spread of interest and accountability for marine matters across a number of departments and authorities.

This bill also includes an amendment to expand the capacity of the Marine Parks Fund to receive gifts and bequests of moneys. The bill will also provide the Minister for the Environment and the Minister for Fisheries with the capacity to delegate certain functions. Marine park closures are management tools currently used under the Marine Parks Regulation to restrict or prohibit activities in a particular area of a marine park for a specified period. There is value in articulating this provision in the Act itself in that it allows for comparable penalties to those which apply for similar provisions in the Fisheries Management Act 1994.

Finally, the bill provides for a smooth transition from an aquatic reserve—which are established under the Fisheries Management Act—to a marine park, which are established under the Marine Parks Act, by providing that the regulations made under the

Fisheries Management Act continue to apply until such time as regulations are made under the Marine Parks Act. This guarantees that there will be no hiatus in the effective management of a marine park. In summary, if these amendments are not made to the Marine Parks Act, the framework for conservation of marine biodiversity in New South Wales will be substantially diminished through making processes unnecessarily cumbersome. The bill presents a realistic and reasonable response to addressing such issues. I commend the bill to the House.

The Hon. R. H. COLLESS [3.36 p.m.]: I speak against the Marine Parks Amendment Bill, and I do so for some very good reasons.

The Hon. R. S. L. Jones: How could you?

The Hon. R. H. COLLESS: I will explain how I could—and with very good reason, as I said. The bill seeks to remove the requirement to obtain the consent of the owners or occupiers of areas below the mean high-water mark to the declaration of those areas as marine parks; and to automatically incorporate that change into the existing three marine parks. I do not have any concerns with the other amendments in the bill but I do have a concern about the requirement to remove the necessity to obtain the consent of the owners or occupiers. I support the need to ensure the proper conservation of our marine park biodiversity. I am sure that Hon. R. S. L. Jones will be pleased to hear that. I have spent many pleasurable hours with my family and friends enjoying the New South Wales and Queensland coasts as a camper, scuba diver, snorkeller, fisherman and spear fisherman, and I fully appreciate the justification for ensuring the continued survival of some of our most extraordinary ecosystems.

I have camped on a number of islands on the Barrier Reef, including Wreck Island, Tryon Island and Lady Musgrave Island, and have done so—particularly on Lady Musgrave Island—on about five separate occasions for three weeks at a time. So I do know something about the reef ecosystems and what happens there. Over that time I have seen the changes that have occurred since the introduction of the Barrier Reef Marine Park Authority and different zonings in the reef. It is now a pleasure to go into the protected zones of marine parks and see the difference when they are protected from the other uses that people—myself included—enjoy in them. I have a fundamental philosophy that families and local communities are the basis of our society. To remove the requirement to obtain the consent of owners or occupiers when an area is to be reclassified is against the rights of the families and the local communities.

Section 6 (3) (a) of the Act requires that a proclamation must not be made without the consent, in the case of occupied Crown lands, of the holder or occupier of that land. The bill seeks to remove the requirement so that such proclamations can be made without the holder or occupier being aware of the changes. Section 6 (3) (b) of the Act requires that a proclamation must not be made in respect of any other area of land without the consent of the owner or occupier. The bill changes this to the area of land above the mean high-water mark, irrespective of the title of the land. That is important, particularly in the case of turtle rookeries, where the marine animals nest above the high-water mark. I do not have a problem with that part of the bill.

This change effectively means that any land that is privately owned or leased below the mean high-water mark can be proclaimed as a marine park without the consent of the owner. This could well be freehold land. Even to contemplate that such areas could be proclaimed without the consent of the owner is beyond belief. Section 14 of the Act requires that any authority wishing to acquire land from the marine park must do so under the Land Acquisition (Just Terms Compensation) Act 1991. However, the bill seeks to include an additional clause clearing the way for the Government to proclaim an area of land as a marine park even if the owner or occupier of the land cannot be found or identified. Again, it is incredible that the Government is making such an amendment to the Act.

I believe—and I believe that the community shares my belief—that owners and occupiers of any land to be included in a marine park should be notified and should at the very least give their consent to proclamation of part of their land as a marine park. Should the owner or occupier decline that consent, the Marine Park Authority has the power, as does any other public authority that is required to acquire land for the benefit of the wider community, to acquire the land under the Land Acquisition (Just Turns Compensation) Act. The procedure that the amendment seeks to permit for marine parks already applies to the acquisition of leasehold land proclaimed as national parks in the Clarence electorate.

Crown land held under several different leasehold titles has long been regarded and managed by the Department of Lands and later the Department of Land and Water Conservation as a long-term leasehold title. These leases were purchased by occupiers. They were tradable and mortgageable, thus they had a value. The leases have subsequently been cancelled. In one case I am aware of, a lease granted in 1995 and extended to

2015 has been cancelled. The owner has been advised of the cancellation of the lease and no compensation is payable, despite the fact that it had a value to the owner. It was mortgageable and it was part of his assets, but it has been taken off him. In the second reading speech in the other place, the honourable member for Bankstown, Mr Stewart, made the point that unforeseen difficulties in administering the legislation had occurred. I bet they had! With respect to the declaration of marine parks, Mr Stewart said:

... a proclamation must not be made without the consent of owners and occupiers of the land in question. This provision has created unforeseen legal and administrative complexities.

He contradicted himself a short time later when he said:

Community consultation and due consideration of the needs of all stakeholders are fundamental elements of the marine park framework.

Yet the Government is attempting to change that. The Coalition opposes the bill on that basis.

The Hon. Dr B. P. V. PEZZUTTI [3.44 p.m.]: Honourable members would be aware that at one stage I owned land in Reyners Lane, Lennox Head. In terms of sea encroachment, the land was such that I owned the sea for about 40 metres beyond the wall on Lennox Head beach. Encroachment of the sea at that level was such that the little shack I bought with the land was the tennis court clubhouse 30 years ago, and it was about 100 metres out to sea. Under those circumstances, should that land have become a marine park without my consent, I would not have been able to exclude people from walking up and down the beach, which I could do if I so wished. However, I do not own the land now; I have sold it.

The Hon. M. J. Gallacher: Who bought it?

The Hon. Dr B. P. V. PEZZUTTI: It was bought by a very nice person for the appropriate amount of money that I asked for at that time. At the time I sold the land, approval had been given for the development of two units, under the previous Government. Interestingly, an article in the *Daily Telegraph* of 21 November stated that the whole of the beachfront will be concreted.

The Hon. R. S. L. Jones: What changes?

The Hon. Dr B. P. V. PEZZUTTI: The Labor Government will do that. Richardson accused the Coalition Government of doing the same thing. Now this Government will approve of the coastline being covered in bricks and tiles. If I still owned the property at Lennox Head I would be concerned if a body suddenly took it away. It is important to note that the wilderness legislation proposed by the Fahey Government included provisions for obtaining the consent of owners and for just terms compensation. Under the wilderness legislation the Liberal-National Coalition Government provided for just terms compensation for loss of access to property.

If the Commonwealth were excising land, under the Constitution it would have to provide just terms compensation. Labor Governments in New South Wales have put their faces against just terms compensation for many, many years. And access to land is not the only right they removed without providing just terms compensation. The previous Minister for Fisheries continued to remove the rights of fishermen by regulation and by stealth, and without just terms compensation. The current Minister for Fisheries continues to change the rights of fishermen under their licences. At least weekly we get four pages of regulations under the Fisheries Management Act.

The Hon. E. M. Obeid: When we have people like you fishing every day and removing all the resource we have to control it.

The Hon. Dr B. P. V. PEZZUTTI: Aboriginal fishermen find that on public holidays the areas where they fish are suddenly closed to them. The fish are there but they cannot get at them. The Government does not provide just terms compensation for that; it simply removes the right to fish because it thinks it has the right to do so. I agree with my colleague the Hon. R. H. Colless and the Opposition on this matter. Unless the Government provides just terms compensation for the removal—

The Hon. M. J. Gallacher: You are breaking new ground.

The Hon. Dr B. P. V. PEZZUTTI: I have never done what the Leader of the Opposition place is suggesting. Unless the Government is prepared to pay just terms compensation—after all, it is doing this in the

interests of the grateful taxpayers of New South Wales and for future generations—it should at least pay for resettlement, disruption and loss of access which has been properly acquired by other taxpayers in New South Wales, to wit the owners. This issue relates to all legislation. When the Government affects the ownership of property it should pay a minimum of just terms compensation. If the current Minister for Fisheries were the Minister for Roads and he put a road through someone's house, he would not pay just terms compensation.

The Hon. E. M. Obeid: It wouldn't worry me.

The Hon. Dr B. P. V. PEZZUTTI: It is the same damn thing. You try to do that if you are the Minister for Roads. Under the current law the Minister for Energy can affect ownership of property without providing just terms compensation, and that also needs to be amended. The principle of compensation that is now getting through to the Minister for Fisheries should come through in other areas of his portfolio. Although this legislation comes under the Minister for the Environment, the Minister for Fisheries has a management responsibility within the marine parks.

The Hon. E. M. Obeid: No-one has their entitlement taken away without compensation. Where is that in the bill?

The Hon. Dr B. P. V. PEZZUTTI: Where is that spelled out in this legislation? If it is like every other piece of legislation—

The Hon. E. M. Obeid: Are you talking about this legislation?

The Hon. Dr B. P. V. PEZZUTTI: I am talking about this legislation. Where in this legislation is compensation referred to? If the ability of owners to access compensation is taken away, in the way in which the Government did before—

The Hon. E. M. Obeid: Public owners are below the high-water mark.

The Hon. Dr B. P. V. PEZZUTTI: That is not true. If I still owned that property at Lennox Head I would own the land beyond the high-water mark because—

The Hon. R. S. L. Jones: Below the high-water mark, you mean.

The Hon. Dr B. P. V. PEZZUTTI: The land I owned at Lennox Head was below the high-water mark. The property I bought and sold was surveyed. When we sold it, we put pegs in the ground to show the boundary of the property. Next year the sea might rise, and the owners would have to do that again. If the Government is taking away a right to use the land, it should provide compensation. Where in this legislation is compensation referred to? It is not there. I am sure the Minister, with his new-found interest in compensation for fisheries, would be keen to include a compensation provision in the legislation.

The Hon. Dr A. Chesterfield-Evans: You need King Canute.

The Hon. Dr B. P. V. PEZZUTTI: You misquoted King Canute. King Canute did it to prove to his people that he was not God. He sat there, and he said, "Send the tide back," and he proved to the people that he was not God.

The Hon. Jan Burnswoods: Arthur told us that the other night. You're plagiarising.

The Hon. Dr B. P. V. PEZZUTTI: I heard only a portion of what the Hon. Dr A. Chesterfield-Evans said. Normally, people who speak about King Canute get it wrong. I hope that the Minister will get this legislation right by including a compensation provision. It may well be that, in the interests of the people and the environment, there should be managers of marine parks. That is fine. But if the Government takes rights from people it should provide compensation. It should be able to work with individuals by providing compensation, consultation and co-operation—and the Government may well be able to do that without paying a lot of money.

The Hon. R. S. L. JONES [3.51 p.m.]: It is extremely depressing to hear the Opposition speaking against the Marine Parks Amendment Bill. During the former Coalition Government's term in office it showed very little interest in the marine parks.

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

The Hon. R. S. L. JONES: How many marine parks do we have? How many did the Hon. Dr B. P. V. Pezzutti declare?

The Hon. Dr B. P. V. Pezzutti: Ian Armstrong established the first one.

The Hon. R. S. L. JONES: And the last one, for your mob.

The DEPUTY-PRESIDENT (The Hon. Janelle Saffin): Order! The Hon. Dr B. P. V. Pezzutti will resume his seat. He has already contributed to the debate.

The Hon. R. S. L. JONES: During its entire term in office the former Coalition Government showed very little interest in the issue. We have only three marine parks in the whole of New South Wales, and yet the Opposition is now bleating about compensation for a permissive occupancy. I had permissive occupancy on my property in Ingleside that I knew could be taken away at any time without compensation. People simply do not get compensation for permissive occupancy. I held four acres of permissive occupancy land, along with five acres of freehold land. I knew that permissive occupancy could be taken away at any time and I would receive no compensation—and I was not expecting compensation. People who hold permissive occupancy on land cannot expect compensation. I challenge members opposite to give one single example of compensation that would have been payable under the former Coalition Government's administration—apart from the Hon. Dr B. P. V. Pezzutti, the sole person who may have had compensation for his land below the high-water mark. This is just absurd. It is pathetic that members opposite oppose this legislation. They have no idea what they are up to.

The Hon. Dr B. P. V. Pezzutti: Yes, we do.

The Hon. R. S. L. JONES: You have no idea whatsoever. The bill makes numerous amendments to the Marine Parks Act 1997. They include requiring the consent of owners or occupiers of areas above the mean high-water mark before a marine park can be declared—in other words, owners of land above the mean high-water mark must obtain permission; requiring the Minister for the Environment and the Minister for Fisheries to consider comments and submissions by holders of existing interests in marine parks before exhibiting draft regulations; requiring the concurrence of relevant Ministers for certain development and activities within marine parks; preserving native title rights and interests in marine parks; enabling activities to be prohibited within marine parks; increasing penalties for offences under the Act; changing the way in which advisory committees are established; and extending the classes of persons who can be appointed as marine park rangers.

Before I detail the concerns that I and the environment groups have about these changes, and how those concerns can be best addressed, I should like to place on record the New Zealand experience with marine parks in the hope that we will all learn from it. The former Coalition Government did not learn from this, and this Government has not yet learned from it. Basically two approaches can be taken in the establishment of marine parks or reserves. Closing reserved areas to all exploitation at the outset—the no-take approach; or only restricting activities known to be damaging and adding to those restrictions when proven necessary—the restricted activity approach. Both of those approaches have been tried in New Zealand, and that country's experience has shown that the first approach is by far the most effective and is therefore preferable.

As the Cape Rodney to Okakari Point Marine Reserve was set up to determine the effects of exploitation, a total ban was placed on fishing, dredging and any other disturbance within the marine reserve, regardless of whether damage was proven, who was carrying out the disturbance or what their motivation was. However, the reserve has remained easily accessible to the public for unrestricted viewing of marine life and to researchers. The rules of the reserve are simple and strict: no fishing, no removals and no disturbance. No concessions were made for existing users, either commercial or recreational, whose activities conflicted with those rules. In 1991 Ballantine wrote:

The reserve, which contains an ordinary piece of coast, has proven to be remarkably successful in many ways. A greater variety of marine life can now be seen more abundantly, naturally and conveniently in the reserve than anywhere else in New Zealand. As a result, visits by the general public have greatly increased, as has their support for more reserves with strict rules.

Ballantine in 1991 and Walls in 1998 said:

Teachers, tourists, diving schools, artists, amateur naturalists, photographers and many others have also found that the reserve provides them with valuable features that are unavailable elsewhere, and several local businesses have opened to capture their trade. For example, scuba filling stations, snorkel equipment hire, cafes, a marine education centre, a camping ground and a glass-bottomed boat operation have become established over the past few years.

In 1993 Creese and Jeffs wrote:

Many forms of scientific study have also been encouraged and made possible by the establishment of the reserve due to the occurrence of more natural densities, distributions and behaviour; protection for manipulative experiments and recording equipment; assurance of continuity; availability of detailed maps and background data. The University of Auckland marine laboratory has evolved in a kind of mutual dependence with the reserve; detailed habitat maps of the area have been developed; precise and detailed information on patterns of distribution have been established; knowledge has been gained of the causal processes at play; the effects on whole communities and habitats has been determined; and the natural variation between the years investigated.

In 1992 Cocklin and Flood wrote:

Local fishermen, land-holders and the general public, who were initially divided over the marine reserve proposal, are also now convinced of its value and benefits. In fact, the reserve now has very solid, indeed almost total, support. Surveys have found that 78 per cent of local fishermen are in favour of more such reserves, 78 per cent would actively prevent poaching in them, and 40 per cent consider that catches are now higher outside the reserve because of its existence. A socioeconomic study has shown that residents of the nearby township believed that the community would be worse off economically if the reserve did not exist.

In 1993 MacDiarmid and Breen wrote:

The impacts of the level of protection provided by the no-take reserve have also been quite dramatic. For example, studies funded by the fisheries research division of the Department of Conservation have shown the density of adult commercially valuable rock lobster, *Jasus edwardsii*, within the reserve to be more than an order of magnitude higher than on the surrounding coast, and the reserve animals to be much larger and still growing.

In 1990 Cole and others said:

Other studies have found obvious trends in increased size and abundance of reef fish such as red moki and snapper.

On the other hand, the Poor Knights Marine Reserve, which is scenically spectacular and contains marine biology that is unique to New Zealand, was established as a working reserve after wide consultation amongst user groups and only demonstrably damaging activities were curtailed. When the reserve was established, some recreational fishing was therefore permitted in an attempt to arrive at a compromise that would satisfy both recreational fishing and conservation interests.

A 1997 document prepared by the Department of Land and Water Conservation reported that recreational fishing of specified species, such as shark, billfish, tuna, mackerel, kahawai, snapper, trevally, kingfish, pink maomao and barracouta, using specified methods—for example, trawling, floating line and spear—was initially permitted in all but two small areas of the reserve by the Minister through a notice in the *Government Gazette*. However, all other marine life could not be taken from the reserve and commercial fishing was entirely prohibited within it.

The 1997 document also reported that the continued fishing of these species via those methods has, however, been found to have an important and detrimental effect on the ecology of the reserve. The mean size and abundance of allowable species within the reserve have continued to decline rather than increase, despite the cessation of commercial fishing. Non-allowable species have been taken as a result of confusion about species identity, and by deliberate intent. The methods used to take allowable species exclusively target, or have a high bycatch of, resident and ecologically important fish species.

It has also been found that the two no-take zones within the reserve, which comprise approximately 5 per cent of the total area of the reserve, are too small to effectively protect the reef ecosystems around the Poor Knights Islands from recreational fishing pressure, according to the Department of Land and Water Conservation in 1997. Therefore it was recommended that all recreational fishing in the reserve be phased out within a six-month period. According to Ballantine in 1991, while it was initially thought that some reasonable adjustment could be made to accommodate at least some of the existing users and that worthwhile protection could still be attained within the reserve, the difficulty of enforcing the complex rules that would be necessary to manage it—such as exempt species, zoning and allowable catch techniques, has meant that continued deterioration of the area has not been able to be prevented.

While the scientific, economic and social benefits of determining the effects of marine exploitation are still emerging from Cape Rodney to Okakari Point Marine Reserve, it is more than clear that by using the no-take approach, even an ordinary piece of coast can be transformed into an important asset for research workers, commercial fishermen, divers, tourists and the general public. It is also clear that while it is possible to design the restrictions of a marine reserve to accommodate existing users, to locate it in a remote locality where it will upset fewer people, and to choose places which are biologically very special in an attempt to justify the whole procedure, all of these things heavily reduce any benefit likely to develop from having a marine reserve.

The New Zealand experience also shows that social and political problems of creating such reserves are much larger in prospective imagination than in actual practice, whereas the scientific, social and economic benefits of fully protected marine reserves are considerable, both in degree and range. While complete agreement on the development of marine reserves is unlikely to be achieved at the outset owing to the many interests involved, support increases quickly after reserves have been gazetted. In light of this information, we must ensure that our marine parks are developed on a complete no-take basis from the beginning. I ask the Minister for Fisheries to take particular note of what I have just said. We must ensure that we develop a comprehensive, adequate and representative reserve system of marine parks as soon as possible. By May 1998, New Zealand already had established 14 marine reserves compared to Australia's three.

Pursuant to sessional orders business interrupted.

QUESTIONS WITHOUT NOTICE

KARIONG JUVENILE JUSTICE CENTRE ELECTRICAL FAILURE

The Hon. PATRICIA FORSYTHE: My question without notice is directed to the Minister representing the Minister for Community Services and the acting Minister for Juvenile Justice. Will the Government explain why the electrical system within the Kariong Juvenile Justice Centre failed last weekend as a result of a blackout in the internal control centre, which provides monitoring across the centre? Will the Government give an assurance that the security of the system was not put at risk?

The Hon. M. R. EGAN: I am not aware of the incident. I will refer the issue to the acting Minister for Juvenile Justice and obtain a response.

The Hon. PATRICIA FORSYTHE: I direct a supplementary question to the Minister representing the Minister for Community Services and the acting Minister for Juvenile Justice. Was the cause of the blackout a water fight between youth workers using firefighting equipment inside the control centre?

The Hon. M. R. EGAN: Having indicated to the House that I am not aware of the incident, I find it very strange that the honourable member has asked me a supplementary question about details of the cause of the incident.

The Hon. D. J. Gay: You would be concerned, if that was the case?

The Hon. M. R. EGAN: I would have thought that rather than trifling with the House if that was the point that the honourable member was trying to make, it would have been contained in her original question.

YOUNG DRIVER TRAINING

The Hon. R. D. DYER: My question without notice is directed to the Special Minister of State. What is the Government doing to improve driver training for young people, to reduce their rate of motor vehicle accidents?

The Hon. J. J. DELLA BOSCA: This afternoon I had the pleasure of launching a very important initiative that has been jointly funded by the Motor Accidents Authority and the NRMA. These two bodies have put together a \$2 million awareness campaign to encourage parents to give their children on L plates—learner drivers—more on-road driving experience. The campaign is called Practice Helps Your Children Survive and it will begin this weekend around New South Wales. Parents have an important responsibility to provide learner drivers with maximum opportunities to gain behind-the-wheel experience under different road conditions.

The Hon. D. J. Gay: The worst period of my life.

The Hon. J. J. DELLA BOSCA: The Deputy Leader of the Opposition makes the point that driver training can be the worst period of someone's life. Many people pay dearly for not having broad experience before they become solo drivers. The high level of involvement of young drivers in motor vehicle crashes is a complex problem. Young drivers are more likely to crash within the first 12 to 24 months of obtaining a licence, which suggests that they have not yet fully developed their driving skills. Four months ago, NRMA Insurance

approached the Motor Accidents Authority armed with international research, which shows that the number of deaths and injuries caused by young people could be reduced by increasing the amount, and variety, of experience at the learner driver stage.

In tandem with Campaign Palace, NRMA has developed three television commercials and bus-back advertisements directed at the parents of young people who are at the learner driver stage. Parents are urged to give their children important experience behind the wheel—in the rain, at night, in traffic and on country roads. The involvement of compulsory third party [CTP] insurers in road safety campaigns is to be encouraged. The general manager of the Motor Accidents Authority has extended an invitation to all green slip insurers to consider the possibility of a similar future joint campaign with the Motor Accidents Authority. The campaign complements the Government's recently introduced Graduated Licensing Scheme which stages learner driver education from beginner levels to more complex driving situations. I am hopeful that this important initiative will save some young lives. I commend the effort to the House.

INTEGRAL ENERGY CHIEF EXECUTIVE OFFICER RESIGNATION

The Hon. D. J. GAY: My question is directed to the Treasurer, Minister for State Development, and Vice-President of the Executive Council. Further to the question I asked yesterday, will he now confirm that the newly appointed general manager of retail energy at Integral Energy left the company this week due to a financial conflict of interest, that conflict being his holding a directorship in a company called Australian Energy? Is it also a fact that this conflict of interest was discovered only after the company launched its prospectus with the Australian Securities and Investments Commission last week? Will he, as the shareholding Minister, now demand an explanation from the board of Integral Energy as to why the appropriate checks and balances did not discover earlier this conflict of interest?

The Hon. M. R. EGAN: As I indicated yesterday, I am not responsible for the appointment of people at Integral Energy, other than when the board consults me on the appointment of chief executives; nor am I consulted on the removal of people, unless it concerns a chief executive, in which case I would be advised.

The Hon. D. J. Gay: My question was very careful. You know what I am asking you.

The Hon. M. R. EGAN: I have not received a report on the matter. In the normal course of events, I would not receive a report on the matter. I am unable to confirm whether the assertions made by the honourable member are correct or not. Without canvassing the details—because I am not aware of the details—let me discuss a hypothetical example. If a senior employee of any one of the government-owned utilities was found to have a conflict of interest, then I would expect that the management and the board of that utility would take the appropriate action. As I said, my knowledge of this matter is restricted to the assertions made by the Deputy Leader of the Opposition in this House. But even on the basis of those assertions, it would seem to me that Integral Energy has done the right thing—if those assertions are true.

NURSES SAFETY

The Hon. HELEN SHAM-HO: My question without notice is directed to the Leader of the House, representing the Minister for Health. Is it the fact that nine out of 10 nurses in New South Wales have been subjected to violence at work from patients or patients' families with implements such as knives, intravenous [IV] poles, furniture and syringes being used as weapons against them? If so, will the Minister advise what measures are currently in place in New South Wales hospitals to protect nurses at work and to deal with complaints of violence made by them? Given that nurses are now ranked by the Australian Institute of Criminology alongside police, taxidriviers and prostitutes as those most likely to be assaulted or murdered at work, will the Minister also advise what action the department will be taking to improve security in New South Wales hospitals?

The Hon. M. R. EGAN: I will refer the honourable member's question to the appropriate Minister and obtain a response.

STEEL TANK AND PIPE MANUFACTURING COMPANY WORKERS ENTITLEMENTS

The Hon. P. T. PRIMROSE: My question is directed to the Special Minister of State, and Minister for Industrial Relations. Will the Minister inform us about his meeting with employees of Steel Tank and Pipe Manufacturing Company who have been denied their entitlements?

The Hon. J. J. DELLA BOSCA: I was happy to address employees of Steel Tank and Pipe Manufacturing Company who travelled down from Newcastle today and rallied outside the offices of the National Australia Bank in Sydney. All fair-minded people would have a great deal of sympathy for their fate. These people are owed money and their employer must be made to pay 100 per cent of it. In May 1998 the previous Attorney General, Mr Jeff Shaw, wrote to the Federal Treasurer, Peter Costello, and requested a reform of the Corporations Law to protect employee entitlements. That was 2½ years ago. If a proper national scheme had been put in place we could have prevented this dreadful circumstance and other circumstances that parallel it that have been debated in this Chamber. Employees must be paid 100 per cent of their entitlements and the employer must pay that bill. As honourable members have already heard, I have a five-point plan which I will take to the Australian Industrial Relations Ministers' Council next week in Melbourne. The five-point plan calls for a national scheme to ensure employees get 100 per cent of what they are owed. It calls for directors to be made personally liable, and for the Federal laws to be changed so that owners cannot restructure their companies so employees do not get paid.

The Industrial Relations Ministers' Council will be chaired by Peter Reith and I believe he will be persuaded to adopt the New South Wales plan. My colleague, the Hon. Richard Face, the Minister Assisting the Premier on Hunter Development, has formed a task force to support Steel Tank and Pipe Manufacturing Company employees. Members of the task force will investigate ways of saving the business. They will discuss arrangements with the National Australia Bank and the receiver and they are talking to the Australian Securities and Investment Commission regarding the corporate arrangements of the Weeks family. The problem of unpaid employee entitlements must not be allowed to continue. I hope the Federal Minister will join with the New South Wales Government to institute a genuine national scheme.

REGIONAL FLOODING ASSISTANCE

The Hon. J. S. TINGLE: My question without notice is addressed to the Treasurer, Minister for State Development, and Vice-President of the Executive Council. Can the Minister state whether any thought has been given to the economic plight of workers affected by the disastrous floods in so many parts of the State? Does the Minister agree that many of those people will suffer serious economic loss as a result of the floods because they will lose work on farms and in towns affected by the floods, and that, in many cases, they might be unable to work for weeks because of the slower clearance movement of flood waters in the areas concerned? Is there any relief program, beyond standard social welfare benefits, available to these people? Will the Minister be prepared to discuss this matter with the Federal Government, with a view to investigating appropriate assistance? Even if no assistance can be arranged on this occasion, does the Minister agree that it would be worth trying to establish an assistance program for future operations, perhaps embracing a system of immediate availability of special social welfare benefits for wage earners affected by this type of disaster?

The Hon. M. R. EGAN: I thank the Hon. J. S. Tingle for a good question, which I shall take on notice and consult with other colleagues in the Government.

WYONG SHIRE COAL EXPLORATION

The Hon. M. J. GALLACHER: My question without notice is to the Minister for Mineral Resources. What is the current status of the study by Coal Operations Australia Ltd on coal exploration in the Wyong shire? Is the Minister alarmed by an observation made by one Independent Wyong shire councillor recently who suggested that the F3 operate as a dam wall, protecting areas such as Tuggerah and Mardi from significant flooding which occurred prior to the construction of the F3? Will the proposed long-wall mining and subsequent extensive subsidence create a likely flood plain in areas west of the F3?

The Hon. E. M. OBEID: Whilst I am not aware of the exact quotation to which the Leader of the Opposition has referred—

The Hon. M. J. Gallacher: You are alarmed by it?

The Hon. E. M. OBEID: I would be alarmed, but I will seek further information. In relation to the Wyong coal project, Coal Operations Australia Ltd [COAL] was the successful tenderer in 1995 for a coal exploration licence in the Wyong region. COAL's obligation included a \$14 million exploration program and a \$4 million mine feasibility and environmental studies program. The assessment program is at an advanced stage, with more than \$40 million of the \$55 million work program now completed. The Government established the Wyong Community Liaison Committee soon after the exploration licence was granted. This committee

continues to operate and is chaired by the Hon. Milton Morris. Some residents have concerns about mining in this area and have set up an action committee called "Central Coast Mine Stop". Mining options are currently being considered by COAL, and a conceptual project development plan is expected to be presented to the Government in mid-2001.

A development application and a detailed environmental impact statement is expected to be submitted at the end of 2001. A detailed flood study of the Dooralong and Yarramalong valleys has been completed and displayed at Wyong Council to allow public comments. Presentations have been made to Wyong Shire Council and community groups. I am informed that Wyong council is likely to adopt the recommendations of the study shortly. The study will allow potential flooding issues associated with mining subsidence in valley areas to be assessed from a factual and informed position. Initial mine planning beneath Tuggerah Lake avoids impacting on both the sensitive foreshore area and areas of seagrass in shallow water adjacent to the foreshore. Suitable infrastructure sites are being examined and the company has already purchased significant areas of land for that purpose. The company is co-operating in meeting community expectations of where the infrastructure sites should be. I am quite confident that the company is performing in accordance with its public duties. As to the specific incidents, I will seek further information for the honourable member.

OCCUPATIONAL HEALTH AND SAFETY REGULATION 2001

The Hon. I. W. WEST: My question without notice is directed to the Special Minister of State, Minister for Industrial Relations, and Assistant Treasurer. Can the Minister inform the House about initiatives to promote community awareness of the Occupational Health and Safety Regulation 2001?

The Hon. J. J. DELLA BOSCA: I thank the honourable member for his question and look forward to his further contributions to the House, especially in the areas of occupational health and safety and industrial relations. Honourable members may be aware that a draft for this major regulation was released for public comment on 1 November 2000. A package of supporting explanatory material has been released with the draft regulation. I understand that WorkCover has received favourable comment about the comprehensiveness and quality of this material. To this point WorkCover already has distributed approximately 10,000 packages, which is quite an achievement. Together with the introduction of the Occupational Health and Safety Act 2000, the development of the new regulation represents one of the most significant changes in work safety laws in New South Wales since 1983. An extensive awareness-raising program has been implemented with the aim of acquainting industry and the community with the new regulatory proposals and facilitating comment.

WorkCover has already conducted public seminars in several metropolitan and country centres ranging from Lismore in the north to Albury in the south. More are planned and, as I speak, WorkCover representatives are conducting seminars in the Central West of the State. Attendances at the seminars have been impressive. The seminar at Newcastle, for example, attracted more than 250 people from a broad cross-section of industry and community interests. I understand that issues ranging from questions about workplace consultation requirements to risk management have been raised at the seminar. The awareness-raising program will be factored into the review of the draft regulation once the public comment exercise has been completed. I also draw the attention of honourable members to the fact that information about this major regulatory development has been made available on WorkCover's web site in six different languages.

COMMUNITY RELATIONS SERVICE STAFF DIRECTOR APPOINTMENT

The Hon. Dr P. WONG: My question without notice is to the Treasurer, representing the Premier, Minister for the Arts, and Minister for Citizenship. My question is in relation to the recent appointment of the director of the new Community Relations Service within the Ethnic Affairs Commission. Is it true that the director of the Community Relations Service was previously engaged as a consultant on personnel matters relating to the policy and liaison division of the commission? Did she, acting in that capacity, recommend the deletion of the position of director in that division which resulted in the removal of the incumbent director? Is it true that she then recommended the reinstatement of the equivalent position in the restructured division, and applied for the position?

The Hon. H. S. Tsang: Point of order: The honourable member is making a statement, not asking a question.

The PRESIDENT: Order! Standing orders provide that a member not debate any matter when asking a question without notice. It is appropriate for a member, however, to provide as much detail as is necessary to render the question understandable. So long as the member does not debate any point in the question, the question is in order.

The Hon. Dr P. WONG: Is it true that she was invited by the chair to apply for that position, and was subsequently selected by a selection panel consisting of three members, being the chair, the deputy chair and the former deputy chair, who were all involved in the restructuring process of the commission? Since I have forwarded this information to the ICAC, does the Premier agree these serious allegations should be fully investigated by ICAC?

The Hon. M. R. EGAN: If I were in need of medical assistance or advice, I would probably consult the Hon. Dr P. Wong. I am not in such need. But let me say that it is really only medical advice that I would seek from the Hon. Dr P. Wong. Obviously, I have no knowledge of the matter that the honourable member raised in his question. But, as a gesture of goodwill, I would suggest to all honourable members of this House that they be very wary about peddling information or scuttlebutt that they either get from malcontents or from people who are engaged in faction fights within particular agencies or divisions.

Ms Lee Rhiannon: What about yourself?

The Hon. D. J. Gay: So we are not to listen to the ALP? That rules out the left wing.

The Hon. M. R. EGAN: No. But you have got to be able to test these things for yourself before you blurt them out in Parliament. As I say, I have no idea of the matters put by the Hon. Dr P. Wong. I do not know who has been appointed as the Director of Community Relations Services. I have no idea of the background to it. But I caution the honourable member to be very careful in blurting out things that are given to him, unless he is very satisfied of the bona fides of the person giving the information and of the accuracy of the information being given. I will, of course, refer the matter to my colleague in the other place. Now, what was the interjection of Ms Lee Rhiannon?

Ms Lee Rhiannon: You were saying how one should not repeat gossip. But last night you made allegations about me drinking at an airport, when I was not. So you were obviously willing to repeat idle gossip.

The Hon. M. R. EGAN: Is Ms Lee Rhiannon denying that she has been duchessed in the chairman's lounge of many airports? It is all very well for Ms Lee Rhiannon to pretend to all and sundry that she does not take any hospitality from anyone. But there she is, seen in the chairman's lounge no less. Of course, we do not see her in the Parliamentary Dining Room.

Ms Lee Rhiannon: Yes, we do.

The Hon. M. R. EGAN: I don't think I have ever seen you in the Parliamentary Dining Room. You might have been in the Strangers Dining Room.

The Hon. I. M. Macdonald: No, the dining room's too cheap! It's room service.

The Hon. M. R. EGAN: Of course, the biggest subsidies in this Parliament are provided for room service. You can imagine Joseph Stalin sitting there in the Kremlin demanding room service—nothing less than room service for Joseph Stalin and his acolytes!

The Hon. Dr P. WONG: I ask a supplementary question. Minister, the information given to you was verified by me from three sources. Now that I have so informed you, will you—

The Hon. M. R. Egan: Point of order.

The Hon. Dr P. WONG: I withdraw my question.

The Hon. M. R. Egan: The first question was clearly out of order, but as the Hon. Dr P. Wong has been a member of this place for only 18 months I allowed him some latitude. But question time is for questions, not for speeches. Certainly, a supplementary question cannot contain a second speech. The supplementary question is clearly out of order, as was the first question. But I let him get away with the first one. I should not have been so generous.

The PRESIDENT: If I may clarify the position. Was the Leader of the House taking a point of order or answering the question?

The Hon. M. R. EGAN: I was taking a point of order.

The PRESIDENT: That was a point of order?

The Hon. M. R. EGAN: Yes. It's not a bad answer, either.

The PRESIDENT: Order! A supplementary question must seek clarification of the previous answer and must not contain new material.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION INDUSTRIAL CAMPAIGN

The Hon. J. F. RYAN: I ask a question of the Special Minister of State, and Minister for Industrial Relations. Does he recall telling the House last Tuesday that he was aware of the CFMEU's latest industrial campaign and that he would make himself available for discussions with the CFMEU and any other unions? Further, does he remember telling the House that he would expect that this matter could be dealt with without industrial disputation? Is the Minister now aware that more than 100 workers at the St Vincent's Hospital site yesterday voted in favour of a 24-hour strike in support of the CFMEU's claim, in the first stage of that union's rolling campaign? What action will the Minister now take to ensure that New South Wales is not thrown into industrial chaos over the summer months?

The Hon. J. J. DELLA BOSCA: The Hon. J. F. Ryan has asked me a question about the specifics of an industrial campaign, I think in relation to the jobs training levy. Is that the thrust of the question?

The Hon. J. F. Ryan: Yes.

The Hon. J. J. DELLA BOSCA: I did, in my answer to the House the other day, give the Government position in relation to that matter. I will reiterate it very briefly for the enlightenment of the Hon. J. F. Ryan, who might not have been listening then. Put simply, I am prepared, and stand ready, to discuss at any time with the CFMEU its industrial campaign in relation to the training levy. I was aware—it was a correct statement at the time—and I remain aware of the fact that the CFMEU has that campaign under way. I have seen some of the more recent publicity from the leadership of the union in relation to that matter. I can only reiterate that, whatever merits the Government and no doubt other employers see in relation to a construction industry training fund, the way forward in these matters, in the view of the Government, remains negotiations.

Industrial organisations in the New South Wales construction industry will continue to raise concerns about skills shortages, the rate of apprenticeship commencements and completions, front-line management skills and other training deficits that affect the quality, efficiency and costs associated with construction in New South Wales. Industry parties have suggested the establishment of a levy-funded construction industry training scheme in New South Wales. The New South Wales Government has already implemented initiatives such as payroll tax and workers compensation concessions for apprentices, and has facilitated the growth of group training companies, which are providing a practical approach to industry concerns. The Government is considering proposals for a feasibility study of a levy-funded training scheme. If such a study is to be undertaken it must evaluate the progress of the five existing State and Territory levy-funded construction industry training schemes and assess the economic impact and cost benefit of such a fund on the construction industry and the New South Wales economy.

DERELICT MINE SITES BAT POPULATIONS

The Hon. H. S. TSANG: My question without notice is directed to the Minister for Mineral Resources, and Minister for Fisheries. What provision has this Government made to protect threatened species of both plants and animals found living in derelict mines?

The Hon. E. M. OBEID: The honourable member has an interest in the welfare of our precious native wildlife. The Government has extensive programs to rehabilitate a legacy of derelict mine sites. Some of these date back to our colonial past. At the same time the Carr Government recognises that threatened species of animals and plants often find a haven in these sites.

[Interruption]

Opposition members should listen for a change and learn something. I am delighted to inform the House that many of the State's derelict underground mines are helping to protect threatened bat species. Last month the Government introduced a strategy to identify and protect derelict mines which are identified as important bat habitats.

The PRESIDENT: Order! I draw the attention of members to Standing Order 93, which provides:

No Member shall converse aloud or make any noise or disturbance whilst any Member is debating.

I ask members not to speak audibly in the Chamber.

The Hon. E. M. OBEID: The plan is being managed jointly by the New South Wales National Parks and Wildlife Service and the Department of Mineral Resources. Funds are provided by this Government's derelict mines and lands rehabilitation program. Thousands of derelict mines in New South Wales provide winter shelter and maternity sites for bats. Opposition members do not want to listen to what I have to say. To date 11 different species of bats have been found living in derelict New South Wales mine sites. Six of them are listed as vulnerable under the Threatened Species Conservation Act. They include the large bent-wing bat and the little bent-wing bat. Opposition members should listen to what I have to say.

The PRESIDENT: Order!

The Hon. E. M. OBEID: Also included are the large-footed myotis, the large-eared pied bat, the little-eared pied bat and the eastern cave bat. I am seriously considering adding one more vulnerable species to this bat colony, that is, a bat known as the National Party-Liberal Party Coalition, who are not only threatened but are always found on Opposition benches. They have the same attributes as bats—they are very short-sighted.

[Interruption]

They do not hang upside down; they lie flat on their backs. The new strategy helps the Government find bat populations and maintain and manage these habitats. Some derelict mines have been assessed as important potential breeding grounds, including the former Baerami oil shale mine near Singleton, the Newnes shale oil mine and Hassan's Walls mine near Lithgow. This strategy will help to protect fragile bat habitats that can be destroyed by people and degeneration of derelict mine sites. The noise, light and activity of people visiting mines can disturb roosting bats.

Saving bats is just a small portion of the benefits to our community from this Government's derelict mines and land rehabilitation program. It also addresses safety risk and removes sources of potential pollution. Under the mean former Coalition Government funding for this program was just \$125,000 a year. This conscientious Carr Government is spending \$1.6 million on the rehabilitation of these derelict mine sites. I am delighted that this important program means that we are also helping to protect the State's threatened species—even the Coalition.

FAIR TRADING TRIBUNAL LEGAL COSTS DISPUTE RESOLUTION

The Hon. P. J. BREEN: My question without notice is directed to the Minister for Mineral Resources—the Minister for bats—representing the Minister for Fair Trading. Is the Minister aware that a number of disputes between solicitors and their clients are being resolved by the Fair Trading Tribunal, and in particular disputes about legal costs? Does the Minister agree that the Fair Trading Tribunal represents a cheap and efficient forum to review a solicitor's bill? Can the Minister indicate the number of disputes that were handled by the Fair Trading Tribunal in the last 12 months with regard to legal costs? What steps does the Minister intend to take to promote the Fair Trading Tribunal as a popular and independent way to review disputes between solicitors and their clients?

The Hon. E. M. OBEID: The honourable member asked an important question. I agree with him. It would be tremendous in many circumstances if disputes between solicitors and clients could be resolved quickly and cheaply. As I am not aware of the detail in the question, I will seek an answer from my colleague in the other House.

AREA HEALTH SERVICE LOANS

The Hon. JENNIFER GARDINER: Will the Treasurer explain why he determined that loan repayments in respect of loans made to health services be paid into a new health service loan repayment account? Is he aware that the Auditor-General stated that the establishment of this account, whilst not unlawful, places the use of these funds outside the parliamentary appropriation process? Will he assure the House that this account is open to parliamentary scrutiny? If not, why not?

The Hon. M. R. EGAN: If it is not open to parliamentary scrutiny, the Hon. Jennifer Gardiner would not have been able to ask me that question. Of course it is open to parliamentary scrutiny. As the Auditor-General has noted, this practice is lawful. It is lawful under section 13A of the Public Finance and Audit Act 1983. The amount that we are talking about is about \$26 million out of a total health budget of \$7.4 billion—in other words, \$26 million out of a total budget of \$7,400 million. If the working account had not been established, repaid area health service loans would be returned to the Consolidated Fund. I do not believe that members of the community would want to see that; they would rather see this money spent on health care. That is why it goes back into that fund.

The Hon. JENNIFER GARDINER: I ask a supplementary question. Does it concern the Treasurer that the Auditor-General also noted that the adjustments to area health service budgets are not included in the financial reports of health services, meaning that any comparison of actual financial reports of health services does not indicate how well management has managed the resources available to it or how effective the budgetary process is? Is the Treasurer concerned that the Auditor-General has pointed out that this approach is not utilised by other government sector agencies where original budgets and budget provisions are approved and disclosed in their financial reports? Will he act to bring health services into line with other agencies?

The Hon. M. R. EGAN: That part of the Auditor-General's report has so far not been drawn to my attention and I have not had the opportunity to read the full report. However, the matter the Hon. Jennifer Gardiner has raised in her supplementary question sparks my interest and I will give it some consideration. I might say, as I pointed out in my earlier answer, we do spend \$7,400 million a year on providing health services in New South Wales.

The Hon. Dr B. P. V. Pezzutti: You don't provide all of it.

The Hon. M. R. EGAN: No, that is true.

The Hon. Dr B. P. V. Pezzutti: Some of it is provided by private funds and the Commonwealth Government, and you will provide two-thirds, or more like 35 per cent.

The Hon. M. R. EGAN: It is not 35 per cent at all. Waiting lists will be a lot longer in this State if the Opposition gets its way and buys back the poker machines from the hotels and clubs. There are 100,000 poker machines in New South Wales and they raise revenue for the clubs, the pubs and the Government of New South Wales approaching \$2 billion a year. The Opposition is going to buy back those licences and compensate the clubs and pubs out of increased taxation. It was a secret plan. We only found out, and the media only found out, when the minutes of the meeting were leaked. The proponent of the plan, of course, is none other than the shadow Treasurer, Mr O'Doherty. Mr O'Doherty would not know how much it costs to run anything in this State.

The Hon. D. J. Gay: Point of order: The Treasurer is obviously trifling with the House. Earlier he deliberately mispronounced Mr O'Doherty's name. He is now theatrically trying the same line again.

The Hon. M. R. EGAN: If I have mispronounced Mr O'Doherty's name I apologise, but I am afraid it is a bit like the pronunciation of the word "harass". I know one is right but I never know which it is. The Deputy Leader of the Opposition has pointed out a mispronunciation, and I know I am prone to mispronounce it, but for the rest of my days I will never know which is the correct pronunciation.

The Hon. Patricia Forsythe: If Graham Richardson is right, that will not be long in this place.

The Hon. M. R. EGAN: I have not known Graham to be right for a long time.

REGIONAL FLOODING ASSISTANCE

The Hon. AMANDA FAZIO: My question is to the Treasurer, and Minister for State Development. Will the Treasurer advise the House of the latest efforts to help flood-affected farmers across the State?

The Hon. M. R. EGAN: Most honourable members will be aware that rain is continuing to fall in many areas, particularly in the State's north-west. Some 35 per cent of New South Wales is now flood affected. The situation across the State is being continually assessed by New South Wales Agriculture, and priceless help is also being provided by the volunteers of the State Emergency Service and the Rural Fire Service. New South

Wales Agriculture is currently monitoring the impacts of flood peaks moving down the Namoi and Castlereagh rivers and in the areas south and east of Walgett. Today the Government has added Bogan, Wakool, Moree and—and this is a pronunciation honourable members can help me with, because I never get it right—Cabonne to the list of local government areas declared eligible for help under the natural disaster relief arrangements.

I am advised that as at 11.00 a. m. today New South Wales Agriculture had received 131 requests for assistance from farmers in relation to livestock. This relates to approximately 120,000 stranded sheep and 22,000 stranded cattle. So far more than 1,000 isolated sheep have been airlifted to higher ground using cages slung under helicopters. Other stock have been mustered to higher ground. I am told that in some cases this involves airlifting stockmen and flat-bottomed boats into the flooded areas to help with the process. I am pleased to report that so far losses have been minimal—about 16 sheep.

The New South Wales Government is funding the full cost of the helicopters being used in the stock rescue operations—both the hire of the machines and the fuel needed. We have gone through about 13,000 litres of helicopter fuel since the rescue operations began on Saturday. Yesterday a further 50,000 litres of helicopter fuel were transported to Walgett from Brisbane and another 10,000 litres from Moree. This will ensure that the rescue operations can continue. Farmers wanting helicopter assistance can contact the Walgett operations centre on 6828 1288.

New South Wales Agriculture has asked farmers to paint their property names on their roofs to help helicopter pilots navigate in the difficult conditions. As I have advised the House, under the natural disaster relief arrangements farmers can access low-interest loans of up to \$80,000 over 10 years to help them carry on farming and replace or repair damaged fences, pastures, yards and machinery. Farmers can also claim 50 per cent of the cost of transporting fodder and livestock. New South Wales Agriculture, as the agency responsible for animal welfare, is also offering accommodation to companion animals. The State Government is also working with the New South Wales Farmers Association to prepare an exceptional circumstances application to provide further much-needed assistance to farmers.

Tomorrow the Premier will meet with the New South Wales Farmers Association, the Deputy Prime Minister, John Anderson, and the major banks to ensure that a co-operative approach is taken to help these regions recover. I understand that the estimated value of crop losses from rains and floods currently stands between \$500 million and \$600 million. A few weeks ago predictions suggested that the total wheat crop of New South Wales would be about 6 million tonnes—in other words, worth about \$1 billion. Now the estimate is 4.5 million tonnes, worth about \$500 million. About 800 State Emergency Service volunteers are working in flood-affected areas across the State, helping with sandbagging, evacuations and resupplying essential goods to isolated properties. Their efforts, and those of all volunteers, will not go unnoticed.

PERPETRATORS OF DOMESTIC VIOLENCE MENTAL HEALTH SERVICES

The Hon. Dr A. CHESTERFIELD-EVANS: My question without notice is directed to the Treasurer, representing the Minister for Health. It has been reported that some community mental health teams excluded perpetrators of domestic violence from receiving their services. Is this due to instructions from the Department of Health? If so, what other services are available to perpetrators of domestic violence? Is the only public service the anger management workshop, which is a self-help group from the Department of Corrective Services?

The Hon. M. R. EGAN: I do not know the answer to the honourable member's question, but I find it an interesting one. I did read an article in the newspapers recently—in the past couple of days, I think—along lines similar to the honourable member's question. I will refer his question to my colleague the Minister for Health and obtain a response.

CONSERVATORIUM OF MUSIC REDEVELOPMENT

The Hon. J. H. JOBLING: My question without notice is to the Special Minister of State, representing the Minister for Education and Training. Can the Minister assure the taxpayers of New South Wales that the Conservatorium of Music project will not be further disrupted by the Construction, Forestry, Mining and Energy Union's launch of its industrial campaign over the summer months? As I expect that you cannot give that assurance, and given that the cost of the project has skyrocketed from \$69 million to more than \$130 million, how much more will the project cost the taxpayer's of New South Wales?

The Hon. J. J. DELLA BOSCA: Democracy is under threat because the Hon. J. H. Jobling asked the question and answered it. I am not sure from the tone of the question whether the honourable member was

asking me in my capacity as Minister for Industrial Relations, which is one inference that could be drawn, or in my capacity as the Minister who represents the Minister for Education and Training in this place. As the question deals with the specifics of a project and—as the Minister for Mineral Resources points out—it relates to the Department of Public Works and Services, I will ascertain which Minister should answer the question and provide an answer to the Hon. J. H. Jobling as soon as practicable.

ZURICH FINANCIAL SERVICES GROUP SYDNEY OPERATIONS

The Hon. J. HATZISTERGOS: My question without notice is directed to the Treasurer. Can the Minister provide the House with details of a major international financial services company that has recently decided to establish a new office in Sydney?

The Hon. M. R. EGAN: I am pleased to inform the House that the latest international finance company to recognise Sydney as a leading finance centre is the Zurich Financial Services Group. This week the company announced that it would substantially expand its financial services in Australia and New Zealand.

[Interruption]

I hope that, instead of chattering away, the Hon. Dr B. P. V. Pezzutti will listen to this, because I understand that this might be one of the last times he will attend question time.

The Hon. Dr B. P. V. Pezzutti: Why?

The Hon. M. R. EGAN: There is a rumour, and I usually do not repeat rumours—

The Hon. Jennifer Gardiner: Earlier you told us not to indulge in rumours.

The Hon. M. R. EGAN: This rumour is in no way malicious or harmful. There is a rumour doing the rounds of Sydney that the Prime Minister will soon announce the appointment of a new Governor-General, and the suggestion is that that person is a member of this Chamber. The only people I can think of who would be suitable for appointment would be the Hon. J. M. Samios and Brigadier Pezzutti. I had one sleepless night this week when I thought it might possibly be the Hon. C. J. S. Lynn, which would be a frightful choice. I hope I have not let the cat out of the bag. If one of you has had an indication from the Prime Minister that you are about to be appointed as Governor-General, you should probably take the opportunity to resign from Parliament now, because I do not think a sitting member of Parliament should be appointed to the position of Governor-General. I am sure it is no-one on my side of the House.

The Hon. J. J. Della Bosca: It could be Johnno.

The Hon. M. R. EGAN: Johnno would be a very good Governor-General. I do not think it is Reverend the Hon. F. J. Nile.

The Hon. Patricia Forsythe: Maybe what Richo meant was Egan for Governor.

The Hon. M. R. EGAN: That is a nice suggestion. Can I be Governor and Treasurer? I do not know why I could not, because I am the Treasurer and Vice-President of the Executive Council, and in the absence of the Governor and the Lieutenant Governor I am entitled to chair meetings of the Executive Council. If they are both away, I am it. I cannot work out why I could not do both jobs.

The Hon. E. M. Obeid: If you were the Governor-General would you sack the Government?

The Hon. M. R. EGAN: No, I think it is a very good Government, but I would keep my options open. Zurich Financial Services Group plans to set up a special business unit called Zurich Capital Markets in Sydney to supplement its existing offices in New York, Dublin and London. From its newly expanded base in Sydney, Zurich will offer new products and services to its Australian and New Zealand clients. Zurich's Chief Executive Officer for the Asia-Pacific region, Mr Malcolm Jones, cited Sydney's growing significance as a financial centre in the Asia-Pacific region as one of the main reasons for the company's growth in Sydney. He said that Sydney offered a pool of talent and business opportunities that are second to none.

Since this Government came to office in 1995 Sydney has emerged as one of the most dynamic financial centres in the Asia-Pacific region. In the past two years alone 13 international banks have chosen to

base their regional operations in Sydney. As honourable members are aware, Sydney accounts for the largest share of the output from Australia's finance and insurance sector. Almost three-quarters of all of Australia's financial services head offices are based here. The Australian Stock Exchange is the largest stock market in South-east Asia after Japan, and the eleventh largest in the world. The growth of our financial services industry is a credit to the industry and continues to put paid to the misplaced idea that Australia is somehow an old economy. I welcome the expansion of Zurich's business operations in Sydney, and wish the company well in the future. By the way, the other rumour is Donald McDonald for Governor-General.

NATIONAL PARKS FOUR-WHEEL DRIVE ACCESS

The Hon. I. COHEN: My question is directed to the Special Minister of State, representing the Minister for the Environment. Has the National Parks and Wildlife Service come to an agreement with four-wheel drive associations about access to national parks and nature reserves, and signed a memorandum of understanding to this end? Is it true that four-wheel drive groups will be given keys to locked gates and that the Government has given a grant of some thousands of dollars to four-wheel drive associations in connection with this issue? Does this mean open slather for New South Wales natural assets? What are the details of the memorandum of understanding, and when will it be released to the public?

The Hon. J. J. DELLA BOSCA: The question contains many parts. To answer one part of the question, given the concern of the Minister for the Environment and the Government as a whole for the environment and for the protection of national parks assets, there is no likelihood that this signals open slather, which is against the interests of the parks, as implied by the honourable member's question. As for the balance of the honourable member's question, I have not been briefed on the specifics of any current or proposed agreements, or whether an agreement has been signed or keys have been exchanged. I will obtain a full answer from the Minister on all those matters and provide it to the House.

ELECTRICITY CHARGES

The Hon. D. F. MOPPETT: My question is addressed to the Treasurer, and Vice-President of the Executive Council—at least for the time being. Yesterday the head of the Independent Pricing and Regulatory Tribunal, Professor Tom Parry, warned Sydney consumers that they may have to pay higher electricity charges to get a more reliable supplier. Does the Treasurer agree with that prognosis? If he disagrees with Professor Parry, what are his reasons for disagreeing?

The Hon. M. R. EGAN: I did half read an article in one newspaper this morning.

The Hon. D. J. Gay: It was the *Sydney Morning Herald*.

The Hon. M. R. EGAN: As I said, I only half read the article. I intend to go back and read it carefully. I am not quite sure that the point made by the Hon. D. F. Moppett in his question is correct. Nevertheless I will examine the issue.

WORKCOVER INSPECTORS RECRUITMENT CAMPAIGN

The Hon. JANELLE SAFFIN: I direct my question without notice to the Special Minister of State. Will the Minister inform the House about WorkCover's inspector recruitment campaign?

The Hon. J. J. DELLA BOSCA: WorkCover has received an outstanding response to its recent advertisements for occupational health and safety inspectors. Advertisements for the positions of inspector, assistant principal inspector, principal inspector and regional inspector were published on 17 June 2000. The advertisements were to fill some 60 vacancies, 25 of which are newly established positions, with six of these being dedicated to the rural areas of Goulburn, Albury, Orange, Wagga Wagga, Grafton and Narrabri as part of the rural safety package previously announced. The positions in Orange and Wagga Wagga are regional inspectors, the highest-graded field inspector in the New South Wales WorkCover inspectorate.

When all positions are filled, WorkCover will have a total of 301 inspectors—the largest inspectorate in Australia. Some 1,000 applications were received for both entry level and promotional positions. More than 700 applications were received for the entry level inspector positions. A highlight of the recruitment campaign has been the information nights held at both metropolitan and regional locations at which current inspectors provided first-hand accounts of their work experiences, while other WorkCover staff explained training opportunities and conditions of employment. More than 800 people attended these information nights.

Interviews for the entry level inspector positions were completed in September, with 108 applicants called for interview. The first intake of 25 new inspectors joined WorkCover on 23 October 2000. This intake is in line with the Carr Government's strong commitment to occupational health and safety and injury management in New South Wales. A further intake of 18 new inspectors will join WorkCover on 15 January 2001. The New South Wales WorkCover inspectorate is well equipped to provide industry with advice and support in responding to the recent workers compensation and injury management legislation changes.

REGIONAL FLOODING

The Hon. A. G. CORBETT: My question is addressed to the Treasurer, and Leader of the Government. Given the likelihood that the causes of the floods affecting 35 per cent of New South Wales and the resultant damage are a combination of both prolonged and heavy rainfall and man-made errors, will the Carr Government conduct a thorough public inquiry to ascertain the causal factors involved to ensure that the people of New South Wales will be better protected in the future?

The Hon. D. J. Gay: It's too much rain, stupid.

The Hon. A. G. CORBETT: Do you think it's just rain?

The Hon. D. J. Gay: Yes, rain. Get out into the real world.

The Hon. M. R. EGAN: I find the interjections of the Hon. D. J. Gay to be extremely offensive. I thought the Hon. A. G. Corbett asked a genuine question.

The Hon. E. M. Obeid: He's genuinely concerned.

The Hon. D. J. Gay: No. He's a fool.

The Hon. E. M. Obeid: He's genuinely interested in the welfare of regional New South Wales.

The Hon. M. R. EGAN: I did not read any malice or any bizarre agenda into his question; I thought it was a fair dinkum question. However, I do not know the answer so I will refer the question to my colleague the Minister for Land and Water Conservation for a response.

In view of the time, if members have further questions they might place them on notice.

KARIONG JUVENILE JUSTICE CENTRE ELECTRICAL FAILURE

The Hon. M. R. EGAN: Earlier today the Hon. Patricia Forsythe asked me a question about Kariong Juvenile Justice Centre. I can inform the House that last week Kariong Juvenile Justice Centre did suffer an electrical failure. However, at no time were the security systems of the centre compromised. The safety of staff and detainees was not at risk at any time. Public Works is currently investigating the circumstances behind the electrical fault and an internal inquiry is under way. Does the Hon. Patricia Forsythe have problems with people having water fights? Has she ever been in a water fight in her life?

The Hon. Patricia Forsythe: It was the staff who used the computers that monitor the centre.

The Hon. M. R. EGAN: I have seen some antics around the Liberal Party offices in this place. I would be very cautious if I were the Hon. Patricia Forsythe.

WATER MANAGEMENT LEGISLATION

The Hon. J. J. DELLA BOSCA: On 31 October the Hon. I. Cohen asked me, representing the Minister for Land and Water Conservation, a question without notice concerning the water management legislation. The Minister has provided the following response:

The Minister for Agriculture and Minister for Land and Water Conservation has advised me that the Water Management Bill does not privatise water resources. In fact Clause 393 of the current bill ensures that rights to the control, flow and use of water remains with the State.

Access to water is to be granted via a licence, after the needs of the environment are met in order to protect fundamental ecosystem health. In other words, environmental health water has a prior right. The licences to access water are to be issued to private individuals and companies for a 15-year period with a reasonable expectation of renewal.

The provisions in the bill are not characteristics of a privatised resource. They are almost identical to those applied in the management of fish, forests and minerals where the Crown retains the prime right to the resource, but allocates it for various secure periods to individuals. It is totally unlike private title to land.

Public interest in water will be recognised in the water planning process. The bill provides clearly articulated objectives and principles to guide the development of these plans. The bill also provides for the bulk access regime to be varied in the public interest, with fair compensation available where appropriate. It provides for the Minister to refuse to grant renewal of an access licence. This might be done where there had been breaches of the licence or where there is the risk of environmental harm if renewal were granted.

The potential liability for compensation is minimised because of the process I have mentioned above, if any licences were to be resumed in a compulsory manner, they would be eligible for compensation. This would only be fair. If the amount of water they were entitled to under their licence changes, compensation provisions do not apply if the changes are those recommended by a water management committee.

KARIONG JUVENILE JUSTICE CENTRE ASSAULT INVESTIGATION

The Hon. J. J. DELLA BOSCA: On 22 November the Hon. Patricia Forsythe asked the Minister for Juvenile Justice a question without notice concerning Kariong Juvenile Justice Centre. The Minister has now provided the following response:

I can confirm to the House that a detainee at the Kariong Juvenile Justice Centre was assaulted by other detainees in September this year. The detainee did not require treatment by a doctor and was immediately transferred to another centre. I understand that the Ombudsman is aware of this incident but is awaiting the outcome of a departmental investigation.

A surveillance camera recorded the incident. Two tapes were produced, one of which is missing. The other video is being held by the department and will be used in the investigation.

This departmental investigation is well advanced.

Any action in relation to staff will be determined on the completion of the investigation.

CULLING OF FERAL ANIMALS

The Hon. J. J. DELLA BOSCA: On 22 November the Hon. M. I. Jones asked me a question without notice concerning the culling of feral animals. I now provide the following response:

In addition to the response that I provided on 22 November I have been advised by the Minister for the Environment that aerial culling of brumbies has been banned and there are no other horse eradication programs being continued by the National Parks and Wildlife Service.

PETROLEUM PRODUCTS SUBSIDY SCHEME REVIEW

The Hon. M. R. EGAN: Earlier the Hon. Dr B. P. V. Pezzutti sought to interject upon me and said, "Where's the review", referring to a petroleum products review to which I referred in question time yesterday.

The Hon. Dr B. P. V. Pezzutti: You were asked a Dorothy Dixier, which you did not answer. Where is the review on country petrol prices that you promised me?

The Hon. M. R. EGAN: You should be more alert instead of sleeping on the back bench. I tabled the review yesterday.

EAST COAST TRAWL FISHERY RESTRUCTURE

The Hon. E. M. OBEID: On 15 November the Hon. Jennifer Gardiner asked me a question regarding the East Coast trawl fishery. I now provide the following answer:

The proposed Queensland trawl restructure involves the surrendering of trawl fishery entitlements to remove fishing effort from Queensland waters. However, some Queensland trawl fishers hold trawl fishery endorsements for both Queensland and New South Wales waters. The removal of the Queensland endorsement for dual endorsed operators would result in a potential for increased fishing effort in New South Wales waters.

To address this problem, the New South Wales Government has advised the Queensland Government and all New South Wales trawl fishery operators that dual endorsed fishers who surrender their Queensland entitlements, will also have to give up their New South Wales entitlements.

This is consistent with the National Licence Splitting policy and with the licensing arrangements used in the recent restructure of the Commonwealth South East Trawl Fishery.

Questions without notice concluded.

CRIMINAL PROCEDURE AMENDMENT (PRE-TRIAL DISCLOSURE) 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.

MARINE PARKS AMENDMENT BILL**Second Reading**

Debate resumed from an earlier hour.

The Hon. R. S. L. JONES [5.07 p.m.]: I hope that the Minister was listening to my earlier comments on the Marine Parks Amendment Bill, because they were based on scientific research conducted in New Zealand, where there are now 14 marine reserves and a further six proposals are awaiting final approval. In summary, New Zealand has found that the no-take marine reserves in that country have produced a remarkable result, in that the community fully supports them and more fish are now available for fishers. Because the fish have been allowed to breed, more fish are available. The recreational fishers in New Zealand are supportive of marine reserves because they make other resources available.

Currently Australia has only three marine reserves—Solitary Islands, Jervis Bay and Lord Howe Island—and zoning operational plans are not even operational. I hope that the Minister and his advisers in the Department of Fisheries and the Department of the Environment will look at the New Zealand proposals, which are working extremely well, benefiting everyone economically, socially and environmentally, and making more resources available for everyone, whether it be for viewing or catching.

Debate adjourned on motion by the Hon. R. S. L. Jones.

SUPERANNUATION LEGISLATION AMENDMENT (SAME SEX PARTNERS) BILL**Second Reading**

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [5.09 p.m.]: I move:

That this bill be now read a second time.

As the second reading speech has already been delivered in the other place I seek leave to have it incorporated in *Hansard*.

Leave granted.

The Superannuation Legislation Amendment (Same Sex Partners) bill will remove discriminatory aspects of superannuation arrangements for New South Wales public sector employees and parliamentarians who are in bona fide domestic relationships involving same-sex partners. The bill will amend the following Acts: the Superannuation Act 1916, the Police Regulation (Superannuation) Act 1906, the State Authorities Superannuation Act 1987, the State Authorities Non-contributory Act 1987 and the parliamentary Contributory Superannuation Act 1971. Honourable members will be aware that before amendments to the parliamentary Contributory Superannuation Act 1971 can be passed by this House the parliamentary Remuneration Tribunal must have certified that the amendments are warranted. Following his assessment, such certification has been provided by the parliamentary Remuneration Tribunal, His Honour Judge Walton.

The issue of the rights of same-sex partners to benefits in New South Wales public sector superannuation schemes arose most recently in debate on the parliamentary Contributory Superannuation Amendment Bill in November 1999. In responding to the issue, Minister Della Bosca stated that the matter was being closely examined by the Government in consultation with the Labor Council of New South Wales. The Government believes that there is considerable community support for change and strong justification on the grounds of equity. The fact that Australia is a covenanting State on international human rights conventions also places obligations on the New South Wales Government in this regard. The provisions of this bill will apply to New South Wales public sector superannuation schemes that provide a spouse benefit to a scheme member or pensioner. They are the State Superannuation Scheme, the State Authorities Superannuation Scheme, the Police Superannuation Scheme and, as implied a moment ago, the parliamentary Contributory Superannuation Scheme.

The above schemes pay a lump sum or pension superannuation benefit of the surviving spouse of a scheme member, including a pensioner, on his or her death. A pension benefit may also be payable to a dependent child of the spouse. In all the superannuation Acts I mentioned earlier a spouse is defined to mean the opposite sex partner of the scheme member. A de facto relationship involving opposite sex partners is recognised in exactly the same way as a legal marriage, so a de facto partner of the opposite sex has the same superannuation entitlements as a legally married spouse. The legislation as it currently stands does not recognise a same-sex partner as a spouse. This means that a benefit is not payable to a same-sex partner on the death of a scheme member or pensioner. Nor can a benefit be paid to a child of the same-sex partner. I am sure that many honourable members will agree that this is unfair and represents a wrong that needs to be corrected.

The bill redefines "spouse" in the superannuation scheme legislation in line with the recently amended definition of "de facto relationships" in the New South Wales Property (Relationships) Legislation Amendment Act 1999, so that they include same-sex relationships. The proposed amendments mean that same-sex partners of superannuation scheme members, or pensioners, and their dependent children will have the same entitlements as legally married or de facto partners of the opposite sex and their children. On the death of a scheme member or pensioner a same sex-partner and his or her dependent children would therefore have the same superannuation entitlements as legally married or de facto partners and their children.

This bill reflects the Government's commitment to eliminate discriminatory employment and superannuation arrangements for New South Wales public sector employees and extends this reform to parliamentarians. The New South Wales Anti-Discrimination Act 1977 makes it unlawful to discriminate on the grounds of homosexuality. Because of an exemption available under the Act, the New South Wales public sector superannuation schemes are legally protected from claims of discrimination on the grounds of homosexuality. However, this bill will achieve compliance with the spirit of anti-discrimination by treating a same-sex partner in the same way as a legally married or de facto spouse for superannuation purposes. As honourable members will appreciate, the bill is consistent with, and follows on from, the Government's recent legislative action to remove discrimination against same-sex partners on the significant issue of property settlement.

I referred earlier to the Property (Relationships) Legislation Amendment Act 1999 that redefined "de facto relationships" so that they included adults living together as same-sex couples. The Act also extended property rights to same-sex partners. Before the Government improved property rights, same-sex partners had difficulties being properly recognised in the distribution of estate assets. A same-sex partner is now better protected in this regard. While the Property (Relationships) Legislation Amendment Act 1999 amended a number of other Acts, it did not amend the provisions of the public sector and parliamentary superannuation Acts under which benefits are payable to spouses. The bill also provides former members of the State Superannuation Scheme and the Police Superannuation Scheme with the right to revoke their conversion elections.

At the beginning of this year, these members were offered the option of transferring their superannuation scheme benefit and membership to First State Super. The closing date for making these conversion elections was 31 May 2000. First State Super is the New South Wales public sector superannuation scheme that has been available to new public sector employees since it was established in December 1992. The scheme pays lump sum benefits only. On the death of a member, the amount accumulated in that member's account is paid to the member's personal representative rather than to a spouse. Superannuation benefits from First State Super can therefore already pass to same-sex partners. Some of the former members of the State Superannuation Scheme and the Police Superannuation Scheme may have elected to transfer to First State Super because they saw no benefit in remaining in a scheme which provided their partners with no entitlement to a superannuation benefit.

These members may not have made a conversion election if benefits had been available from their schemes for same-sex partners at that time. For this reason, a one-off opportunity will be provided to all former members of the State Superannuation Scheme and the Police Superannuation Scheme to revoke their conversion elections. This will enable them to rejoin their former schemes as if they had never left, without any detriment to their benefits. It is not possible to predict how many, if indeed any, people will choose to revoke their conversion elections. The bill enables the Special Minister of State to enter into an arrangement with people wishing to revoke their conversion elections and the superannuation scheme trustees for the purpose of reinstating full membership of the State Superannuation Scheme or the Police Superannuation Scheme for those people.

As members of these schemes are also automatically covered by the State Authorities Non-contributory Superannuation Scheme, also known as the basic benefit scheme or the 3 per cent scheme, coverage by this scheme would also be restored. As honourable members would be aware, New South Wales public sector superannuation schemes are required to comply with the principles of the Commonwealth Government's superannuation law. Failure to comply has the potential to jeopardise the significant tax concessions available to the New South Wales public sector superannuation schemes. The Commonwealth superannuation law, embodied in the Superannuation Industry (Supervision) Act 1993, and regulations made under that Act, does not permit superannuation schemes to recognise same-sex partners as beneficiaries.

Minister Della Bosca therefore requested Senator the Hon. Rod Kemp, Assistant Treasurer of the Commonwealth Government, to advise whether implementation of the provisions contained in this bill would adversely affect the tax status of the New South Wales public sector superannuation schemes. Senator Kemp has provided written advice on behalf of the Commonwealth Government that there will be no adverse tax effect resulting from the passage of these amendments. Finally, I indicate to the House the cost of the measures proposed in this bill. The Government Actuary has estimated the cost, in today's dollars, to be in the order of just over \$20 million spread over the foreseeable life of the schemes—that is, approximately 75 years. This represents an infinitesimal increase in superannuation liabilities which, as at 30 June 2000, were calculated to be just over \$33 billion.

The reforms introduced by this bill should be seen by New South Wales public sector employees and members of the community as fair and progressive. The New South Wales public sector and parliamentary superannuation schemes will be the first defined benefit schemes in Australia to recognise the right of same-sex partners to be treated fairly for superannuation purposes. Victoria appears to be the only other State that has made some progress towards similar reforms, although they are not likely to be introduced before next year. The bill demonstrates the Government's progressive attitude to addressing contemporary social issues of concern to the community. I commend the bill to the House.

The Hon. J. F. RYAN [5.10 p.m.]: I am the first member of the Opposition to speak to this bill. Essentially, members of the Opposition in this House have discussed this matter in some detail and with some concern. It is a fact that members of the Opposition in this House are exercising a free vote, as they did in another place. By doing so, the Opposition is simply recognising that a variety of approaches to this issue exists, and the administration of New South Wales will not grind to a halt because of varying views on this bill. The Opposition is merely recognising a truth that the Government has probably failed to recognise: that within the community there is a diversity of view on some of the very important issues raised by this legislation.

If the Government seeks to score cheap political points because the Opposition has a free vote on this issue, I simply say to members of the Government that I believe we are being honest in recognising that within the Opposition there is a greater range of differing views on this subject than there might be within the Government. I suspect that despite the existence of differing views within the Government, on this occasion its members do not have the freedom to express them in relation to this legislation.

The bill seeks to amend various public sector superannuation Acts in order to extend rights and entitlements of spouses under those Acts to same-sex partners. It provides unlimited rights for individuals who have transferred out of the Police Superannuation Scheme and other State superannuation schemes to return to their former schemes. The bill also contains consequential transitional provisions and amends the following Acts, the first of which may be of some interest to honourable members of this House: the Parliamentary Contributory Superannuation Act, the Police Association Employees (Superannuation) Act, the Police Regulation (Superannuation) Act, the State Authorities Non-Contributory Superannuation Act, the State Authorities Superannuation Act and the Superannuation Act 1916.

To a great extent, the bill makes consequential amendments to legislation that has already been passed by this Parliament, namely, the Property (Relationships) Amendment Bill. It is fair and reasonable to allow people to make their own decisions about the disposition of their own property. From a moral point of view, allowing the disposition of property to same-sex partners does not imply an endorsement, or otherwise, of those relationships. This legislation has been considered by organisations, such as Christian churches, that have expressed views on the subject. While those organisations may not be excited about aspects of this bill, they have nevertheless not requested that opposition be expressed to the bill. I mention in particular the Anglican Diocese of Sydney, the Catholic Commission for Employment Relations and the Council of Churches, which have expressed the view that allowing superannuation benefits to flow to the same-sex partner of a deceased person is an issue of justice and equity. They do not oppose these amendments in principle.

The bill seeks to achieve its aims by providing amendments to the definition of "spouse"; it attempts to redefine the term "spouse". That has created some concern within the Coalition and within the community generally. It is not unreasonable to believe that many people think that a marriage relationship, as it is traditionally understood—that is, a relationship between a husband and wife, a man and a woman—is a special relationship that has been traditionally valued by our culture since time immemorial and that it deserves some kind of protection and special recognition within our laws. It is fair to say that, over a number of years, that special recognition seems to have deteriorated. It now appears that the only thing that a marriage creates is a legal agreement between a husband and a wife which can be established as a result of a single ceremony and the signing of a certificate.

Obligations attaching to the relationship are now capable of being created over the time during which a couple cohabit, without the recognition of a special ceremony. In other words, the relationship can be created between people of the same sex without any type of formal recognition. I must say that I, for one, believe that the relationship of marriage between a husband and a wife is a special relationship that deserves special recognition within the laws of our State. That is not to say that I would discriminate against people who have other types of relationships. But I nevertheless believe that a very just and proper case can be made for the continuation of marriage relationships having special recognition.

One of the changes made by this legislation, largely effected by the language which is used to achieve its objectives, is the redefinition of the term "spouse", which throughout the community is generally considered to mean two people who are married to each other and who have undergone a traditional ceremony and the arrangements associated with marriage. In contrast to that, this legislation and other legislation has redefined the term "spouse" by giving it meanings other than that which the term is supposed to have. As a former English teacher, I have to say that some of the meanings in the bill attributed to the term "spouse" are not only subject to some moral controversy but also do not even make sense. In my view, the term "spouse" simply cannot apply to two people who happen to live with each other for a period.

Although the Coalition expresses these objections, some members of the Coalition take the view that members of the public are entitled to have relationships of their own choosing and that this issue is not one in which a government should become involved. That is a traditional view that is held by some members of the Coalition, but other members of the Coalition very much cherish the relationship of marriage and want a continuation of its special recognition. Consequently, they take a different view of the legislation. That is the key reason why some members of the Coalition will express individual views.

The consequence of the Property (Relationships) Amendment Bill, which was passed last year, is that the definition of "de facto" for the most part includes same-sex relationships in New South Wales law. A search of other legislation in which the term "spouse" appears reveals that the term is now defined to include de facto relationships as defined in the Property (Relationships) Act. In other words, the meaning of the word "spouse" has shifted in New South Wales law without any debate in the community taking place on the significance of that change. The Government has failed in its responsibility to properly consult people in relation to that matter.

It is right to be careful about the consequences of such a shift in legislative definitions. The recent rewrite of the Adoption Act did not include same-sex relationships in its definition of "couple"—a point which was strongly endorsed by the Coalition. The Coalition went further and secured from the Government an assurance that it was not proposing to legislate for the adoption of children by same-sex couples. The reason why the definition of terms is important is that in relation to some matters, such as the adoption of children, the nature of the relationship is critical. In those instances, the inclusion of same-sex couples in the legal definitions of "spouse" and "de facto" causes unacceptable consequences. At this very moment concern is being expressed by churches in New South Wales about a report that was produced by the Law Reform Commission on anti-discrimination legislation.

Many churches and many people are concerned that churches themselves will be required to recognise relationships that they do not consider, for religious reasons, to be marriages. I would have to say that if one has any reasonable definition of free will and free choice, under no circumstances should people be required to make a conscientious decision to recognise something that they believe to be immoral. The Coalition believes in the fundamental right of the individual to freedom of religion, and we strenuously oppose any review of the Anti-Discrimination Act that would not guarantee that right of exclusion being exercised by people on the grounds of religious conscience. In my view, this bill does not ask members of the Opposition to make a decision on the grounds of morality. It reflects the social reality that there are people in same-sex relationships within the community and that many of these people have superannuation.

Without clear law on this issue, disputes will arise. As members of Parliament, we have a responsibility to ensure that when disputes arise they are resolved amicably, quickly and without expensive litigation. They should also be resolved in a manner that demonstrates a level of legal consistency. In other words, it is a given that same-sex partnerships exist in our community. That being the case, we need to address the way in which the people in those relationships are to be treated as far as property matters are concerned. Essentially, we have to decide whether they will be treated in the same way as opposite-sex couples are treated, or whether they will be treated differently.

Some will argue that any concession to same-sex partners is morally wrong because, in their view, it encourages a moral wrong. To link the property argument to a moral one, it would be necessary to ask whether the denial of superannuation rights has prevented anyone from forming a same-sex relationship, or whether we can prevent people from doing a moral wrong by continuing to deny same-sex partners access to superannuation benefits. It seems to many of us that that is highly unlikely and not, in itself, a reason to oppose the bill. It may be argued that a person forming a homosexual relationship later in life will deny his or her existing spouse or children access to superannuation, to which they would not otherwise have been entitled, and that this could lead to unjust consequences.

The community does indeed hold that the denial of rights of a family member is often unjust, and the courts spend a good deal of time resolving disputes of exactly that kind. However, the question is whether it is any more unjust if the new partner is of the same sex or of a different sex. For example, exactly the same problems occur in law if a man establishes a de facto relationship with a woman. To be consistent in protecting family members the law should prevent the transfer of superannuation benefits to not only new same-sex partners but also new heterosexual partners. Indeed, there is a strong argument for preserving and promoting the distinctiveness of a marriage relationship, as I have already said. Notwithstanding that we generally have no-fault divorce in our community, I would not be surprised to find, if we had the opportunity to review the law and the cases that are processed by the Family Court, many cases of injustice to children as a result of people passing their property on to subsequent partners. Children have been disadvantaged in a way that they should not.

One of the reasons for so much misery in our community is the breakdown of the traditional marriage relationship. Without a doubt, regardless of the condition of the law, many children have suffered and their futures have been damaged as a result of the difficulties experienced with property being transferred from one partner to another after a marriage breakdown. Are people who oppose same-sex relationships bound to oppose this bill? Obviously the Archdiocese of Sydney opposes same-sex relationships, but it has advised:

The Church does not endorse same sex relationships (or, indeed heterosexual sexual relationships outside of marriage), believing them to be contrary to the will of God. Nevertheless, given that since the passing of the Property (Relationships) Legislation Amendment Act 1999 homosexual de facto relationships are recognised for a wide variety of purposes, including for the purposes of enabling a court to determine rights to property upon the termination of the relationship, it seems consistent (and just) for the same sex partners to be entitled to superannuation benefits in the manner proposed.

That is the view of the Anglican Diocese of Sydney, a reasonably conservative evangelical group, which I think fairly represents mainstream Christian churchgoers. On 5 November the same sentiment was expressed by the Council of Churches. It stated:

The Council of Churches recognises that it's a fundamental human right for all individuals to have equal rights. It's therefore reasonable that people have the right to allocate their super and property to their partner. This does not mean the Council of Churches endorses same sex relationships. We believe the Bible speaks explicitly about sexuality. It is reserved for the committed, monogamous, relationship between a man and a woman, called marriage. In these kinds of legislative decisions we must be careful not to redefine the uniqueness and importance of the marriage relationship.

Because of that advice I, and some members of the Coalition, support this legislation. However, other Coalition members have a different point of view, and before any honourable members opposite or on the crossbench seeks to somehow or other make cheap political capital of the differences of view, I suggest they stop to think about the reason for that. We are simply being honest. I only wish that members of the Government would be equally honest and that the Government would allow its members the same privilege the Opposition has extended to its members: to exercise their conscience. We are asked to choose, in the minds of some, between the essential necessity to maintain equity in the community and to treat people in a non-discriminatory way. At the same time others place a higher value on tradition and the recognition of marriage.

I attend a Christian church regularly and I highly value the sanctity and special relationship of marriage. Like other members of the Anglican Diocese, I accept that it is necessary in our community to have laws for the good order of the community that do not necessarily reflect the way we may want to live and what Christians understand to be the kingdom of God. As I have often explained to many people in Christian churches, it is difficult for members of Parliament who happen to be Christians to try to live up to the expectations that somehow or other, through the Constitution of New South Wales and its statutes, we will be able to create the kingdom of God. We will not. That exists in the hearts of men and women and will be seen in a much fuller and brighter position at a later time in the history of the world. For the time being we have to deal with mankind as we find it. Man sometimes does things that do not please God, and sometimes we have to make laws with that in mind.

One obvious area of law making is divorce. Our society would be in chaos if we did not have laws that specifically provide for the nurturing and upbringing of children, and for the maintenance of dependent spouses as exists under the Family Law Act—notwithstanding that many people still believe that divorce is not an option for those who are members of Christian churches. With those remarks I hope to have accurately reflected views that are held I suspect right across the Parliament, but certainly within the Coalition, and I leave the House to its further consideration of the bill.

The Hon. I. COHEN [5.26 p.m.]: As the first speaker on behalf of the Greens, I support this bill and congratulate the Government on introducing it. It will amend superannuation legislation so that all New South Wales public sector employees and parliamentarians who are in same-sex relationships are not discriminated against. The amendments remove discrimination against same-sex relationships. Currently Acts dealing with superannuation schemes do not recognise same-sex partners as spouses and benefits are not payable to same-sex partners on the death of a member of the scheme or a pensioner. Same-sex partners are now recognised in de facto relationship law in New South Wales. Two adult people who live together in a de facto relationship but who are not married to each other are now recognised since the Property (Relationships) Legislation Amendment Act 1999. The result of this bill will be that same-sex partners of superannuation scheme members will have the same legal entitlements as de facto partners of the opposite sex. The Greens support that provision strongly, as they have supported other basic social justice issues and rights for people in same-sex relationships in this State. We commend the bill to the House.

Ms LEE RHIANNON [5.28 p.m.]: I support the comments of my colleague, who has outlined our support for the bill. Although I congratulate the Government on introducing the bill, I wish to point out some

level of hypocrisy. While the bill is welcome, it stands in sharp contrast to the recent position taken by this Government to people in same-sex relationships when members were debating the Adoption Bill. In that legislation people in same-sex relationships were totally ignored and discriminated against in an unacceptable manner.

The Hon. J. R. Johnson: That is not the bill being debated.

Ms LEE RHIANNON: The Hon. J. R. Johnson once again interjects because this issue is close to his heart. There is much hypocrisy on this point. There is also considerable hypocrisy concerning the gay games which will be held in Sydney in 2002. During that event great economic benefits will flow to Sydney. Those games are not discriminatory. Any member of this House, irrespective of his or her sporting or non-sporting ability, can participate in those games. The Government is refusing to give the gay games even the modest support that the organisers of that event have requested. That refusal is in sharp contrast to the support for the Olympic Games. We need consistency from the Government when it comes to dealing with people in same-sex relationships. So, yes, we will support this legislation. But it needs to be put on the record what problems this Government has and that it is not being consistent when it deals with these important issues.

Reverend the Hon. F. J. NILE [5.30 p.m.]: The Christian Democratic Party opposes the Superannuation Legislation Amendment (Same Sex Partners) Bill. I am disappointed that, although it was my understanding that we would be debating amendments to the Water Legislation Amendment Bill, and had prepared for that, the Government has brought on for debate this same-sex bill. I do not think other members of the House were ready to debate this bill. A number of members are listed to speak to this bill. I hope they will all participate at some point in the debate so that the bill will not just slide through this House, as some Government and perhaps some Opposition members would like to happen.

The Christian Democratic Party has two objections to the bill. One is the recognition of same-sex partners in legislation, in that that gives same-sex partners status that I do not believe they require at law. In our society, nothing prevents same-sex relationships. We know they exist between two males and between two females. Usually they are homosexuals or lesbians, but they could be people who do not profess to be either homosexual or lesbian. There is no problem in our society with those relationships; there is no law against it, and those people are not arrested and put in gaol.

The point I make is that we do not need bills that will put into the laws of this State provisions that will further enhance the status of same-sex relationships. I see this as a gradual process, which started in perhaps the mid-1980s and is moving perhaps as fast as the people who are behind these moves feel they can go. Obviously, if they move too fast there will be strong public reaction against them. But they undertake the process gradually, step-by-step, to bring about these changes. The Christian Democratic Party objects to the legislation on that basis.

To my knowledge—I have not checked *Hansard*—this is the first time that a bill has had in its title the words "same-sex partners". From the point of view of those who are pushing this type of legislation, this is historic. From our point of view, it is a sad commentary on this Parliament and on the Government party, which obviously is driving this bill. Not being a member of the Coalition, I am not sure how its rules and procedures operate, but, thankfully it has agreed to allow National Party and Liberal Party members a free vote—which is in fact a conscience vote, or at least that is my definition of it, as I believe they will vote according to their conscience. I thank the Coalition for allowing that free vote.

However, it is sad that the Labor Party—in which, obviously, there are strong Christians, usually of a Catholic background but also of other religious backgrounds—will not give its members that same privilege. It did allow a conscience vote on the bill dealing with the lowering of the age of consent and, thankfully, by one vote, that private member's bill was defeated. I believe that if a conscience vote were allowed on this bill, it also would probably be defeated—that is if the conscience vote were allowed to members on both sides of the House. Obviously, only those on the Opposition side of the House will have a conscience vote, because the Government will not allow a conscience vote. Perhaps that is because initiatives were not taken to seek that privilege from the Labor Party.

Apparently, a conscience vote is not an automatic right within the Labor Party; there are procedures to be followed. But it is not impossible for that party to grant a conscience vote. As I have just said, it allowed one on the bill dealing with the lowering of the age of consent. It seems that steps have not been taken to bring about a free vote on this bill. That is a sad commentary on the Labor Party. I believe this will be seen by many people

who vote for the Labor Party, particularly those from Catholic, Moslem and other religious backgrounds, to be a worrying development. I think those religious bodies will be concerned if a party locks itself into this position when in the community there are such strong divisions on the issue among the supporters of the party.

Obviously there are in the community people who vote for the Labor Party and support this legislation, as well as people who vote Labor but are opposed to the legislation. The same comment applies to the Coalition: some Coalition supporters would support this bill while other Coalition supporters would oppose it. So there would be the same sort of division within the parties as there is within the community. That is why these bills need to be dealt with in a sensitive manner and why there should be a free vote, or conscience vote, on them. I wish that would happen on this occasion.

The second point I wish to make was raised by the Hon. J. F. Ryan. It is an insidious—I believe evil—attempt to change the institution of marriage by a backdoor method. This bill will amend Acts dealing with superannuation, and will therefore amend the Parliamentary Contributory Superannuation Act 1971, the Police Association Employees (Superannuation) Act 1969, the Police Regulation (Superannuation) Act 1906, the State Authorities Non-contributory Superannuation Act 1987, the State Authorities Superannuation Act 1987, and the Superannuation Act 1916. Each of those Acts is to be amended to provide recognition and entitlements for same-sex partners. I have not the slightest doubt that the changes in this bill could have been made—even though I would still not be in favour of such an amending bill—without threatening and undermining the institution of marriage by this backdoor method of changing the definition of "spouse".

In fact, community and church groups that I speak to about this type of legislation are staggered that these creeping, progressive legislative changes are being passed by this House. That has been done in three separate bills now: the property relationships Act, the carers Act and even the first home owners Act. Legislation has been used to slip in this definition of "spouse" and to make the definition apply to same-sex partners who are not married and have no intention of getting married. There is within the homosexual community a group that would probably like legal homosexual marriages included in legislation. But, from reading some homosexual literature, I believe there is another group that is very critical of, and opposed to, this sort of attempt to introduce into the homosexual lifestyle the concept of heterosexual marriage. Obviously, one group is still promoting the progress of this concept, and that group must be in the majority at this stage.

I raised this matter when a bill was introduced late at night in this House. We were debating what is now the property relationships Act, which as a bill had been distributed to all church leaders and other groups. As far as I know, those people had agreed in principle with that bill. But, during the debate, late at night, Attorney General Jeff Shaw said, "Oh, by the way, the Government has a number of amendments." I think there were about 18. Suddenly, within those amendments, was the introduction of the first change to the definition of "spouse".

In my opinion, that was done dishonestly because there was no consultation about it. Obviously, if the bill is sent around, people may agree to it on the basis of what they see. But when a very controversial amendment is slipped in at the Committee stage of the bill, people and groups do not have the opportunity to respond to that change. That was a very important change from the viewpoint of Christians and other religious denominations of this State, whether Catholic, Anglican, Baptist, Presbyterian or so on.

The views about and the opposition to this change to the definition of the word "spouse" are pretty uniform. When this matter first arose I raised it with the Attorney General. I asked my staff to copy the definition of the words "spouse" from as many dictionaries as they could get their hands on—about three or four. All the meanings of the word "spouse" were consistent: every dictionary makes it quite clear that the word "spouse" has a specific meaning. The *Concise Oxford Dictionary*, the dictionary in this Chamber, defines "spouse" as "husband or wife". "Spouse" has an ancient historic meaning, originating from Latin. The dictionary gives the Latin words "espous", "sponsus" or "sponsa", and the literal meaning is "betrothed". No word better describes a husband and wife or a marriage than "betrothed". So two men or two women cannot be betrothed to one other; that is an act of marriage, what happens at a wedding.

The Hon. R. S. L. Jones: What does the word "betrothed" mean?

Reverend the Hon. F. J. NILE: The word "betrothed" comes from the Latin word for "spouse", which refers to a husband and wife.

The Hon. R. S. L. Jones: What does the word "betrothed" actually mean then?

Reverend the Hon. F. J. NILE: It means two people who are married—a husband and wife. It is dishonest use by the Government of the word "spouse" in the three bills to which I referred earlier. That definition of "spouse" that is now to be included in the superannuation bill is ungrammatical, unhistorical, illogical and inconsistent with other legislation introduced in this Parliament. I am sure that, in due course, historians will comment on the change to the meaning of "spouse". I am sure they will wonder what on earth was going on in the New South Wales Parliament. So far as I am aware, no other Parliament in Australia has legislated in this way.

Earlier the Hon. R. S. L. Jones asked me what was the meaning of "betrothed". I have just been given the *Concise Macquarie Dictionary*, which defines "betrothed" as "to promise to marry", or "to arrange for the marriage". So the words "betrothed" and "spouse" have similar meanings. I did not expect this bill to be debated so soon, so I foreshadow that I will move an amendment to each of the definitions of "spouse" in the bill. Schedule 1 deals with the Parliamentary Contributory Superannuation Act 1971 and item [1], "Section 3 Definitions", omits the definition of "spouse" from section 3 (1) and insert instead new paragraphs (a) and (b). Paragraph (b), which moves away from the concept of a husband and wife, states:

if the member or former member was, at the time of his or her death, in a de facto relationship, within the meaning of the Property (Relationships) Act 1984, with a person, that person.

It is easy to make subtle changes to the legislation. The definition refers to "a person", which includes a relationship between two male persons and two female persons. The definition refers simply to two persons. That is a subtle way of acknowledging same-sex relationships. More importantly, that is the definition of the word "spouse" in the bill. In my opinion it is not necessary to change that definition to extend these superannuation rights to same-sex partners. All that is required in the definition in the bill is the word "partner" and not the word "spouse". I believe that this Government has a hidden agenda.

Whenever I refer to this issue the Hon. Jan Burnswoods usually ridicules me and says that I believe in conspiracy theories. However, I believe that the Government has a hidden agenda to keep making these changes. The definition in the bill should refer to "member" and not to "person". Paragraph (b) should say "with his wife" or "with her husband". In my opinion that is how the bill should define "spouse". That is the scenario that I see unfolding. I hope I am wrong but I believe it will happen in the not too distant future. If New South Wales and other States change the definition of "spouse", it will logically result in a change to the Federal legislation.

I make this point for the benefit of the Hon D. F. Moppett, who keeps saying, "Don't worry Fred. There is a Federal Marriage Act. Anything we do here will not change that." If every State changes the definition of "spouse" the Federal Marriage Act will soon be inconsistent with State legislation. I know that Federal legislation takes priority over State legislation, but at a meeting of Attorneys-General, those who support this position would say, "We have an inconsistency. All the States have redefined 'spouse', but that definition does not line up with Federal legislation. Therefore, the logical step is to amend the Marriage Act and to provide for same-sex spouses within the Marriage Act."

Prime Minister Howard, because of his stand on other issues and his current stand on the IVF issue, would not agree with that. But what will happen in the future? Who will be the future Prime Minister? Who will be in government? That government and another Prime Minister might have a completely different view about these issues and they might support a change to the Marriage Act. It would be a tragedy if that happened to Australia. Next year, we celebrate the Centenary of Federation and we will focus on the Australian Constitution. The Constitution has in its first few pages what I regard as sacred words: "Humbly relying upon the blessing of Almighty God, we the people of New South Wales, Victoria" and reference is then made to all the other States with the exception of Western Australia, which was not involved in initial discussions on the Constitution.

All the States came together to form the Commonwealth of Australia. But they did it "humbly relying upon the blessings of Almighty God". I am pleased that those words are in the Constitution as it addresses the argument concerning the role played in society by religion or Christian faith. Are we a secular society, a pagan society or a non-Christian society? We actually acknowledge the Almighty God in our Constitution—something which the Americans have not done in their Constitution, even though America is a stronger Christian nation than Australia. The founders of the American Constitution, many of whom were strong Christians and steeped in Christian culture, thought it was so obvious that they did not include it in their Constitution. They did not vote against its inclusion or prevent it from being included.

Every time the Supreme Court in America is confronted with an issue involving the *Bible* or prayer it is bound by the wording of the Constitution, which does not identify the United States as a Christian nation and

makes no reference to God. Given the reference I cited in the Commonwealth Constitution, it would be a tragedy if our marriage laws were changed, which is what the Government is attempting to do in the Superannuation Legislation Amendment (Same Sex Partners) Bill. I have no doubt that it is doing so contrary to the will of Almighty God. These moves to change the definition of "spouse" and to bring in same-sex relationships are totally in opposition to the will of God, the Creator.

That applies to all those who believe there is a God and that God is the Creator. I include in that statement not only Christians, whether they are Catholic, Protestant or Baptist, but also the Jewish and Muslim communities and other religious groups. This is a serious development. We could hardly then say that we are "humbly relying on the blessings of Almighty God", because we are rejecting the will of God. The *Bible* has a solemn warning that those who reject the will of God will not be blessed but cursed. I hope none of us ever live to see that happen to our nation. We have floods and bushfires, but they are nothing compared with the horrors that have happened to other nations throughout history. We do not want to experience those horrors in our nation. That is what "curses" mean.

All Acts to do with superannuation are amended by this bill. All have incorporated the same-sex spouse definition. I know there are many very strong Christians in the Government, particularly of the Catholic belief. I wonder if they understand the changes they are making by this bill. It puzzles me. Why change the definition of "spouse"? What is the purpose of that? I hope there has been some debate within the Government. Sometimes these matters are presented by the Attorney General or other Ministers and are adopted. Whether it is the Labor Party caucus or the Liberal Party caucus, members sometimes accept these things without fully considering them. If members had considered them I do not think they would agree with the bill. I must express our opposition to these proposals to insert a same-sex partners provision into legislation and, secondly, to alter the definition of "spouse". We will be voting against the bill and calling a division on that vote.

The Hon. R. S. L. JONES [5.51 p.m.]: I support the legislation and commend the Government for introducing it to Parliament. I would like to put on record the Redfern Legal Centre's outline of what is happening with superannuation currently. On page 1009 of its handbook the centre says:

It is compulsory for employers to pay contributions into a superannuation fund on behalf of their employees. Most superannuation funds have components which make lump-sum benefits available in the event of a crisis, such as the death or total and permanent incapacity of the fund member.

Access to these components is often made conditional upon satisfying the fund that the proposed member is a good insurance risk. The fund may impose health eligibility tests and may require applicants to provide information about sexual histories and other "risk" activities. Such information is more likely to be sought in relation to superannuation and insurance funds taken out privately by the individual than in relation to work-based superannuation schemes.

Lesbians and gay men may nominate their partners as the beneficiary of their superannuation fund's death benefits. However, the trustees of each superannuation fund control payment of benefits. Under the Commonwealth *Superannuation Industry (Supervision) Act 1993*, the fund trustees must pay to a dependant or to the deceased's estate. The term "dependant" is defined to include a spouse (including a de facto spouse) or child. The term "spouse" has been defined to specifically include same-sex partners.

Exclusion of same-sex partners from this definition has far reaching consequences. When lesbian and gay partners are clearly dependants of the deceased, they may still receive death benefits. However, exclusion of lesbian and gay partners from the term "spouse" will mean that the non-dependent lesbian and gay partners may not receive benefits except where trustees elect to pay to the deceased's estate and the partner is the beneficiary of the estate under a will. Remember, laws of intestacy will not allocate any benefits to a lesbian or gay partner. As a safeguard, it is important that lesbians and gay men who wish to leave superannuation benefits to their partners have valid wills which name their partner as the beneficiary of superannuation payouts, should these end up forming part of the estate. If the will is going to ensure the partner receives superannuation benefits, the gift should either be specifically referred to or at least considered when allocating the residue of the estate.

Of course, I am aware that the Coalition has allowed members a free vote on this issue and it is interesting to read some of the debate that took place in the lower House, from both sides, and particularly the speech of the honourable member for East Hills. It was commendable to see the majority of members supporting the Government in what is a commonsense approach to an issue that all too often is clouded by sanctimonious sentiment and a baffling logic that equates support for human rights with the undermining of the Christian faith. I cannot imagine how the two connect. It does not follow that this bill will add impetus to anti-discrimination law reform. Even if it did, that in turn will not constitute an attack on the fundamental right to freedom of religion.

I have consulted with the Anti-Discrimination Board on this issue, and it is supportive of the bill, as it would be of any initiative to eliminate discrimination or to afford equality of entitlements, but it too did not see that there was necessarily a connection between the anti-discrimination law and the erosion of the right to

freedom of religion. Even if it did, I for one would question what makes the right to freedom of religion the primary right that should be guaranteed above all else, presumably at the cost of all other basic freedoms and entitlements. Surely there is a right to equal treatment and respect for all people, and that right should rate pretty highly. What is more precious than the right to be included in society, to have an equal share in the rights and responsibilities that come from being accepted as a useful member of society? The ability to disperse one's own property as one sees fit is part of that equality, albeit only a tiny part of all that the concept entails.

It is clear that this bill does not set out to destroy civilisation as we know it. The aim of the legislation is to remove discrimination against same-sex relationships and to bring the superannuation schemes of State public sector employees—including parliamentarians—into line with the terms of the recognition of de facto relationships. It also permits former State Super or Police Super members to revoke a "conversion" election that transferred participation in either scheme to First State Super, on the basis that some people would not have transferred if same-sex relationships had been recognised then. The bill is fairly straightforward and simple, and the philosophy behind it—the extension of benefits to employees and their families regardless of their sexual preferences—is to be applauded.

I was concerned that there was no mention of transgender people in the debate in the lower House. As honourable members may be aware, transgender people are often placed in limbo in so far as their rights and freedoms are concerned. Regrettably, they are an invisible group, and I was concerned that they would be omitted by the legislation before us today and not be covered by the definition in the Property (Relationships) Amendment Act.

This concern arises out of my discussions with the Gender Centre, a very valuable community organisation that offers a variety of community and professional services to transgender people, their friends, families and supporters, and the general public. For the information of honourable members who may not be aware of this important group, the Gender Centre is involved in numerous education projects; provides workplace training on issues of discrimination, among others; hosts social events for transgender people; runs an in-house counselling service; provides semi-supported accommodation for up to 12 residents; runs an outreach service and produces a free bi-monthly magazine, *Polare*. So, the group's members are obviously well informed on issues regarding transgender people.

After consulting with the Premier's Department, however, I am satisfied that transgender de facto couples will also be able to transfer their superannuation benefits to one another. This must apply whether they are in a homosexual relationship or not, as the definition of "spouse" in the bill will apply equally, regardless. Although I was moved to propose an amendment to ensure that there was some specific acknowledgement of transgender people in the bill, I have been persuaded by advice from the Premier's Department that this is not necessary. Therefore, I will not move an amendment, and I commend the bill to the House.

[Debate interrupted.]

DISTINGUISHED VISITOR

The DEPUTY-PRESIDENT (The Hon. H. S. Tsang): I acknowledge the presence in the gallery of the Hon. Dorothy Isaksen, a former member of this House.

SUPERANNUATION LEGISLATION AMENDMENT (SAME SEX PARTNERS) BILL

Second Reading

[Debate resumed.]

The Hon. P. T. PRIMROSE [5.57 p.m.]: I support the Superannuation Legislation Amendment (Same Sex Partners) Bill and in the time available to me I would like to make a few comments relating specifically to the object of the bill, which is to amend various Acts regulating public sector superannuation schemes for the following two purposes. First, to enable same-sex partners of contributors to and members of those schemes, or former contributors or members, to be treated under those schemes in the same way as partners of contributors and members, or former contributors or members, who are of the opposite sex, thus giving access to certain benefits. Second, to enable the Minister to enter into arrangements to enable persons who have elected to take a conversion benefit and transfer out of the State Superannuation Scheme and the Police Superannuation Scheme and into the First State Superannuation Scheme or other schemes to undo that election and rejoin their original scheme, but only if the election is made within the period specified under the arrangement.

To elaborate on those objects, the bill will, as a number of honourable members have already indicated, remove a number of discriminatory aspects of superannuation arrangements for New South Wales public sector employees and parliamentarians who are in bona fide domestic relationships involving same-sex partners. The bill, if carried, will amend the following Acts: The Superannuation Act 1916, the Police Regulation (Superannuation) Act 1906, the Police Association Employees (Superannuation) Act 1969, the State Authorities Superannuation Act 1987, the State Authorities Non-Contributory Superannuation Act 1987 and, of course, the well-known Parliamentary Contributory Superannuation Act 1971. Honourable members will be aware that before amendments to the Parliamentary Contributory Superannuation Act 1971 can be passed in the Legislative Assembly, the Parliamentary Remuneration Tribunal must have certified that the amendments are warranted. Following an in-depth assessment, such certification was provided by the Parliamentary Remuneration Tribunal, His Honour Judge Walton.

The issue of the rights of same-sex partners to benefits in New South Wales public sector superannuation schemes arose most recently in debate on the Parliamentary Contributory Superannuation Amendment Bill in November 1999. In responding to the issue the Minister said that the matter was being closely examined by the Government in consultation with the Labor Council of New South Wales. The Minister advised that there was considerable community support for the change and strong justification on the grounds of equity. The fact that Australia is a covenant State on international human rights conventions also placed obligations on the New South Wales Government in this regard.

Reverend the Hon. F. J. Nile: Not on this issue. Sexual orientation is not in the human rights legislation.

The Hon. P. T. PRIMROSE: I acknowledge the interjection of Reverend the Hon. F. J. Nile. However, it is a fact that this country and, as a consequence, this State have obligations placed on them by international human rights conventions. The provisions in this bill will apply to New South Wales public sector superannuation schemes that provide a spouse benefit to a scheme member or pensioner. As I have indicated, these are the State Superannuation Scheme, the State Authorities Superannuation Scheme, the Police Superannuation Scheme and, as I implied a moment ago, the well-known Parliamentary Contributory Superannuation Scheme. The above schemes pay a lump sum or pension superannuation benefit to the surviving spouse of a scheme member, including a pensioner, on his or her death. A pension benefit may also be payable to a dependent child of the spouse.

In all the superannuation Acts I mentioned a spouse is defined to mean the opposite-sex partner of the scheme member. A de facto relationship involving opposite-sex partners is recognised in exactly the same way as a legal marriage, so a de facto partner of the opposite sex has the same superannuation entitlements as has a legally married spouse. The legislation as it currently stands does not recognise a same-sex partner as a spouse. This means that a benefit is not payable to a same-sex partner on the death of a scheme member or pensioner. Nor can a benefit be paid to a child of the same-sex partner. I am sure many honourable members will agree that this is unfair and represents a wrong that needs to be corrected. Having made those statements, I believe that the bill should stand by itself. The arguments are well and truly justified, and I commend the bill to the House.

[Debate interrupted.]

DISTINGUISHED VISITORS

The PRESIDENT: I welcome to the President's Gallery Madam Ha Thi Khiet and her delegation. Madam Ha Thi Khiet is the President of the Vietnam Women's Union and Deputy of the Vietnam National Assembly.

SUPERANNUATION LEGISLATION AMENDMENT (SAME SEX PARTNERS) BILL

Second Reading

[Debate resumed.]

The Hon. AMANDA FAZIO [6.03 p.m.] (Inaugural speech): I support the Superannuation Legislation Amendment (Same Sex Partners) Bill. While I am aware that many people in the community have objections, on religious and moral grounds, to the changes in this bill, I do not support discrimination against any section of the community, including gay and lesbian couples. I support social justice and equality. I do not believe that

same-sex partners and their dependants should be denied the superannuation entitlements of their deceased partner. I am pleased that the Australian Labor Party [ALP] has introduced this bill to eliminate this area of discrimination.

My commitment to the Australian Labor Party and its principles and objectives goes back many years. I was raised for most of my school years in Cabramatta, where the local area had a strong Labor focus. The Hon. Gough Whitlam was the Federal member and the Hon. Eric Bedford was the State member. Most of my extended family were wage earners who had no reason to support the Liberal Party and who were philosophically opposed to the Democratic Labor Party. When I finished my secondary education I commenced employment in the Commonwealth public service and became active in the Administrative and Clerical Officers Association.

Through my involvement in my union, I met Shane Easson and was encouraged by him to formalise my support for the Labor Party. I first joined the Australian Labor Party in February 1977 at the Enfield Branch, where the Hon. Clive Healy, a former member of this House, was the Branch Secretary and encouraged me in my activism. I became active in New South Wales Young Labor, which I believe is the best political training ground in this country. Skills in public speaking, meeting procedures and tactics become finely honed and are readily translated into many spheres of society and politics. If you can succeed in New South Wales Young Labor, you can succeed in any other forum. Some of my contemporaries in Young Labor who are serving in this Parliament include Dianne Beamer, Carl Scully, John Della Bosca and Sandra Nori. I received guidance and encouragement from the Hon. Dorothy Isaksen, Justice Tricia Kavanagh, Deirdre Grusovin, Graham Richardson and the late Nancye McAloon.

Through my involvement in the ALP I made some very good friends, many of whom remain close friends to this day. I would like to mention Senator Sue West; Councillor Kayee Griffin, who is the Mayor of Canterbury; Kevin Moss, MP; Andrea Stewart; Ursula Stephens; Tony Sheldon and my friends from the Transport Workers Union; Brian Harris and his colleagues at the Municipal Employees Union; and Alastair Macdonald and his colleagues from my union, the Australian Services Union (Clerical and Administrative Branch). As well, I have made many friends and colleagues in the trade union movement who have been most helpful to me over the years. Special thanks must go to Senator Steve Hutchins, who was very generous in his support of my aspirations.

I would particularly like to thank the Hon. Leo McLeay, MP, and the McLeay family, whom I regard as good and close friends. Leo has offered his guidance and support over the years and deserves recognition for being genuine in his commitment to ensuring that women in the ALP are given the opportunity to display their talents and advance their careers. For the last eight years I was afforded the opportunity to work for the New South Wales Branch of the Australian Labor Party. I feel privileged to have worked with so many very dedicated and competent people, in both the political and administrative areas.

Working in the ALP office also allowed me to have regular dealings with the many honorary branch and electorate council officials and committee members who freely give their time and energy to supporting and promoting the party and whose contribution to the party's strength and success deserves recognition and respect. I consider many of the people I have worked with during the last eight years, both paid party employees and voluntary office holders, to be good friends. Regardless of factional differences, the one unique aspect of the ALP is that in campaigns we all work to achieve a common goal, that is, the election of Labor governments. I hold my former colleagues at the ALP office in high regard and recognise their professionalism in campaigning and their commitment to modernising the New South Wales Branch. I look forward to working with Eric Roozendaal, Mark Arbib and the other officers, officials and staff in future campaigns. I am very happy to see many of my family, friends and colleagues in the gallery today.

One area in which I have had a strong involvement within the party is the issue of affirmative action for women. Back in 1981 when the party decided nationally that affirmative action was to be introduced for internal party positions, I was on a working group, along with the Hon. Jan Burnswoods, which recommended extensive rule changes. I was involved in background work which led to the introduction in 1994 of national rules establishing a quota for the number of women in Parliament.

While Opposition members often make derogatory comments about this quota, I can only draw their attention to the fact that organisations such as the National Farmers Federation have accepted a quota system to ensure minimum levels of representation of women. I enjoyed my time as a member of the Status of Women Committee and the Labor Women's Forum. While there may be some differences of opinion among people

within the party about the best way to achieve the required number of women in Parliament, I must say that the commitment to increasing the number of women in Parliament is genuine across all groups in the party, and I look forward to working with more female colleagues in this Chamber and in the other place.

I feel very proud to represent the Australian Labor Party in the New South Wales Parliament as part of the Carr Labor Government. I recognise the contribution of the Hon. Jeff Shaw, whose place in the Chamber I am filling. As I said earlier, I was raised at Cabramatta and for short periods in my younger years lived at Nowra and Taree. Cabramatta was, and remains, a working class suburb with a high proportion of the community coming from a non-English speaking background. Being raised only one block away from the Cabramatta Migrant Hostel and going to local schools with many children who lived at the hostel gave me an understanding of the struggle of newly arrived families and of the hopes and aspirations that they have, particularly for their children. I developed a strong awareness of the social inequities faced by these families and the need to redress these inequities.

The opportunity for access to a quality and affordable secondary and tertiary education allowed many children of migrant families to become successful and raise their standards of living. The policy initiative of the Whitlam Government to provide free university education on the basis of merit rather than the ability to pay allowed many children from migrant and working-class families to go to university and contributed to the development of a truly multicultural society in Australia. Our society, where the sons and daughters of Italian, Ukrainian and Polish migrants could take their place as doctors and solicitors alongside the children of wealthy families from the North Shore and Eastern Suburbs, is much richer than it would have otherwise been.

I made a conscious decision to seek employment in an area in which I could assist people rather than work for organisations which were profit driven. I worked in many areas in the Commonwealth public service which provided direct assistance to individuals through income maintenance programs and in community service programs. Working in the Children's Services Program during the expansion of general child-care services and special services for Aboriginal and Torres Strait Islander children, children from a non-English speaking background and children with disabilities was very satisfying and enjoyable. The people with whom I worked in the government and community sectors were dedicated and had a strong commitment to the provision of quality services.

Following this I worked in the area of aged persons homes and hostels, which was a challenging area at that time with the issue of residents' rights being implemented. Standards of care were being benchmarked and the concept of home and community care was being introduced. Perhaps one of the most satisfying, yet difficult, challenges I had was implementing the Commonwealth Disability Services Act in New South Wales in 1986. The need to provide more appropriate services, which allow people with disabilities to live as independently as possible and to maximise their abilities, remains a special interest of mine. I have been actively involved on the board of Jobsupport Inc, which is one of the largest and most successful independent supported job services for people with mild to moderate intellectual disabilities in Australia. For this reason I was pleased to be appointed to the Standing Committee on Social Issues.

In my work in these programs I frequently travelled to country areas of New South Wales and consulted with representatives of community organisations who were trying to provide services that were appropriate and would meet the particular needs encountered in country New South Wales. I have a strong commitment to ensuring that there is an equitable distribution of services throughout the State, which is why I am pleased that I have been allocated the responsibility of representing the Australian Labor Party in the electorates of Myall Lakes, Northern Tablelands and Tamworth. I intend to be a frequent visitor to those areas.

I am especially pleased to visit Myall Lakes as both my parents come from that area. My mother, who was a member of the Ramsay family, was raised in Taree, and my father's family come from Tuncurry. In the 1880s my paternal great-grandfather, Vincenzo Fazio, came to Australia from Lipari, which is a small island north of Sicily, and settled in Tuncurry where he established the local fishing industry. He introduced the Mediterranean style of net fishing and sponsored the migration of many other fishermen from Lipari, whose descendants still work in the fishing industry on the mid-north coast and in Sydney Harbour. The old family home in Manning Street is the oldest in situ dwelling in Tuncurry. I have encouraged my children to be aware of their family history and have pride in their forebears.

I enjoy living in Sydney and raising my family here. Like most residents of Sydney, I regard the harbour as the jewel of our city, not just for the sparkling blue waters and green harbourside parks but for the infrastructure on the shores which shows that it has been and still is a working harbour. We should be proud of

our maritime history, especially the buildings and structures on Garden Island. Garden Island is one of our most tangible links with the First Fleet, and a naval presence should be retained there. Sydney Harbour should remain a working harbour and not become simply a marina for the pleasure craft of the wealthy to moor outside their harbourside apartments. My aim as a member of the Legislative Council is to help develop and implement policies and legislation which will further the social justice aims of the Australian Labor Party.

I have always believed that the only party that can assist working people and help them to achieve their aspirations is the ALP. The commitment of the ALP to a sense of fair play and the recognition that there are many people in our society who will need to rely on government assistance from time to time is what sets us apart from other parties. The ALP has its origins in the aspirations of the Australian people for a decent, secure, dignified and constructive way of life; the recognition by the trade union movement of the necessity for a political voice to take forward the struggle of the working class against the excesses, injustices and inequalities of capitalism; and the commitment by the Australian people to the creation of an independent, free and enlightened Australia.

At this time, when Federal policies are contributing to a widening of the divide between the rich and poor and when there is a rapid increase in the creation of part-time and casual work, the need to fight for a fair deal for all in our society is great. The erosion of basic services provided by the Federal Government should be condemned. The voluntary sector has already been overburdened by the moves of the Federal Government to divest itself of basic responsibilities. The outsourcing of welfare programs to private enterprise must be resisted. On issues such as these, the myth that there is little difference between the major political parties is well and truly debunked.

A belief in these principles and common objectives is what unites members of the ALP and makes our party so strong. The ALP was founded in 1891 and continues to go from strength to strength. As reports in today's newspapers show, Country Labor is establishing itself as the natural political organisation for people in rural and regional New South Wales. Measures already introduced by the Carr Labor Government, such as the back-to-school allowance and the provision of computers to schools and Internet access for schoolchildren, are helping New South Wales families in need to provide their children with a quality education.

The resources put into those initiatives will pay a dividend for this State in the future as we will have school leavers who are familiar with new technologies and who can take on the challenges that we will face. Recently I represented the Minister for Education and Training at the centenary of Limbri Public School, outside of Tamworth. This small country school had a classroom full of computers that gave the children in this rural community access to information world wide. We should be proud of the commitment of this Government to provide all children across the State with direct access to those resources.

Finally, I would like to recognise the support and assistance given to me by my family. My parents, Ruth and Vince Fazio, have been very generous in helping me to pursue my political aspirations by caring for my children. They willingly travel from Woy Woy to look after the children when I have to work long hours and late into the night. My children, Alessandro and Angelica, are understanding of the demands on my time and are happy to get involved in campaigning and attending conferences with me. My friend Michael also helps me by shouldering many of the burdens at home. I commend the bill to the House, and thank honourable members for their respectful silence and courtesy to me on this occasion. However, I am a realist and I know that when I next speak in this Chamber I may be subjected to interjections, which, I might add, are often quite amusing.

The Hon. Dr P. WONG [6.19 p.m.]: I speak in support of this bill. The key issue in debating this legislation is the granting of equal rights to same-sex couples in relation to superannuation schemes covering New South Wales public sector employees and parliamentarians—rights which apply to the rest of the community. All we are doing is applying the law equally by redefining "spouse" to include same-sex couples. The Unity party is about giving a fair go and respecting diversity. I will support this bill on that basis. As noted by other members of this House, the key issue is not diverse personal beliefs but the fair and just treatment of everyone in society.

The Hon. Dr B. P. V. PEZZUTTI [6.19 p.m.]: There are a number of amendments that I wish to move in relation to this bill, which I will foreshadow. I have absolutely nothing but praise for the Government in bringing forward a social justice issue reflecting the treatment of same-sex partners in the Property (Relationships) Bill. I have no problem with that at all and I think this legislation is a matter of straightforward social justice. This legislation has wide support from within the National Party. However, I have a big problem with one part of the bill because I believe that it is unnecessary and unnecessarily provocative to all religious

faiths. It is also provocative to the Federal Marriage Act. The definition of "spouse" in proposed section 2 of the bill reads:

Omit the definition of *spouse* from section 2 (1). Insert instead:

spouse of a prescribed person (within the meaning of section 3) who has died means:

(a) the widow or widower, as the case may be, of the prescribed person, or

If we are to adopt newspeak, the word should simply be "widow". The provision then goes on to state:

(b) if the prescribed person was, at the time of his or her death, in a de facto relationship, within the meaning of the *Property (Relationships) Act 1984*, with a person, that person.

I do not see why the definition of "spouse" should include a de facto under the terms that are used to sort out the problems addressed by the Property (Relationships) Act. I cannot see why this legislation cannot define relationships by using the term "spouse or de facto" and apply the Property (Relationships) Act definition of "de facto". If that were done, it would remove almost all of the objections that have been forwarded to the Opposition by the Council of Churches and those that have been referred to in both Houses of this Parliament. While reading the speeches made in the other House I was attracted to many of the comments made by honourable members, but I was drawn particularly to a number of concerns expressed by my colleagues in the lower House with which I concur, namely, the removal by this bill of the special nature of marriage. Marriage is covered by the Federal Marriage Act, which this House cannot amend.

Reverend the Hon. F. J. Nile: Indirectly, it can.

The Hon. Elaine Nile: When the Labor Government came to power, it changed the Marriage Act.

The Hon. Dr B. P. V. PEZZUTTI: I have to say that the Reverend the Hon. F. J. Nile and the Hon. Elaine Nile have supported the Labor Government on many occasions.

The Hon. Elaine Nile: We do not support the Labor Government.

The Hon. Dr B. P. V. PEZZUTTI: In that case, I hope they will support my amendments. The important point is that people go to a lot of trouble to publicly announce their marriage. Their marriage is solemnised in the sight of the State, in the sight of the church and in the sight of God, and their solemn vows are taken publicly. I can provide a simple story as an illustration. Recently, as many honourable members would know, my son married in Canada. There was some problem between the jurisdictions of the church in Australia and those of the church in Quebec, which were exacerbated by the fact that the Archbishop of Quebec, having waited for six months for the Pope to replace him, became sick to death of waiting, picked up his bag and walked out, leaving the whole diocese without a bishop and in the hands of an administrator who simply would not deal with Bishop Sattersthwaite from Lismore, who has been trying to get my son's marriage in Canada recognised by the church in Australia. This all happened in spite of the fact that a properly ordained Catholic priest was present and was part of the ceremony.

Two weeks ago we had to make an appointment at St Mary's Cathedral, where my son's marriage was blessed, and therefore officially recognised, by the church in Australia. That is the trouble that my son and his wife took to have their marriage blessed and recognised both by the State and by the church—in other words, before God and before the community. Why would that not be treated differently, and recognised as different, in a legal sense in contrast to two people simply making a decision to live together—which they are free to make and which I do not criticise in any way in my contribution to this debate? Nothing in my contribution should be interpreted as indicating that such an arrangement is a less significant event, but that is recognised in a different way because the parties come together and they exist, or they do not exist. To break up a marriage, one has to have a divorce. To break up a de facto relationship, one simply moves out. That is the law.

Even the definition in the bill contemplates a person being in a de facto relationship at the time of death. Of course, a married person is married unless he or she is divorced, and that is the reality in the eyes of the law. I think there should be a clear recognition of the rights of individuals. A de facto relationship which is in existence at the time of death and a married relationship where the person surviving is a widow should be different. It is not proper to suddenly change the meaning of the term "spouse" to mean both a married person and a person who is part of a de facto relationship. I am afraid that I cannot see it as other than a mistake by this Government, albeit simply inadvertence.

[Interruption]

This is a complex issue and I ask Reverend the Hon. F. J. Nile to let me make my contribution. This is an issue about which I feel very strongly and I want to stay on the point when discussing this bill, because we do not have a lot of time as the end of the session draws closer. The points made by the Hon. Sandra Nori did not even go close to the issues confronting honourable members in this bill, nor did she go close to addressing the problem of the community either supporting or not supporting this bill. Unless there is a change to the definition of the term "spouse" I will not support this bill because I believe it is wrong to use social equity legislation to change the respect that people have for the Marriage Act and to interfere with the publicly and legally recognised commitment by two people which can be dissolved only by another legal process known as divorce, in contrast to a simple separation which would apply to a de facto relationship.

The Hon. R. S. L. Jones: They have no choice. They have to match it up with the Federal legislation.

The Hon. Dr B. P. V. PEZZUTTI: But they changed the definition of the term to include both groups and to treat both groups in the same way. But both groups are not the same.

The Hon. R. S. L. Jones: That was because of the Federal law.

The Hon. Dr B. P. V. PEZZUTTI: In the lower House the honourable member for Hornsby, Stephen O'Doherty, said that, in hindsight, he would prefer to have had a much clearer separation of the terms "spouse" and "de facto" in the Property (Relationships) Legislation Amendment Bill. He pointed out that members of this Parliament have been asked to define "de facto" to include same-sex partners, and some honourable members expressed some concern about that at that time. He went on to point out that the linking in many bills and the redefining of the terms "de facto" and "spouse" have meant the watering down of the meaning of marriage. He emphasised the importance of ensuring that that should not happen, and I agree with his sentiments.

He also went on to state that he strenuously opposed any redefinition of the terms "marriage" or "spouse". He said he would encourage members of the Legislative Council to move an amendment to make it very clear that the New South Wales Parliament does not equate the term "spouse" with the term "de facto same-sex partnerships". My view is that divergent groups should not be encompassed in the definition of a single term. I am happy with the term "spouse" and I am happy with the term "de facto" and I really do not care how each is defined for the purposes of this bill. I have no objection to those terms being separately defined, but I believe that each term should be given a separate and distinct meaning. Clover Moore delivered an extraordinarily facile and superficial speech. She said:

I congratulate the Government on introducing those reforms and urge the National and Liberal parties to enter the twenty-first century on the issue of gay and lesbian law reform.

So what? Why should the definition of marriage be degraded to advantage one group in the community? How would that help? I know from experience that 10-year old children have a better chance of living with both their parents if the parents were married, rather than in a de facto relationship, when the children were born. I wish that all relationships were permanent and that parents stayed together always, but we all know that that does not necessarily happen. To make one group the equal of another group by devaluing the principles of that other group would be an appalling state of affairs. In the lower House Malcolm Kerr, the member for Cronulla, expressed concern about the level of consultation. If this bill had been put out for proper consultation instead of being thrown on the table in this Chamber barely two weeks ago, a lot of problems would have been solved. Much angst and worry would have been avoided, and people would regard the bill as an appropriate step in terms of social justice and equity. The Government has made a serious error by throwing the bill at people without consulting them. The Government's action will backfire on it.

When the Property Relationships Act was amended people were concerned that definitions would be widened, but we were reassured by the Government at that time that that would not happen; that it was simply an equity matter. We now know that the real intent was to change the nature of the Marriage Act. I think that is subversive, and I do not believe the Government meant to do it. I am sure that was not explained in caucus to the Hon. J. R. Johnson.

Debate adjourned on motion by the Hon. Dr B. P. V. Pezzutti.

BUSINESS OF THE HOUSE

Precedence of Business

Motion, by leave, by the Hon. I. M. Macdonald agreed to:

That on Friday 24 November 2000 Government Business take precedence of General Business.

[The President left the chair at 6.03 p.m. The House resumed at 8.15 p.m.]

WATER MANAGEMENT BILL**Second Reading****Debate resumed from an earlier hour.**

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [8.15 p.m.], in reply: We have heard a large number of honourable members speak to the Water Management Bill. The diversity of their views again serves to demonstrate just how complex water management really is. The issues raised during the debate ranged from the extreme philosophical position held by the Hon. I. Cohen, about economic values and the public good nature of water, right through to a push from the Opposition for indelible property rights. Other important issues were raised during the debate. Those include indigenous interests and rights, basic water rights, floodplain management, and town water supply.

Other, less relevant issues, some of which bordered on the bizarre, were also raised: for example, the claim that the bill is an environmental disaster because it reinforces and gives priority to large-scale irrigation. Along with that was the suggestion that we should put an end to large-scale irrigation, which I believe would clearly devastate the regional and rural economy. I want to respond also to the supposed claim that the Government is privatising the State's water resources. I can assure the House that we are doing no such thing. Water resources are still vested in the Crown. Water remains a community resource. The bill simply gives water users the right to access this community resource for a secure period of 10 years.

Overall, the Water Management Bill recognises that a sound and sustainable resource base is needed in order to promote business opportunities and thriving rural communities. The bill offers all parties a much better deal than the Water Act 1912. We have listened carefully to this debate and we will be responding positively to sensible suggestions in the Committee stage. I commend the bill to the House.

Motion agreed to.**Bill read a second time.**

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [8.17 p.m.]: I move:

That the President do now leave the chair and the House resolve itself into a Committee of the Whole to consider the bill in detail.

The Hon. D. F. MOPPETT [8.17 p.m.]: I would not like this motion to be put to the House without recording my concerns. The Government's latest amendments have just been circulated, yet it is proposed by the Government that the House should resolve into Committee to consider what most members have indicated is the most serious and complex piece of legislation to come before this Chamber. I believe it would have been far more appropriate at least to have deferred the Committee stage until tomorrow. I believe the Government's advisers at this stage are still seeking responses from the Opposition. This debate would have been greatly enhanced had members had a chance at least to think overnight about the amendments that have just been circulated. Preferably, I would have thought it more appropriate that consideration in Committee be set down for next Tuesday. We could have dealt with other minor items of business that are floating around.

The PRESIDENT: Order! It might be appropriate for me to read Standing Order 171:

After the second reading of a Bill, unless the Bill is then referred to a Select or Standing Committee, a motion may be made "That the President do now leave the Chair, and the House resolve itself into a Committee of the Whole to consider the Bill in detail", which shall admit of no debate or amendment ...

Consequently, the Hon. D. F. Moppett cannot speak to the motion.

The Hon. R. S. L. Jones: A member can seek leave to speak at any time.

The PRESIDENT: It is indeed true that a member may seek leave to speak at any time.

The Hon. D. F. MOPPETT: I seek leave to conclude the remarks that I had embarked upon.

Leave granted.

I was making the point that the House has some extremely serious matters under consideration, including those that relate to local government. A core contention of this bill is water allocations between the commercial and environmental sectors. Important amendments have just this moment been passed to me and circulated in the Chamber. I am not going to say that I am totally naive and that I have no comprehension of what they are, but I think it would have been a courtesy to other members who are not as conversant with water matters to defer this stage and, as a minimum, deal with it tomorrow morning, when members have had a chance to digest the circulated amendments.

I can understand that the Government is saying that this could be a long debate, and that we have only next week left, but we could usefully use the time remaining tonight. I am aware that notice has been given of a motion to suspend private members' matters tomorrow. Preferably, we could proceed with a number of small pieces of legislation, get them out of the way, start on the Water Management Bill on Tuesday and, I believe, comfortably finish discussion of it. The people out in irrigation land, the conservation people and all those who have a lively interest in this bill would then think that the Parliament had given the bill due consideration, rather than the Government winding up its steamroller to make sure that the bill got through in its preferred form.

The Hon. R. S. L. JONES [8.23 p.m.], by leave: Will the Minister let us know, through his adviser, whether the Government amendments just given to the House are similar or dissimilar to the amendments on sheet C-073C?

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [8.23 p.m.], by leave: With the indulgence of the House I will seek advice on the matter. In answer to the question asked by the Hon. R. S. L. Jones, the Government amendments are identical to the Government amendments that were circulated early in the afternoon.

The Hon. J. H. Jobling: Why did the Government produce a fresh set of amendments?

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [8.24 p.m.], by leave: If the honourable member wants a precise answer to that I will have to seek the indulgence of the House and ask my adviser. I understand it has to do with the Parliamentary Counsel's drafting. I am informed that there is a difference in the numbering of the amendments in the two different drafts by the parliamentary draftsman, but the amendments are the same. The amendments were in a different sequence in the two documents. Otherwise they are the same. As recently as in the last half hour or so, the Government has had discussions with the shadow Minister.

The Hon. Dr A. CHESTERFIELD-EVANS [8.25 p.m.], by leave: This is an extremely difficult situation. I have a large number of amendments that I have given a great deal of thought to which I will be moving in globo. Some of them correspond in numbering with the Government's amendments but the wording is different. To compare the amendments would be a lengthy and difficult task. If the House goes into Committee, I do not know whether to move my amendments, whether my amendments have Government support, or whether the Government believes its amendments replaces mine. We are put in a virtually impossible situation. I ask that this matter be deferred, as suggested by the Hon. D. F. Moppett.

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [8.26 p.m.], by leave: In case the House misunderstood my response to the inquiries of the Hon. J. H. Jobling and the Hon. D. F. Moppett, the difference between the document circulated in the name of the Government early this afternoon and the one circulated in the last few minutes is simply the numbering. Other than that, there is no difference.

The Hon. J. H. JOBLING [8.27 p.m.], by leave: To explain to the Minister why the question was raised, there are 34 amendments on new sheet C-073D. The Minister can understand the Opposition's concern when the document the Minister produced at 5.08 p.m. is compared with the document that was given to us at 6.42 p.m. We want to know why there are 34 amendments instead of 33 amendments. Has one amendment been divided and, if so, which amendment?

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [8.28 p.m.], by leave: The document circulated at 5.08 p.m. had two amendments listed as No. 24. There was a numbering error.

The Hon. J. H. JOBLING [8.28 p.m.], by leave: That answers the question. The Minister can understand the Opposition's concern. Without having the opportunity to go through the document, we suddenly find that the number of amendments has increased by one, yet the Minister says they are the same. I thank the Minister for the explanation.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 18

Ms Burnswoods	Mr Kelly	Mr West
Mr Della Bosca	Mr Macdonald	Dr Wong
Mr Dyer	Mrs Nile	
Ms Fazio	Reverend Nile	
Mr Johnson	Mr Obeid	<i>Tellers,</i>
Mr M. I. Jones	Ms Saffin	Mr Hatzistergos
Mr R. S. L. Jones	Mr Tsang	Mr Primrose

Noes, 18

Mr Breen	Mr Gay	Mr Samios
Dr Chesterfield-Evans	Mr Harwin	Mrs Sham-Ho
Mr Cohen	Mr Lynn	
Mr Colless	Mr Oldfield	
Mr Corbett	Mr Pearce	<i>Tellers,</i>
Mr Gallacher	Dr Pezzutti	Mr Jobling
Miss Gardiner	Ms Rhiannon	Mr Moppett

Pairs

Mr Egan	Mrs Forsythe
Ms Tebbutt	Mr Ryan

The PRESIDENT: Order! The vote being equal, in accordance with established practice of allowing debate on legislation to continue I give my casting vote with the ayes and declare the question to be resolved in the affirmative.

Motion agreed to.

In Committee

The Hon. I. COHEN [8.45 p.m.]: I move Greens amendment No. 1:

No. 1 Page 2, clause 3. Insert after line 16:

- (b) to ensure that the amount of water extracted from any water source is determined and allocated in accordance with, and subject to, the capacity of the water source to deliver the environmental flows that are required for fundamental ecosystem health,

This amendment expands the objects of the Act to articulate that they ensure that fundamental ecosystem health is achieved through the delivery of environmental flows. This is crucial to ensure that environmental flows are the aim of the Act, and gives us some security in their delivery. The amendment also ensures that the environmental flows are adequate enough to ensure fundamental ecosystem health that provides for the maintenance and restoration of the seasonal cycles and its dependent ecosystems; and the propensity of the water source to flooding; and the frequency, timing, duration and extent of such floods. I commend Greens amendment No. 1 to the Committee.

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [8.46 p.m.]: The Government does not support the amendment moved by the Hon. I. Cohen. The amendment would have the potential to make the bill more ambiguous.

The Hon. D. F. MOPPETT [8.48 p.m.]: The Opposition concurs with the Government on this point.

Amendment negatived.

Reverend the Hon. F. J. NILE [8.48 p.m.]: I move Christian Democratic Party amendment No 1:

No. 1 Page 2, clause 3, line 28. Omit "social and customary use of land". Insert instead "social, customary and economic use of land and water".

All these amendments have been provided to me by the New South Wales Aboriginal Land Council and I agreed to move them on its behalf. This is the first of seven related amendments. The object of the amendment is to construct the necessary foundation to support indigenous entry to the water market. It does not get them in, but it lays the foundation for the possibility down the track. The availability of water resources to Aboriginal communities would create employment opportunities and assist in the economic development of those communities.

The ecologically sustainable and efficient use of water is the primary goal of the legislation, however the object of the legislation includes reference to the recognition and fostering of "the social and economic benefits of the equitable sharing of water". The legislative provision is based on principles of social justice, and equitable considerations and the fostering of indigenous economic independence are appropriate. This particular amendment is consistent with what I have said. The general object of the Water Management Bill should be amended to reflect the significance of indigenous economic issues. The key word is "economic". The words "economic" and "water" should be included in the objects of the bill. I commend my amendment.

The Hon. I. COHEN [8.51 p.m.]: The Greens support the amendment of Reverend the Hon. F. J. Nile. At present the objects of the bill refer to Aboriginals' spiritual, social and customary use of water. This amendment will include "economic" to make it clear that the bill is intended to assist in the growth of Aboriginal economic independence. We support the amendment.

The Hon. D. F. MOPPETT [8.52 p.m.]: We all accept the intentions of Reverend the Hon. F. J. Nile and the Hon. I. Cohen. They and other members who support this amendment are very sincere. However, I believe that in some ways what the honourable member is proposing is counter-productive. The significance is that the bill deals with the distribution of water to ecological and commercial interests, but especially points out the need to consider spiritual and customary needs of the Aboriginal people. Adding economic use to it, in my view, dilutes the significance of recognising the importance of Aboriginals' customary attachment to water. In saying "economic" there is almost an expectation that the bill will deliver something in economic terms that I do not believe will be fulfilled. Therefore, I do not believe it should be singled out as an objective of the bill when it will not be fulfilled.

I thought the original wording succinctly expressed something that was really quite significant. I will explain this a little further. I think I was the second member to speak on this bill. After that, I had the benefit of hearing from other honourable members and I listened intently, but I did not have the opportunity to respond to them. Quite a number of honourable members who indicated they would be supporting this series of amendments, of which this is the first, spoke about creating the machinery by which the indigenous people could exercise the native title rights that were going to be delivered to them. What I think is confusing about that is that the likelihood of native title rights to water in New South Wales being delivered to them is very remote indeed, and I think that is acknowledged by the Aboriginal Land Council.

I can only propose that to the Committee, but if honourable members questioned members of the council they would understand the reason why. Anyone who has a working knowledge of the original Mabo decision and the subsequent Wik decision knows the likelihood of there being substantial native title rights to water, and Aboriginal people being able to exercise those rights under the new Water Management Act is extremely remote indeed. If that is the case, I think it is much more important to have an uncluttered and unambiguous reference to the fact that the objects of the bill are to see benefits to the Aboriginal people in relation to their spiritual, social and customary use of land.

I do not believe that it is appropriate for us to divide on this issue or to vigorously oppose the amendment by calling for a vote against it. We are happy for this amendment to be included in the bill, but I want to make my position quite clear, as I did in my speech to the second reading debate. The worst thing we can do is adopt some sort of tokenism or patronising attitude and put in a line here, because it does not require the Government to do anything. I think it is more important to step back and work out a strategy for these natural resource bills that will actually work and will confer some benefits on Aboriginal people. Having said that, we will not be opposing this amendment.

The Hon. R. S. L. JONES [8.54 p.m.]: I support the amendment moved by the Christian Democratic Party. I understand that there is a sort of knee-jerk reaction when one mentions the word "economic" use of land and water. Social and customary use cost nothing; economic use has a cost to it. We should bear in mind, as I said yesterday, that the Aboriginal people have not ceded their water, land or resources. So, essentially they do have an economic right to the land and water.

Reverend the Hon. F. J. NILE [8.55 p.m.]: I thank the Hon. D. F. Moppett for indicating that the Opposition will not oppose this amendment. I wish to correct something he said. He gave the impression—he actually used the words—that my amendment was replacing "spiritual, social and customary" with "economic". That is how the honourable member phrased it. That is not my intention. We are in no way downgrading the spiritual, social or customary use; we are adding this other dimension. As the Hon. R. S. L. Jones said—and we could argue it all night—the Aboriginal people held rights to all the water before the white man came here. So, somewhere there must be the possibility of economic benefit to the Aboriginal people from water management.

The Hon. D. F. Moppett also said this could appear to be paternalistic. It would be paternalistic if it was his idea or my idea. I explained that this was proposed by the New South Wales Aboriginal Land Council. It is not paternalistic if the Aboriginal people propose it. It would be if we were to pat them on the head and give them something. We are responding to them, and that is why it is very important that these amendments are very seriously considered. Rejection of the amendment will say a lot more than honourable members intend.

The Hon. Dr P. WONG [8.57 p.m.]: I also support the Christian Democratic Party amendment and congratulate Reverend the Hon. F. J. Nile on moving it. It is important that we consider the economic use of land for the Aboriginal people in order to achieve an equitable outcome.

The Hon. D. F. MOPPETT [8.57 p.m.]: I would like to clear up the misunderstandings that Reverend the Hon. F. J. Nile has referred to. I think I said the word "economic" dilutes the provision, not replaces it. I said that because if in the same sentence you put two ideas that really do not hang together, you are in some ways diluting one or the other of them. In my view, they are so distinct—the idea of cultural and spiritual is distinct from economic—that they should be in different sentences. I do not want to make a big point about that but I think Reverend the Hon. F. J. Nile indicated he thought I had misunderstood and that I thought one was to replace the other. I said dilute it. Reverend the Hon. F. J. Nile said he is doing what has been asked of him by the New South Wales Aboriginal Land Council. This package was developed to run concurrently. The most significant amendment is No. 7 and if the Committee agreed to No. 7 it would go back to No. 1. I think the outcome of this debate will be that only amendment No. 1 will be agreed to, in which case I believe the comments I made will be understood in their proper context and no offence will be taken.

The Hon. Dr A. CHESTERFIELD-EVANS [8.59 p.m.]: The Australian Democrats support the amendment. After the amount of fuss in this place last night about Aboriginal access to economic benefits and the costs thereof, it would seem to me a good idea to include the word "economic".

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [8.59 p.m.]: The amendment supports indigenous economic independence. Honourable members have made the thrust of the debate clear. The Government supports this amendment.

Amendment agreed to.

The Hon. I. COHEN [9.00 p.m.]: I move Greens amendment No. 2:

No. 2 Page 3, clause 3. Insert after line 9:

- (i) to provide a transparent and accountable process of water management allocation and administration,
- (j) to recognise the water rights of indigenous people, and the rights of indigenous people to participate in all decision-making processes established under this Act,
- (k) to provide for the monitoring of water quality and quantity of the State's water sources.

This amendment expands the objects of the Act to ensure that a transparent and accountable process is undertaken, that the water rights of indigenous people are recognised, and that monitoring of water qualities is provided for. These additions will further strengthen the environmental protection and public participation elements of the Act. I commend the amendment to the Committee.

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [9.01 p.m.]: This amendment proposes the inclusion of three additional objects relating to transparency, indigenous rights and monitoring. The object relating to indigenous water rights is inappropriate at this stage. The bill provides for the recognition of indigenous rights if they are determined to exist. Native title rights have not yet been determined and it would be pre-emptive for a water management Act to do so. The Government will vote against this amendment.

The Hon. D. F. MOPPETT [9.02 p.m.]: The Opposition concurs with the Government's explanation.

Amendment negatived.

The Hon. I. COHEN [9.02 p.m.]: I move Greens amendment No. 3:

No. 3 Page 3, clause 3. Insert before line 10:

- (2) It is intended that, in the interpretation of this Act, priority be given to the objects of this Act in the order in which they are listed in subsection (1).
- (3) For the purposes of this Act, **principles of ecologically sustainable development** means the following statements of principle:

Ecologically sustainable development requires the effective integration of economic and environmental considerations in decision-making processes. Ecologically sustainable development can be achieved through the implementation of the following principles and programs:

- (a) *the precautionary principle* - namely, that if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation. In the application of the precautionary principle, public and private decisions should be guided by:
 - (i) careful evaluation to avoid, wherever practicable, serious or irreversible damage to the environment, and
 - (ii) an assessment of the risk-weighted consequences of various options,
- (b) *inter-generational equity* - namely, that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations,
- (c) *conservation of biological diversity and ecological integrity* - namely, that conservation of biological diversity and ecological integrity should be a fundamental consideration,
- (d) *improved valuation, pricing and incentive mechanisms* - namely, that environmental factors should be included in the valuation of assets and services, such as:
 - (i) polluter pays - that is, those who generate pollution and waste should bear the cost of containment, avoidance or abatement,
 - (ii) the users of goods and services should pay prices based on the full life cycle of costs of providing goods and services, including the use of natural resources and assets and the ultimate disposal of any waste,
 - (iii) environmental goals, having been established, should be pursued in the most cost-effective way, by establishing incentive structures, including market mechanisms, that enable those best placed to maximise benefits or minimise costs to develop their own solutions and responses to environmental problems.

This amendment changes the definition of ecologically sustainable development [ESD] to that found in the Local Government Act 1993. We believe that this definition provides the best articulation of the key principles of ESD. Most importantly, this amendment creates the priority of the principles of ESD. As outlined, the prioritisation of the objects and principles of an Act is crucial in the event of litigation. The priority established in this amendment is the precautionary principle, intergenerational equity, conservation of biological diversity and ecological integrity, and improved valuation, pricing and incentive mechanisms. I commend the amendment to the Committee.

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [9.03 p.m.]: This amendment proposes the prioritisation of the objects of the Act and the definition of the principles of ecologically sustainable development. In keeping with the thrust of the bill to

balance environmental, social and economic outcomes in water management, prioritisation of the objects is inappropriate. In addition, in some areas a particular object, for example indigenous benefits, may be paramount, but in another area another object, for example water quality, may be particularly important. The definition of the principles of ecologically sustainable development is consistent with that in the Protection of the Environment Administration Act. Including yet another definition in this bill would only create opportunities for procrastination while different words are argued over rather than the focus being the implementation and delivery of the principles that have already been agreed to. The Government will oppose this amendment.

The Hon. D. J. GAY (Deputy Leader of the Opposition) [9.04 p.m.]: I concur with the comments of the Government. I remember when the definition of ESD was included in the Local Government Act. I asked why we needed another definition that went beyond the existing ones. We need a definition of ESD that is complimentary across all Acts of Parliament. At the time I indicated that I thought the Greens would be using the amendment—it was done with the concurrence of Ernie Page and his green staff—as a lever to ratchet up a higher level of ESD every time we debated a bill. Of course, they said that would not happen, but here we have an example of just that. I concur with the Minister.

The Hon. D. F. MOPPETT [9.05 p.m.]: By any standards, this is rather a quaint amendment sandwiched in the interpretation for no other reason than having these sorts of slogans pushed to the front of the bill. We are dealing with the interpretation clause, which refers the reader to the dictionary at the back and then includes the succinct "Notes in the text of this Act do not form part of this Act." Instead, we are proposing to go on to intergenerational equity, conservation of biological diversity and ecological integrity, and improved valuation, pricing and incentive mechanisms, all of which are totally inappropriate to this position. We also will oppose this amendment.

The Hon. I. COHEN [9.06 p.m.]: I do not wish to waste the time of the Committee, but it is interesting to hear that a Labor Minister has a green staff. What was passed with the local government legislation was reflected through strong community support as a benchmark or base line. Rather than ratcheting anything up, I feel we are consistently promoting similar objectives through all legislation where relevant. I do not concur with the concept that somehow we are sneaking it in or anything. We are just seeking to make this legislation consistent with the Local Government Act.

Amendment negatived.

Chapter 1 as amended agreed to.

Reverend the Hon. F. J. NILE [9.07 p.m.]: I move Christian Democratic Party amendment No. 2:

No. 2 Page 4, clause 5. Insert after line 23:

(g) the social and economic benefits to Aboriginal communities should be maximised, and

As we all know, this bill will expand the water management principles to include the protection of geographical and other features of indigenous significance. However, the principles remain silent regarding the use of water to enhance social and economic benefits to Aboriginal communities. There is a general reference to maximising the social and economic benefits to the community at large, but specific reference to Aboriginal communities is sought to encourage water management committees to seriously and consistently address the issue of indigenous access to water for social and economic development. Every available social indicator supports the case for Aboriginal communities receiving specific priority attention. This should be reflected as a matter of principle.

Earlier the Hon. D. F. Moppett referred to the range of amendments and obviously we have not yet reached amendment No. 7, but in my discussions with Aboriginal representatives it was clear that the Water Management Bill is a new approach for them also. They are still trying to work out where and how they fit into it. Basically we are leaving the door open. They still have to work out their tactics. We will be discussing later the Water Investment Fund, which is the amendment to which the Hon. D. F. Moppett refers, and I raised with those representatives the possibility, for example, that the Aboriginal Land Council, which has \$500 million invested in various ways and spends the accrued interest, may think it wise to invest some money in that fund. The point we are making is that if the door is open the council may contribute. This is not a one-way process of the council taking from others; it may see that it can be an equal partner in future water management rather than being a spectator and not being able to see where it fits in.

With this amendment, we are trying to open the door and keep it open. The Aboriginal community can then work out how to participate when the opportunity arises. No-one will be able to say, "We are sorry. We

will only let you run a co-operative. We will only let you run a dance display. You don't fit into this water management plan." We are trying to ensure that there is a place for the Aboriginal community to be involved in water management. I am sure there is a level of initiative and brains amongst the Aboriginal community leadership group that would perhaps surprise some honourable members in this Chamber, including National Party members.

The Hon. R. S. L. JONES [9.09 p.m.]: I strongly support the amendment moved by Reverend the Hon. F. J. Nile.

The Hon. I. COHEN [9.10 p.m.]: On behalf of the Greens, I support the amendment moved by Reverend the Hon. F. J. Nile regarding water management principles. The principles should include the protection of geographical and other features of indigenous significance, and maximise the social and economic benefits to Aboriginal communities. That will go a long way towards recognising the rights of indigenous people.

The Hon. D. F. MOPPETT [9.10 p.m.]: Mr Chairman, before I proceed to deal with this amendment, my notes suggest that Greens amendments Nos 5 and 6 should have preceded this amendment. Those amendments relate to lines 10 and 12 on page 4, and the Christian Democratic Party's amendment No. 2 relates to line 23. You might think about that while we address this amendment, because I am sure we can go back.

The degree of difficulty I have is increasing because object (f) expresses a very clear concept. It is not appropriate to slip in economic benefits at this crucial stage of the bill. The Committee is debating the nitty gritty of the water management plan. I would be comfortable if I thought for one moment that at the end of tonight's discussions the bill was structured in such a way that the water management planning process included some economic benefit. The point is that it will not. It is quite wrong then to talk in water management principles and to confuse the objective of geographical and other features.

Reverend the Hon. F. J. Nile: It may.

The Hon. D. F. MOPPETT: Reverend the Hon. F. J. Nile is saying that it may. It may, but only depending on the effect of other amendments. At this stage, if any honourable members are concerned about subsequent amendments they should be honest with themselves, vote against this amendment and say, "We have expressed ourselves. At a later date we want to hear coherent, cogent proposals that can be understood and do not obfuscate and confuse the issues before the Committee." We oppose this amendment.

The Hon. Dr P. WONG [9.12 p.m.]: I strongly support Christian Democratic Party amendment No. 2. Reverend the Hon. F. J. Nile said that it is a principle to provide an opportunity, perhaps at a future date, for the Aboriginal community to be involved in water management plans. Therefore, the amendment should be supported by the Committee.

The Hon. D. J. Gay: Point of clarification: As the Hon. D. F. Moppett said, if there are amendments that precede this amendment, and if this amendment is put to the Committee, we would have to recommit the bill. I suggest that before we go too far down that track, we should deal with any other amendments to clause 5 first.

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [9.13 p.m.]: The Government will not support the Christian Democratic Party's amendment in its current form. There is still uncertainty as to the actual meaning and implications of the wording. A good case has been put in general terms as to why this amendment should otherwise be supported. The Government will be pleased to consider revised working at a later date. However, at this stage the wording is such that the Government cannot support the amendment.

The Hon. Dr A. CHESTERFIELD-EVANS [9.15 p.m.]: I do not understand how we can support the amendment at a later date when the matter is being discussed today. I point out that the Government wanted to bring on this matter quickly without giving members time to consider wording, which is the point of the division. Certainly, this amendment needs to be supported for the benefit of the Aboriginal people.

The Hon. P. J. BREEN [9.15 p.m.]: I move:

Page 4, clause 5 (2) (g). After "community" insert "including the Aboriginal community".

This amendment will give the Aboriginal community the benefit of specific reference in that provision. There is a contention that the word "community" already includes the Aboriginal people, and I accept that. However, as the Aboriginal people like to be specifically identified and recognised in legislation, I believe that the meaning of the clause would not be lost by inserting the words "including the Aboriginal community". I commend the amendment to the Committee.

The Hon. R. H. COLLESS [9.16 p.m.]: There has been much talk about the indigenous water rights involved in this bill. It worries me that this is becoming more like a bill of rights in terms of stating what indigenous communities can do, and everything else is excluded. We need to concentrate on the communities. Clause 5 (2) states:

- (f) geographical and other features of indigenous significance should be protected, and
- (g) the social and economic benefits to the community should be maximised ...

If we concentrate on communities in the inclusive meaning of the word, the indigenous communities will be included. Therefore, we should oppose the amendment on those grounds.

Reverend the Hon. F. J. NILE [9.17 p.m.]: The amendment moved by the Hon. P. J. Breen will be dealt with after my amendment. I want to get this clear. Is the Committee still discussing my amendment or is it discussing the amendment moved by the Hon. P. J. Breen? I am not opposed to the honourable member's amendment. I am happy to accept his amendment if it is acceptable to the Government. This amendment is simply making the provision clear. There may be a time—and we may be getting close to it—when "community" automatically includes the Aboriginal community. However, in many cases we are not there yet. I could spend a lot of time giving examples of things that have happened only this week.

The Hon. R. H. Colless: We should be working towards that, not going back the other way.

Reverend the Hon. F. J. NILE: That is what I am saying. We must ensure that the Aboriginal community is included during the transitional period. I have no problem with inserting the words "including the Aboriginal community" in paragraph (g). That simply shows that the benefits should be flowing to both the white community and the Aboriginal community. In many towns there is a white community, and outside the white community there is an Aboriginal reserve. Often that reserve is not only overlooked but discriminated against.

[Interruption]

I am saying that the word "community" covers farms and towns. Sometimes it seems that the Aboriginal community outside the white community is overlooked. Eventually we may have to say "white community" and "Aboriginal community", but we are not yet reached that point of our social development in Australia.

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [9.19 p.m.]: The Government's original concerns about the wording of the amendment remain even with the interlineation suggested by the Hon. P. J. Breen.

Reverend the Hon. F. J. NILE [9.20 p.m.]: We have a negative situation. If the Government's position is correct, the intention is to ensure that the economic benefits to the Aboriginal community are not maximised. You cannot have it both ways. To make it clear, we are saying that it does include everybody, and you are saying no. We agree with you that it includes both. So let us make it perfectly clear that it does. You are not giving anybody anything. You are not writing out a cheque. You are simply saying that it should be maximised.

The Hon. D. F. MOPPETT [9.21 p.m.]: I think it is a self-defeating argument. I reiterate that we are now getting into the business end of this part of the bill. We are talking about water management planning. We go on to the setting up of the committees and how this will be implemented. All you are doing is introducing a red herring. This is not about empowerment of Aboriginal people; it is about how a group of people should get together to make water management plans within the framework of the bill. The amendment is simply trying to hang out flags on ideas that will not carry them.

The CHAIRMAN: Order! I will not treat the amendment moved by the Hon. P. J. Breen as an amendment to the amendment by Reverend the Hon. F. J. Nile, which I will deal with first. Then I will deal with the amendment by the Hon. P. J. Breen.

The Hon. Dr A. CHESTERFIELD-EVANS [9.22 p.m.]: I must confess, Mr Chairman, that I do not think it makes a huge amount of difference whether the amendment of the Hon. P. J. Breen or that of Reverend the Hon. F. J. Nile gets up. I would like to respond to the point made by the Hon. D. F. Moppett that Aboriginal people should not be specified. In a sense I agree with Reverend the Hon. F. J. Nile: if an amendment is put and then defeated it is more significant than if it was never put, because it indicates a position taken by the Parliament on a question that it was asked.

The Hon. D. F. Moppett: Only by agitators and agent provocateurs.

The Hon. Dr A. CHESTERFIELD-EVANS: This is the same point that I raised yesterday when talking about indigenous rights and the fisheries bill. I said you have to build the concept of Aboriginal rights into the bill. You cannot put it into the bill later as an add-on. I criticised the fisheries Minister for this yesterday.

The Hon. J. J. Della Bosca: You are always criticising us.

The Hon. Dr A. CHESTERFIELD-EVANS: Yes, that is our job.

The Hon. Jan Burnswoods: You always want something added on. You do it every day.

The Hon. Dr A. CHESTERFIELD-EVANS: The Hon. Jan Burnswoods seems to have difficulty conceding that once we have added it on it is actually in the bill. Once the bill leaves this Chamber it is no longer added on; it is then intrinsic to the bill, although we added it on because of the Government's negligence in not putting it in the first place. Specifying "Aboriginal" in these principles will then form the basis for the water management committees. It is then intrinsic to the water management committees and what they have to do. So in sense we are defining what they have to do. That is why it is of critical importance. The water management committees will then not be able to say, "It did not seem to be in what we had to do so we did not do it." The amendment will put in on the ground floor so that it can be incorporated in a natural and good way. I am not fussy which amendment is supported. I will support both on the assumption that, hopefully, one will get up.

The Hon. D. F. Moppett: They both have the same intent.

The Hon. Dr A. CHESTERFIELD-EVANS: Correct. Thank you. They both have the same intent.

Reverend the Hon. F. J. NILE [9.25 p.m.]: To assist the Committee and to save time I seek leave to withdraw my amendment. Then we can simply vote on the amendment moved by the Hon. P. J. Breen, which has the same intent.

Amendment, by leave, withdrawn.

The Hon. P. J. BREEN [9.26 p.m.]: If my amendment is accepted, paragraph (g) will read:

the social and economic benefits to the community, including the Aboriginal community, should be maximised ...

I commend the amendment on the basis that the community, as everybody seems to agree, includes the Aboriginal community. Therefore there is nothing to be lost from the general community's point of view and there is much to be gained by members of the Aboriginal community by specifically including them. I commend the amendment to the Committee.

Question—That the amendment be agreed to—put.

The Committee divided.

Ayes, 11

Dr Chesterfield-Evans
Mr Corbett
Mr M. I. Jones
Mr R. S. L. Jones

Mrs Nile
Reverend Nile
Ms Rhiannon
Ms Sham-Ho

Dr Wong
Tellers,
Mr Breen
Mr Cohen

Noes, 25

Dr Burgmann	Mr Harwin	Dr Pezzutti
Ms Burnswoods	Mr Hatzistergos	Ms Saffin
Mr Colless	Mr Johnson	Mr Samios
Mr Della Bosca	Mr Lynn	Mr Tsang
Mr Dyer	Mr Macdonald	Mr West
Ms Fazio	Mr Moppett	
Mr Gallacher	Mr Obeid	<i>Tellers,</i>
Miss Gardiner	Mr Oldfield	Mr Jobling
Mr Gay	Mr Pearce	Mr Primrose

Question resolved in the negative.

Amendment negatived.

The Hon. R. S. L. JONES [9.34 p.m.]: I move my amendment No. 12:

No. 12 Page 4, clause 5. Insert after line 25:

- (h) principles of monitoring should be applied to ensure that water is suitable for environmental and extractive purposes, and

This amendment adds monitoring to the list of water management principles which govern the regulatory framework for the use and protection of water resources. Monitoring should be applied to the use of water. Monitoring is an essential activity that will allow ongoing auditing of the management plans and the implementation of the works and environmental audit water rules that the plans cover.

The Hon. D. F. MOPPETT [9.34 p.m.]: I am at a loss to understand the phrase "principles of monitoring". The word "monitoring" as contained in part 1, division 1, clause 5 (h) is easily understood. The "principles of monitoring" may be known to gnostics such as the Hon. R. S. L. Jones, but the amendment leaves the rest of us quite confused.

The Hon. M. R. Egan: Agnostics?

The Hon. D. F. MOPPETT: Gnostics.

The Hon. D. J. Gay: It is a lizard!

The Hon. D. F. MOPPETT: It's the stuff you put around the windows to seal them!

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [9.35 p.m.]: I know what a gnostic is; I would never have applied it to the Hon. R. S. L. Jones. The Government does not support the amendment moved by the Hon. R. S. L. Jones, for reasons similar to those articulated by the Hon. D. F. Moppett. It is unnecessary. Its intent is covered by an existing principle in part 1, division 1, clause 5 (h) and the general provisions of the management plans.

Amendment negatived.

The Hon. I. COHEN [9.36 p.m.]: I move Greens amendment No. 23. It will be in a form different from the form in which it was circulated to members earlier.

No. 23 Page 5, clause 5, lines 27 to 32. Omit all words on those lines. Insert instead:

- (6) In relation to floodplain management:
 - (a) floodplain management must avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land must be rehabilitated, and
 - (b) the impacts of flood works on other water users should be avoided or minimised.
 - (c) the existing and future risk to human life and property arising from occupation of floodplains must be minimised, and

- (7) In relation to controlled activities:
 - (a) the carrying out of controlled activities must avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land must be rehabilitated, and
 - (b) the impacts of the carrying out of controlled activities on other water users must be avoided or minimised.
- (8) In relation to aquifer interference activities:
 - (a) the carrying out of aquifer interference activities must avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land must be rehabilitated, and
 - (b) the impacts of the carrying out of aquifer interference activities on other water users must be avoided or minimised.

The Hon. D. J. Gay: Were these changes prepared by Parliamentary Counsel?

The Hon. I. COHEN: No.

The Hon. D. J. GAY [9.40 p.m.]: This bill should have been adjourned earlier this evening. Changes are being made on the run to a major bill without the benefit of drafting by Parliamentary Counsel. Government staff are aghast. Frankly, they should know better than to allow amendments to such a major bill that are not drawn up by Parliamentary Counsel.

The Hon. I. COHEN [9.41 p.m.]: I understand that it is permissible for amendments to be moved from the floor of the Chamber; it has happened many times before. This amendment was prepared in consultation with Government staff in an effort to find a compromise. Admittedly, it has been done at the last moment, but there are many issues. The Government won the vote for this Committee process to continue, so I do not agree that there is any problem with moving an amendment in this manner. We had virtually reached agreement with the Government until this confusion arose.

The Hon. J. J. DELLA BOSCA (Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast) [9.43 p.m.]: I am not confused; I am comfortable with the terms of the amendment. The legal officers of the department concur with the drafting and the alterations, but in order to clear up the confusion of other honourable members, I seek leave to have consideration of clause 5 postponed.

The Hon. Jennifer Gardiner: Point of order: The sentence does not make sense as read out by the Hon. I. Cohen.

The CHAIRMAN: Order! Under Standing Order 178 the clause may be postponed irrespective of whether it has been amended.

Consideration of clause 5, by leave, postponed.

The Hon. Dr A. CHESTERFIELD-EVANS [9.45 p.m.]: The first tranche of my amendments relate to an expert management committee. As I said in my contribution to the second reading debate it is important that some scientific expertise be included. The function of water management is not merely the arbitrating of vested interests but is based on good ecological principles. I did not want this to go ahead because I did not have time to evaluate the Government's amendments and to what extent they cover the same ground as mine. However, I am informed that other honourable members were more swift. They have advised me that although the Government's amendments are not written to the same standard as mine, the Government amendments include similar elements. Given that situation, in the interests of shortening the procedure, I will not move my amendments Nos 24, 40, 54, 55, 56, 60, 152, 155 and 166.

The Hon. I. M. MACDONALD (Parliamentary Secretary) [9.47 p.m.]: I move Government amendment No. 1:

No. 1 Page 6, clause 6. Insert after line 9:

- (a) to set the over-arching policy context, targets and strategic outcomes for the management of the State's water sources, having regard to:
 - (i) relevant environmental, social and economic considerations, and
 - (ii) the results of any relevant monitoring programs.

This amendment clarifies the role and purpose of the State water management outcomes plan by ensuring that the overarching policy context, targets and strategic outcomes of the Government are included in the plan. It also requires the plan to take the results of water monitoring into account.

The Hon. D. F. MOPPETT [9.48 p.m.]: This is an alteration that the Government gave the Opposition at about 5 o'clock, with another renumbering at about 6 o'clock. The Opposition has not had a great deal of time to study the amendment, but it seems to be a reworking of the objects as set out in the original bill in a little more explicit form and I do not see any immediate anxiety over that. Therefore, the Opposition will not vote against the amendment.

Amendment agreed to.

The Hon. R. S. L. JONES [9.48 p.m.]: I will not move my amendment No. 25.

The Hon. I. COHEN [9.49 p.m.]: I move Greens amendment No. 26:

No. 26 Page 6, clause 6, line 25. Insert "but does not include any policy that is inconsistent with the objects of this Act" after "policy".

Originally this amendment was to be moved by the Hon. R. S. L. Jones. It qualifies that any Government policy to which the State's water management plan must give effect is consistent with the objects of this bill. The qualification ensures that Government policy cannot be incompatible with the object of the bill and prevents a potentially incompatible Government policy seriously diluting the objects of the bill. This issue has arisen in relation to other legislation considered during this session of Parliament, namely, legislation relating to the Independent Pricing and Regulatory Tribunal [IPART]. In that case, Parliament discussed government policy. Can it be sourced from media releases, letters sent by the Government, publications of Government departments, or press statements by the Premier? This is a precautionary amendment that serves only to consolidate the spirit of the Government's legislation. I commend the amendment to the Committee.

The Hon. I. M. MACDONALD (Parliamentary Secretary) [9.50 p.m.]: The Government does not support this amendment.

Amendment negatived.

The Hon. I. M. MACDONALD (Parliamentary Secretary) [9.50 p.m.]: I move Government amendment No. 2:

No. 2 Page 6, clause 6. Insert after line 25:

- (5) The regulations may make provision for or with respect to the public consultation procedures to be complied with in relation to the establishment or amendment of a State Water Management Outcomes Plan.
- (6) A State Water Management Outcomes Plan has effect for the period of 5 years commencing on the date on which it is published in the Gazette.

This amendment proposes that the State water management outcomes plan is effective for a period of five years. This time frame will provide an added degree of certainty to the water management planning process. The amendment also provides capacity in the legislation for community input to the plan, as defined in the regulations.

The Hon. D. F. MOPPETT [9.51 p.m.]: I might say that, despite that rather fulsome—in the original meaning of the word—commendation, the Opposition is left with some anxiety. The impact of the limit on the State water management outcomes plan to a period of five years does not of itself have immediate impact on water management plans or the duration of licences, but I cannot see for one minute why. The explanation that has been given by the Parliamentary Secretary did not illuminate the point; in fact, if anything, by a reading of the bare words, it dimmed whatever understanding honourable members may have previously had.

What would be regarded as the great overarching policy would last for only five years, particularly as, when setting standards in the lower levels of administration, the periods are longer. I wonder what the ultimate outcome will really be. I certainly think that the Committee is entitled to a better explanation of the reason for this additional wording, particularly in relation to subparagraph (6), which states that the State water management outcomes plan has effect for the period of five years and not longer. I think either the Parliamentary Secretary or the Minister owes a much better explanation than the Committee has been entertained with so far.

Reverend the Hon. F. J. NILE [9.53 p.m.]: I notice that there is deafening silence in response to the Hon. D. F. Moppett's question. A period was not referred to in the original bill but a period of five years has now been included. What was the Government's intention when the bill was drafted? Was it a 50-year plan or a 20-year plan, which may be amended, and did it suddenly come back to a five-year plan? If the bill was opened it does not appear to have had a limitation on it at all.

The Hon. I. M. MACDONALD (Parliamentary Secretary) [9.53 p.m.]: The amendment that the Hon. D. F. Moppett referred to as dim proposes that the State water management outcomes plan is effective for a period of five years. The aim of the Government's thinking on this is to provide an added degree of certainty to the water management planning process. The amendments also provide a capacity in the legislation for community input to the plan, as defined in the regulations.

Reverend the Hon. F. J. Nile: So it might be less than five years, and you are making it five years.

The Hon. I. M. MACDONALD: Yes, to provide greater certainty.

The Hon. D. F. MOPPETT [9.54 p.m.]: I return to this point with a sense of enthusiasm and co-operation with the Government. A short time earlier we passed a rewording which designated the State water management outcomes plan, and I recommend that honourable members take note because this is really significant. This will be a very important part of the deliberation which will set the overarching policy. It sounds as if it is going to be one of those Bailey bridges that will collapse every now and then. I guess this is a problem caused by drafting legislation on the run. I am sure the feeble excuse that the Committee will be offered at any moment is that the Committee also passed an amendment relating to the results of any relative monitoring programs.

Therefore, this overarching policy, which will be etched in stone to guide the course of this legislation, needs to be defaced quickly in case it turns out to be graffiti. It tests the patience and concentration of honourable members to see the serpentine way in which the Government is putting this bill through the Parliament. The Government has had a lot of time to get its position straight but it seems to me that in this regard it has just responded to the last person who pulled its sleeve.

Amendment agreed to.

The Hon. R. S. L. JONES [9.56 p.m.], by leave: I move my amendments Nos 29 and 34A in globo:

No. 29 Page 6, clause 7. Insert after line 28:

- (2) Such an order may only be made with the concurrence of the Minister for the Environment.

No. 34A Page 10, clause 13. Insert after line 5:

- (g) at least one is to be a person nominated by the Minister for the Environment, and

The classification of water sources is a foundation stone in the future management of our rivers. The Government's bill allows the Minister for Land and Water Conservation, by order published in the *Government Gazette*, to classify water sources for the purposes of the bill. Such purposes are found in clause 7, where a bulk access regime is to be established within 12 months of the date of assent to the legislation in the case of high stress or high conservation value rivers.

Amendment No. 34A gives the Minister for the Environment the right to nominate a person as a member of the water committee. This is proposed in order to improve the level of representation so that all relevant interests are at the table. This will maximise the potential for sustainable decisions as the draft plan goes through the process. I note that irrigators and farmers wish the committees to be monopolised by local people. They will, of course, play a very important role but it is a fact that local interest can lose perspective and can lose sight of the broader objectives. It is imperative that there is a full debate on all the matters before the committee, and the Minister for the Environment should be aware of local views and be able to articulate environmental policies. He would be greatly assisted by being able to nominate a representative.

The Hon. I. M. MACDONALD (Parliamentary Secretary) [9.57 p.m.]: The Government has no objection to these amendments. In fact, the Government will vote in support of them.

The Hon. D. F. MOPPETT [9.58 p.m.]: I believe that this is a major concession by the Government to groups that do not have a proper interest at this point in the bill. If I am not confused, it has been suggested that at least two persons are to be nominated by the Australian Seafood Industry Council. Is that correct?

The Hon. R. S. L. Jones: It is 34A.

The Hon. D. F. MOPPETT: In other aspects of the bill, due regard has been paid to the interests of the Minister for the Environment and the way in which the environment has to be protected. The Committee is now dealing with the composition of management committees that will deal with the distribution of water in the valleys. They are very extensive committees. Already there is capacity for the Minister for Land and Water Conservation to nominate a number of people. At this stage it is odious to require that one of those should be nominated by the Minister for the Environment. The Opposition will certainly not support the amendments.

Amendments agreed to.

The Hon. I. COHEN [10.02 p.m.]: I move Greens amendment No. 1:

No. 1. Page 7, clause 7, lines 21 and 22. Omit " , in which case section 87 applies accordingly".

Earlier in the debate I referred to the provisions that are intended to result in the payment of large amounts of compensation to water users. I provided a detailed explanation for the Greens objection to the provisions, and concluded that the application of a property rights and compensation framework is incompatible with sustainability. Last night I referred to a letter I received from Mr Brian Clift of Ridge Station, Caroonna. Today I received a further letter from Mr Clift. It reads as follows:

Thank you for responding to my Votergram ...

The results of the DLWC's continuing mismanagement of our floodplains is now on public display for all to see following a week of heavy rain. In their efforts to support a local cotton grower, the DLWC has refused to order the removal of a structure on the floodplain behind my house that has been redirecting water for many years from what was once a lagoon, on to my land, neighbouring properties and the shire road, causing serious damage. I have photographic evidence showing cotton crops protected and neighbours' crops outside the banks under water.

There are a lot of very angry people in my area. Our land and crops are being continually destroyed, our environment is being contaminated by chemicals and now the Government is trying to take our Water Rights to give to the cotton industry. *What on earth is going on?* I always thought that the Government was supposed to look after our resources and environment, not destroy them. Just about every paper you pick up now says that chemicals cause cancer and other serious diseases yet we are supposed to put up with neighbours spraying their cotton with pesticides and other chemicals up to 30 times in a season. Our house has been sprayed and my mother is afraid to go outside.

Family members have held this freehold land for six generations. Never before has there been such destructive Government interference in our lives. It is not now even possible to sell out to leave the area because the land has been so badly devalued by the actions of this Government. They clearly don't know what they are doing and only seem interested in short term destructive industries such as cotton at the expense of everything else.

Please don't support a Water Bill that rewards people who cause damage to others and the environment for their own personal gain. Don't believe it when they tell you that they are good citizens who provide jobs—overseas research indicates that the people who work in the Cotton Industry are at risk of serious, even fatal, health problems.

Please support a Water Bill that treats everybody equally, and protects our health, our resources and our opportunities for the future.

The amendment removes section 87 from the Act. Section 87 provides a framework for the assessment of compensation in relation to losses suffered as the result of variation of water entitlements due to changes in the bulk access regime during the period of the management plan. Management plans will be in operation for a period of 10 years. By making compensation payable for reduced water entitlements during this period, the bill creates a huge potential liability for future compensation payments. The simple fact is that investors in the water market cannot lose. The price of water, which is a scarce and valuable resource, will not fall. The effect of this amendment is to remove any possibility that government policy, by taking water out of the market, would reduce the value of water entitlements. The amendment is an insurance policy for investors which will allow them to speculate on the unproductive water market without the risk of losses which apply to other forms of speculative investment.

The Hon. D. J. Gay: It is your agenda and the farmers should pay for it.

The Hon. I. COHEN: The cotton farmers should pay for it.

The Hon. D. J. Gay: They are worse than anyone else!

The Hon. I. COHEN: Indeed, in certain circumstances they are. Section 87 gives the Minister virtually unfettered discretion to consider and determine compensation claims, although the Minister must consider the

advice of the Valuer-General in determining whether compensation should be paid and, if so, the amount of the compensation. There is no obligation on the Minister to accept the advice of the Valuer-General. During the operation of a management plan, profits made from the trading of water will be privatised but the costs will be public responsibility. That is completely unacceptable to the Greens and I urge the House to accept the amendment.

The Hon. I. M. MACDONALD (Parliamentary Secretary) [10.07 p.m.]: The Government opposes the amendment. The amendment seeks to remove compensation provisions related to mid-term changes to the bulk access regime. The Government has held that compensation should be payable and, consequently, will oppose the amendment.

The Hon. D. F. MOPPETT [10.07 p.m.]: After that long contribution by the Hon. I. Cohen, which was almost a second reading speech, we need to return to the simplicity of the amendment and recognise that, in actual fact, it simply contradicts everything we want to have built into this bill to develop a composite management plan which is satisfactory to the extractive industries and to the whole community. To support this amendment would be like voting against the third reading of the bill. That is how much it would destroy the real intent of the bill. The Opposition would vigorously oppose that and regards it as the most controversial amendment that is likely to be moved.

Reverend the Hon. F. J. NILE [10.08 p.m.]: It appears, on a reading of the bill, that what the Hon. D. F. Moppett has said is correct. If the amendment is agreed to section 87 would have no effect. The amendment would in fact delete section 87, which would be a serious omission. Section 87 allows the Minister's amendment of the management plan and the payment of compensation. Obviously, the Government will not be abusing any compensation. I am sure of that.

The Hon. Dr A. CHESTERFIELD-EVANS [10.09 p.m.]: My colleagues in the old parties are certainly astute to recognise the significance of this amendment. The point I made was that the Government still has to protect the ecosystems, and that is most critical. The Government does not want to interfere more than it needs to. If a mistake is made in water allocation and ecological harm is being done, nothing can be done within the period of the management plan, and that is a very long time. It is in the management plan until a final determination in court of any changes to the plan, which may take another few years. It is my understanding from a number of reports I quoted in my contribution to the second reading debate that science is in a relatively embryonic stage. If science in the future proves that a wrong decision is made, it will be expensive to rectify the mistake. The State will not be able to afford to correct or abort water allocations in the public interest because of the clause that this amendment seeks to remove.

This amendment is critically important. I have information that the water table at Gunnedah has dropped five metres and the Department of Land and Water Conservation has said that the extraction at that level is 140 per cent higher than is sustainable. That type of mistake could not be fixed because the Government could not afford it. If it is not fixed it will do immense damage. That is what is happening to farms in the area. If water licences are sold and the price of water then goes up, that can never be recovered. The profits are privatised and the losses are socialised. That is what this amendment boils down to. The Government is giving away the economic power to act because of the economic hobbles the bill puts on it. The Australian Democrats do not advocate needless interference by the Government. We do not regard it as a malevolent force; we simply say that science has to be sound in all cases. The bill simply gives a blank cheque from the taxpayer and that is not acceptable.

Amendment negatived.

Progress reported from Committee and leave granted to sit again.

ADJOURNMENT

The Hon. I. M. MACDONALD (Parliamentary Secretary) [10.14 p.m.]: I move:

That this House do now adjourn.

KING AL-FAISAL ISLAMIC COLLEGE

The Hon. J. M. SAMIOS [10.14 p.m.]: The King Al-Faisal Islamic College at Auburn was opened today. The occasion was marked by the presence of the Prime Minister, who opened the college, together with

the Deputy-Speaker from Saudi Arabia. The Auburn area is a reflection of the contribution and resettlement of Australians of Islamic origin particularly, and of many other religious groups. In recent years the contribution of the Islamic community has been significant. That contribution is reflected in the number of Islamic students who attend local schools.

As part of the program of the Islamic religion to accommodate the spiritual needs within the curricula of the State, the King Al-Faisal School and other Islamic schools in the Chullora area and elsewhere are commencing. They contribute a very important role in the resettlement of the Islamic members of the community. It is interesting that the point was made that that school was not an ethnic school, because it does not provide for a particular ethnic group. However, it provides for the educational needs of children of Islamic background from a whole host of nationalities, including Turkish, Palestinian and Arabic countries. It was an impressive occasion with outstanding performances by schoolchildren and teachers, who have given of themselves in a most impressive fashion.

Today the Prime Minister, John Howard, and other members of Parliament and community leaders gathered to pay tribute. The Islamic community believes that it has an important role to play not only in the education of young Australians of Islamic background but also in the core values, moral values and spiritual needs of the community. I pay tribute also to the Prime Minister, who obviously related extremely well to the children's contribution. He was extremely well received by the community. There is no doubt that that resettlement of migrants is a unique experiment that has captured the imagination of the world. The opening ceremony augured well for our multicultural society as we enter the new millennium.

WOLLUMBIN FOREST PLANTATION ACCREDITATION

The Hon. R. S. L. JONES [10.19 p.m.]: I have raised the issue of Wollumbin forest in this Chamber before, but I will continue to put more information on the record and ask the Government to have a very close look at what is happening with the forest. Wollumbin forest provides an essential corridor linking the Mount Warning World Heritage National Park into Mebbin National Park and into the Ancient Border Ranges. It is the last remaining tract of public lands, the only wildlife corridor left. State Forests New South Wales' proposed plantation accreditation includes compartment 22, the wildlife corridor, and would completely sever Mount Warning and Wollumbin from all other forest lands. This habitat fragmentation, with the remnants unable to support the full range of native plants and animals that live in this area, will lead to further extinction of species.

Three processes are causing this decline: habitat loss, habitat fragmentation and habitat degradation. Every year about 150,000 hectares is cleared in New South Wales. This equates to an area the size of the Sydney Cricket Ground being cleared every nine minutes. In some areas of the State more than 90 per cent of all native vegetation has been cleared. When native plants disappear, so do the animals that live in and depend on them. In New South Wales, 43 plants, 12 bird and 26 mammal species have been presumed extinct in the last 20 years. A further 191 plant and 38 animal species are endangered—that is, they may become extinct if current threats continue. Those animals include the grey-headed flying fox.

Wollumbin serves the same purpose to Aboriginal tribes on the east coast as does Uluru to Aboriginal tribes in Central Australia. We must preserve our heritage. There is not just one sacred site in Wollumbin. Aboriginal history proves the whole caldera is a sacred site. This incorporates Wollumbin forest. For thousands of years Aborigines passed through the lands below—Wollumbin. Many ceremonial sites surround Wollumbin. They are evidence of a lifestyle rich in tradition and of movements between the mountains, the forests and the coast. Another stone arrangement, near Brummies lookout on the western slopes of Mount Warning, existed until about 1976. It consisted of two parallel mounds of stone, six feet long and three feet apart, oriented east west.

Land and Water Conservation has identified Wollumbin forest as the Tweed River catchment area. The Wollumbin forest is the hydrology supply of the Tweed Valley. It is our most precious and scarce natural resource. It plays a vital role in supporting our communities and developing our economy. The CSIRO estimates that the soils of coastal areas in the Tweed Valley alone may contain 500,000 tonnes of pyrite, representing a potential 500,000 tonnes of sulphuric acid. Salinity is a national issue. The New South Wales Government is injecting \$52 million of new expenditure into salinity management actions over four years. This is in addition to the New South Wales Government's existing expenditure of more than \$30 million in 1999-2000 on specific salinity-related programs.

The Tweed Valley catchment water is an intrinsic component to the sustainability of our biodiverse ecosystem and needs to be managed as a whole water cycle. The conservation of waters, the beds, banks,

riparian areas, groundwater systems and catchment areas of our Tweed valley water ecosystem is essential to our valley's sustainable future. New South Wales State Forests has identified Wollumbin forest as having high erosion hazards for both topsoil and subsoil structures. Insufficient and inconclusive studies of New South Wales State Forests in the hydrology values of the Wollumbin forest, considering all parts of the Tweed Valley water cycle, and Wollumbin forest's role in the Tweed Valley ecosystem, illustrates negligence in addressing the importance of protecting the health of our rivers and streams to perpetuate a sustainable water cycle, quality and availability to all the Tweed Valley residents.

Forestry activities, such as lopping and thinning, that change catchment transpiration and canopy interception can affect water yields from the catchment and the timing of associated stream flows. Forestry operations have the potential to increase surface runoff as a result of increased forest vegetation cover and lower infiltration caused by compaction. We are reaching the limits of our available water resources, with the result that our natural ecosystems are being affected. Existing local investment is threatened by growth in water usage. The Tweed Shire Council has purchased land on Birrell Creek—which is directly below Wollumbin forest's high erosion ridges, and is fed directly by the Wollumbin Forest Water Catchment, including Pretty Creek—with the intention of building a future dam to supply increasing local water demands. The residents of the Tweed Valley will not allow our most precious resource to be polluted.

Forested catchments have a lower runoff than pasturelands for the same rainfall. Wollumbin State Forest plays a key role in maintaining catchment stability, ensuring water yields and stream flow perennially, and in protecting water quality for the residents of the Tweed Valley. On this occasion I ask the Government, as part of a whole-of-government approach, to look very carefully indeed at what is occurring in Wollumbin forest and the problems that will emerge if this area is accredited. It has to remain intact as a wildlife corridor and to assist in the production of water for the Tweed Valley.

RURAL ASSISTANCE

The Hon. D. E. OLDFIELD [10.24 p.m.]: This evening I want to speak about rural assistance and the Rural Assistance Amendment Bill, which was recently passed by this House. I supported that bill. I would have liked the opportunity to speak in favour of the bill, as well as make general comments during the debate in this House. Unfortunately, circumstances precluded me from doing so. While the bill was clearly a step forward in streamlining assistance to the rural sector, I believe it is necessary to place on the record some thoughts about the general concept of rural assistance as an overall project.

The concept must be considered to involve many issues and to cross over many of the funding arrangements and policies that are in place, all of which could largely be termed "rural assistance". The national competition policy and its promoters are clearly not interested in rural assistance. Rather, that agenda is one of devastation for rural industry and hence country jobs, local towns and the general viability of rural Australia. The national competition policy and its unfair, uncaring assault on a society that recognises the value of people, not just dollars, must be questioned at every opportunity. It must be exposed for its damaging effects and opposed at every turn.

Rural industries have been let down by government policies which, I admit, are largely federally based and connected to the half-baked and socially devastating policies of economic rationalism and the so-called level playing field and overseen by that dark and evil international master that puts all of these theories into practice. Of course, I speak of globalisation. I noted with particular interest an article on page 3 of today's *Sydney Morning Herald* titled "'Death' to the bush: Woolies boss blasts Libs". The thrust of the article was an attack by Woolworths Chief Executive Officer, Mr Roger Corbett, on the Liberal Party for failing to listen to the National Party about the economic crisis in rural Australia. Without doubt, the most interesting part of the article were these comments from Mr Corbett:

One Nation had accurately reflected the rural community's concern with globalisation but the Federal Government still needed to give greater attention to the future of rural Australia.

The Federal Government is not the only one that must give more attention to rural Australia. By virtue of aspects such as isolation, small populations, weather and access to water, the issues of rural Australia are quite different to those of metropolitan areas. Rural Australia is the responsibility of all levels of government. Most local councils do what they can under the often very difficult circumstances of an ever-declining financial position due to a reduction in all types of their rate base. Initiatives such as the Inland Marketing Corporation and its "gate to plate" approach to the marketing of rural produce of western New South Wales deserve far more assistance from this State Government than they have so far received. That particular issue is an ongoing battle.

The current devastation being brought about by the incredible floodwaters in our State may prove to be yet another example of the lack of appropriate assistance to this State's, indeed this nation's, rural people, who never have it easy and equally seem not to get much help. I am reminded of a part of the speech I wrote for Pauline Hanson to launch One Nation on 11 April 1997, which today, nearly four years later, is still relevant to the current situation and the requirement for much more concentration on the needs of rural Australians. It stated:

In rural Australia, 30 families leave the land every week. Without change, we will lose 24,000 farmers to the welfare queues. Will the government then import even basic crops ...

How prophetic the words of that speech were when we consider the vast and unjustifiable increases in imports of basic crops and fresh produce since those lines were spoken only a few years ago. Regardless of how one might see the jurisdiction in different matters, this Government can and should do more for rural New South Wales.

YOUTH INSEARCH FUNDING

The Hon. C. J. S. LYNN [10.29 p.m.]: I seek some rather urgent financial assistance for Youth Insearch, an organisation about which I have spoken a number of times in this House. I have been approached by Mr Ron Barr to see whether we can work with the Government to get some urgent funding that is required to help Youth Insearch meet the increasing demands being placed on its services. To date those demands have come, in particular, from young people in crisis in rural New South Wales. Youth Insearch was established in 1985 by Ron Barr in Riverstone. Since that time he has put 22,000 young Australians through that program, with some outstanding results. The mission statement for his organisation is as follows:

To empower young people to take responsibility for their lives, by giving them the opportunity and skills to develop their self esteem and play a positive role in society.

Over the years, because of publicity that this organisation has received, Ron Barr has been given a number of donations. Every month a benefactor puts an amount into his bank account and he has been provided with a property at Yarramundi. In more recent years, Dicksons stockbrokers conducted a major fund-raising effort, with organisations like Harvey Norman coming on board, and they bought the Kurrajong health farm. Youth Insearch is having trouble establishing that farm. It has been experiencing some difficulties with the sale of Yarramundi because of concerns expressed by the National Parks and Wildlife Service. That has placed the organisation in a bit of a quandary.

Youth Insearch has been doing a lot of work in Tamworth, and there is much more demand for its services. Since 1995 it has really been operating pretty much without either Federal or State government assistance, although the old Newnes prison has been made available to it. However, Youth Insearch is still responsible for the maintenance of the prison camp, including the expensive repair of asbestos water pipes. Youth Insearch needs about \$200,000 to be able to continue to operate. A lot of people are referred to it by various agencies. I quote from a letter written by John Aquilina in April this year:

The programs which Youth Insearch conduct are very much in line with the findings and determinations of the Drug Summit which you organised last year.

I think John Aquilina was referring to John Della Bosca. The letter continues:

Youth Insearch receives substantial referrals from my department, the Department of Health, the Department of Community Services and the Department of Juvenile Justice. The work which Youth Insearch staff conduct with these adolescents is to a large degree at no cost to Government.

Mal Macpherson, a senior magistrate based in Tamworth, sent Ron Barr a letter in which he quoted \$70,000 per annum to keep a child in custody. The letter states:

If we only turned around 10 young people at each Youth Insearch camp who were involved in criminal activity and assuming the average custodial sentence being 6 months, the saving to Government would be \$350,000.00. Multiply this by 20 camps per annum equals \$7 million dollars.

And that, of course, is in savings to the Government. The letter continues:

This of course does not take into account the numerous other issues addressed at a Youth Insearch camp.

In addition, Youth Insearch conducts specific courses, for example suicide prevention courses and so forth. The letter then states:

Another alarming statistic at Youth Insearch camps, is that of the 22,000 who have participated, less than 200 had not used drugs. Also, 66% of those 22,000 had been involved in some form of criminal activity and of those 66%, 97% gave up crime after their first or second camp.

This organisation has a real need for financial assistance. I am sure that people from all sides of politics would support the wonderful work that Ron Barr is doing. However, because of demands on his services he needs real financial help. I would appreciate it if the Government took this request on board and saw fit to give him whatever help it can to keep this organisation running.

NORTHERN RIVERS REGION KNOWLEDGE WORKS INITIATIVE

The Hon. JANELLE SAFFIN [10.34 p.m.]: I refer tonight to an initiative in the Northern Rivers region called Knowledge Works. The background to the initiative is that it uses the same criteria and elements that comprise our knowledge-intensive nation—continuous improvement, new ideas, knowledge creation and organisational learning. These are the issues that are increasingly defining the competitiveness of regions in our modern global economy. The knowledge capability of many regions is being lost as a key capacity building element in today's global economy, just when it is needed most.

With that loss a significant platform for regional competitiveness in a knowledge-based global economy is also lost. Significant proportions of higher education graduates are leaving the regions, including our Northern Rivers region, in which they have been trained. They leave to find employment in metropolitan and overseas centres. Many regions are also home to key knowledge workers who are forced to export their skills elsewhere, which is not of itself a bad thing, but it means that the skills are going elsewhere and are not staying in the regions in which they are needed. As a result, many regions are missing out on the added benefits of locally fostered knowledge-based skills.

The Knowledge Works Initiative has as its objects: tailoring knowledge transfer mechanisms to higher education institutions to facilitate graduate entrepreneurial retention; facilitating the building of associations of a region's knowledge workers around key regional economic priorities and competitive needs of business enterprises; putting in place collaborative regional strategies to establish learning regions; undertaking regional knowledge capability audits; developing undergraduate and graduate links to business enterprises and mentoring programs as part of the higher education course programs; and facilitating knowledge transfer connections between the regions throughout Australia and overseas.

The practical outcomes are competitive business enterprises, improved organisational efficiency and development of a learning culture. Knowledge enhanced development extends other partnership-based approaches, such as clustering by building in a learning dimension to their operation. A component of the Knowledge Works Initiative in the Northern Rivers is the Northern Rivers Region Knowledge Transfer Project, which is supported by the Northern Development Task Force, Southern Cross University, the Southern Cross Research Institute and various government departments, such as the Commonwealth Department of Education, Training and Youth Affairs. The project is focused in two directions.

The first direction is higher education and knowledge. This part of the Knowledge Works Initiative for the region is identifying the existing knowledge creation and transfer capability of the Southern Cross University as it relates to the structure of the local Northern Rivers region, and its potential contribution to economic competitiveness. It will also identify and trial knowledge transfer management mechanisms to enhance the flow of knowledge from the university to the regional business and institutional community. The second direction is regional knowledge of workers. This part of strategy focuses on the knowledge of workers in particular priority regional industry sectors in the Northern Rivers region, and aims to put in place initiatives to direct this to achieving competitive retail outcomes for local business.

Initial priority industries are film and audiovisual—Filmworks that I have previously spoken about in this House—environmental industries, horticulture and other emerging industries. One significant part of the project is that the Northern Rivers Region Knowledge Transfer Project works in collaboration with the European Union [EU] Project. It was the only region in Australia chosen to work at that level and to link up with all the developments that are happening in the EU, and with the University of Newcastle on Tyne, which has an international reputation for its work in regional development and knowledge transfer. I put on record my appreciation to all the people who were involved in bringing such a wonderful project to the Northern Rivers region.

NUCLEAR TRAILER PROJECT

Ms LEE RHIANNON [10.38 p.m.]: On behalf of the Greens I warmly congratulate Jim Johnston and all those associated with the nuclear trailer project on their success. The nuclear trailer travels the State building support for the campaign to stop the construction of Sydney's second nuclear reactor. The trailer campaigners are also calling for the New South Wales Government to pass legislation banning the location of a nuclear dump in this State and to block the transport of nuclear waste. On 12 November the nuclear trailer campaigners took their message to a surf carnival at Avoca Beach. With several hundred surfers and lots of beachgoers at the carnival, the trailer crew found that their leaflets, stickers and information were in strong demand.

Jim Johnston, one of the trailer campaigners, recently told me that since the South Australian Government passed legislation to ban the location of the nuclear dump in that State and also to restrict the transporting of nuclear waste, the activities of the nuclear trailer project have been stepped up. The nuclear trailer has been to some of the football grand finals and to Canberra for the Senate inquiry. It has been seen around this Parliament cruising up and down Macquarie Street and around to Hospital Road. I hear from Greens councillors who were at the Central Coast Local Government Conference that the trailer was a big hit and did a fantastic job.

The Greens also plan to step up their actions to make sure New South Wales does not become known as the nuclear State. More and more people are contacting us asking what are the chances of stopping the second nuclear reactor and of adopting legislation similar to that which has been passed in South Australia. The obvious question we are being asked is, if a Liberal government can do it in South Australia, and to a lesser extent in Western Australia, why cannot the Labor governments on the east coast take similar action? That is the question to which we are waiting an answer. We obviously know the Federal Government can override State legislation banning the location of nuclear dumps in a State and the transport of nuclear waste. But what a powerful statement it would be if Labor Premiers found some backbone and enacted their own environmental policies and passed legislation that would ban nuclear dumps and the transport of nuclear waste.

BUY NOTHING DAY

The Hon. I. COHEN [10.40 p.m.]: Tomorrow, Friday 24 November, is Buy Nothing Day. Our consumer culture is out of control. Once, we shopped to buy what we needed. Now we do not need much and we shop for other reasons—to impress each other, to fill a void, to kill time. A mere 20 per cent of the earth's population uses 80 per cent of its natural resources. Our overconsumption is killing the planet. Buy Nothing Day [BND] is a simple idea with deep implications. It forces us to think about the "shop-till-you-drop" imperative and its effects on the rest of the world.

In more than 30 countries, from Brazil to South Korea to Israel, 1999's Buy Nothing Day was celebrated with gusto and a gamut of clever anti-consumer action. In New York City thousands of activists shook Times Square with a 45-minute dance party. In Panama City BND jammers shortcut consumers on the world's longest shopping avenue, and in Vancouver Mr Materialism, clad completely in gold, thanked passers-by for shopping with vigour.

The day was also marked by radio and television campaigns and an amazing array of poster art and flyers. Touching every continent, BND has gone global as a carnival of life in the face of consumer conformity. One advertisement showed a little clay man named Bill who chomps into a hamburger, gulps down some Coke, burps, and stuffs his clay face with french fries. He keeps on consuming until the earth on which he is seated shatters into pieces under his weight, leaving Bill sprawled on the ground in a state of shock. The voiceover concludes:

Hope for a revolution of human consciousness rests in the actions of each of us, everyday. On November 26 celebrate Buy Nothing Day.

That was in France. But no-one would agree to air the advertisement. One network said that it "goes against the interest" of the network while another claimed that it was "contrary to the function of advertising space itself and our ethics". A third network agreed to air it before changing its mind on the recommendation of the somewhat mysterious national Bureau of Advertising Verification. When these bureaucrats judged the uncommercial to be a "call for a boycott"—presumably of shopping itself—rather than a public service announcement, the whole plan seemed to have fizzled. While rubber-stamping the most sexist and violent of advertisements, they claimed to be offended by Bill's claymation belch.

But one should never underestimate the power of a hot story. Once the media got wind of the censorship, the advertisement became big news and it was aired—for free—over 25 times on nine networks. What is more, major newspapers and radio stations picked up the story, among them *Le Monde*, the *Daily Telegraph*, *Le Nouvel Observateur*, France Info, Europe 1 and 2 and Reuters.

Clearly, our current spending patterns are unsustainable in terms of resources and consumer credit levels. There is a change in our social functions: instead of spending leisure time, spending time is leisure. Ever-increasing retail figures might be regarded well by the economists, but they are not a good sign for society or the environment. Buy Nothing Day is gaining momentum around the world as people recognise the problems of consumerism and that materialism does not meet social needs. I commend Buy Nothing Day tomorrow, 24 November, and I hope everyone celebrates by buying nothing.

Motion agreed to.

House adjourned at 10.43 p.m.
