

LEGISLATIVE COUNCIL

Tuesday 5 June 2001

The President (The Hon. Dr Meredith Burgmann) took the chair at 2.30 p.m.

The President offered the Prayers.

The PRESIDENT: I acknowledge that we are meeting on Eora land.

COMMITTEE ON CHILDREN AND YOUNG PEOPLE

Reports

The Hon. Peter Primrose, on behalf of the Chairman, tabled the following reports:

The Global Agenda for Children—What role is there for us?, dated May 2001

The Development of Wellbeing in Children—Some Aspects of Research and Comment on Child and Adolescent Development, dated June 2001

Ordered to be printed.

COMMITTEE ON THE HEALTH CARE COMPLAINTS COMMISSION

Report

The Hon. Henry Tsang, on behalf of the Chairman, tabled the report entitled "6th Meeting on the Annual Report of the Health Care Complaints Commission", dated June 2001.

Ordered to be printed.

PETITIONS

Woy Woy Policing

Petition expressing concern about the proposed loss of general duties police officers from Woy Woy Police Station and praying that the House seeks the assistance of the Minister for Police to reinstate those police officers, received from the **Hon. Michael Gallacher**.

Dr Juan Sabag

Petition expressing concern about the unfair treatment of Dr Juan Sabag by the Health Care Complaints Commission and the imposition of a three-year suspension from the practice of medicine, and praying that the House will ensure that the injustice is remedied, received from the **Hon. Dr Peter Wong**.

School Funding

Petition praying that the House will pass the Education Amendment (Reduction in Financial Assistance to Wealthy Non-government) Schools Bill, received from **Ms Lee Rhiannon**.

Council Pounds Animal Protection

Petition praying that the House introduce legislation to ensure that high standards of care are provided for all animals held in council pounds, received from the **Hon. Richard Jones**.

LONG SERVICE LEAVE LEGISLATION AMENDMENT BILL

Personal Explanation

The Hon. JOHN JOHNSON, by leave: I wish to make a personal explanation. On the last sitting day, in debate on the Long Service Leave Legislation Amendment Bill, I misled the Leader of the Opposition and the House about the amount of long service leave that was available. I referred only to 34 hours 40 minutes per year of service. I should have said 34 hours 40 minutes long service leave per year based on a 40-hour week.

GENERAL PURPOSE STANDING COMMITTEE NO. 5**Reference: Feral Animal Control**

The Hon. RICHARD JONES [2.40 p.m.]: I inform the House that General Purpose Standing Committee No. 5 resolved on 31 May to inquire into and report on:

- (1) the damage caused by feral animals to the environment across all land tenures;
- (2) the current and future threat of feral animals to native flora and fauna across all land tenures, including national parks, public land-holdings, other publicly-owned land, et cetera;
- (3) the adequacy of current practices and resources for feral animal control;
- (4) improvements for current practices and alternative solutions for feral animal control; and
- (5) any other relevant matters.

BUSINESS OF THE HOUSE**Suspension of Standing and Sessional Orders****Motion by the Hon. Richard Jones agreed to:**

That standing and sessional orders be suspended to allow a motion to be moved forthwith that Private Members' Business item No. 95 outside the Order of Precedence, relating to a disputed claim of privilege concerning documents related to the M5 East ventilation stack, be called on forthwith.

Order of Business**Motion by the Hon. Richard Jones agreed to:**

That Private Members' Business item No. 95 outside the Order of Precedence be called on forthwith.

M5 EAST VENTILATION STACK**Return to Order: Claim of Privilege**

The Hon. RICHARD JONES [2.42 p.m.]: I move:

1. That the report of the independent legal arbiter, Sir Laurence Street, dated 27 April 2001, on the disputed claim of privilege on papers on the M5 East ventilation stack, be laid on the table by the Clerk.
2. That, on tabling, the report is authorised to be published.

Honourable members will be aware that I gave notice on 27 March of the motion calling for the tabling of papers relating to the M5 East ventilation stack. This was based on repeated requests I have received from individuals and organisations that are concerned to ensure that the impact of the emissions to be ventilated from the M5 East tunnel have been adequately addressed and acted upon. Due to the level of Opposition and crossbench support, the motion was able to be dealt with during informal business on 28 March, and the papers subsequently tabled on 6 April.

Legal professional privilege, however, was claimed on many of the papers requested, including documents relating to political representation, air quality and technical issues, management plans, community liaison meetings, media requests and press releases, Land and Environment Court proceedings and ministerial letters. As many of these documents are already public in one form or another and the remainder may contain valuable information on issues that are of great public concern, Residents against Polluting Stacks disputed the privilege claim made against them. As a consequence, Sir Laurence Street was engaged by the Clerk as an independent legal arbiter to evaluate and report on the validity of the claim of privilege. Sir Laurence Street's report has since been tabled, and I gave notice of the motion on 29 May, which included a requirement that the report be tabled and made public.

I had hoped to be able to do this informally last week, but unfortunately the Government was unable to agree to that, for some reason that I cannot understand. I have viewed the documents that Sir Laurence Street has agreed to release and there is not one that I would think should be privileged. Today we are asking the Government to release Sir Laurence Street's report so we can examine it and not the actual documents. I have looked at the documents, as have other members, and as far as I can ascertain they are not very consequential.

Debate adjourned on motion by the Hon. John Della Bosca.

RACING LEGISLATION AMENDMENT (PROBITY) BILL

In Committee

Clauses 1 to 5 agreed to.

Schedules 1 to 3

The Hon. GREG PEARCE [2.46 p.m.], by leave: I move amendments Nos 1 to 52 in globo:

No. 1 Page 4, schedule 1 [2], proposed section 15A (1). Insert after line 4:

Racing Probity Commissioner or Commissioner means the Racing Probity Commissioner holding office under section 29P of the *Thoroughbred Racing Board Act 1996*.

No. 2 Page 4, schedule 1 [2], proposed section 15B, line 21. Insert "request the Racing Probity Commissioner to" after "The Minister may".

No. 3 Page 4, schedule 1 [2], proposed section 15B, line 23. Insert "request the Racing Probity Commissioner to" after "The Authority may".

No. 4 Page 4, schedule 1 [2], proposed section 15B. Insert after line 24:

(5) The Racing Probity Commissioner is to carry out a probity check pursuant to a request under this section.

No. 5 Page 4, schedule 1 [2], proposed section 15C, line 28. Insert "request the Racing Probity Commissioner to" after "from time to time".

No. 6 Pages 4 and 5, schedule 1 [2], line 31 on page 4 to line 5 on page 5. Omit all words on those lines. Insert instead:

(2) The Minister or the Authority may from time to time request the Racing Probity Commissioner to carry out a probity check of a person who is a key employee to determine whether the person is a suitable person to be a key employee.

(3) The Racing Probity Commissioner is to carry out a probity check pursuant to a request under this section.

No. 7 Page 5, schedule 1 [2], proposed section 15D, lines 8 and 9. Omit "the Minister or the Authority is to assess". Insert instead "an assessment is to be made of".

No. 8 Page 5, schedule 1 [2], proposed section 15D, line 14. Omit "The Minister or the Authority may also have regard to". Insert instead "Regard may also be had to".

No. 9 Page 5, schedule 1 [2], proposed section 15E, lines 19-21. Omit "the Minister or the Authority may conduct such investigations and inquiries as the Minister or the Authority thinks fit". Insert instead "the Racing Probity Commissioner may conduct such investigations and inquiries as the Commissioner thinks fit".

No. 10 Page 6, schedule 1 [2], proposed section 15E, line 1. Omit "the Minister or the Authority". Insert instead "the Racing Probity Commissioner".

No. 11 Page 6, schedule 1 [2], proposed section 15E, lines 5 and 6. Omit "the Minister or the Authority". Insert instead "the Racing Probity Commissioner".

No. 12 Page 6, schedule 1 [2], proposed section 15E, lines 21-25. Omit all words on those lines. Insert instead:

(5) The Authority is to bear the costs of a probity check carried out by the Racing Probity Commissioner. The Commissioner may certify as to the costs of a probity check carried out by the Commissioner and the Commissioner's certificate is evidence of the matters certified.

No. 13 Page 6, schedule 1 [2]. Insert after line 25:

15F Results of probity check

(1) When the Racing Probity Commissioner carries out a probity check under this Part, the Commissioner is to notify the Minister or the Authority, as appropriate, of the Commissioner's determination as to whether the person concerned is a suitable person to be an executive officer or key employee.

(2) The Commissioner may, if the Commissioner considers it to be in the public interest to do so, give the Minister or the Authority a report as to any matter revealed by the probity check. If the Commissioner gives such a report, the Commissioner must give a copy of the report to the person to whom the probity check relates.

No. 14 Page 8, schedule 1 [2], proposed section 15I, lines 19-35. Omit all words on those lines. Insert instead:

(1) The Minister may take special disciplinary action against a director executive officer if:

- (a) the Racing Probity Commissioner has carried out a probity check and determined that the director executive officer is not a suitable person to be an executive officer, or
 - (b) the Minister determines, whether or not based on the findings of a probity check, that the director executive officer has engaged in misconduct under this Part.
 - (2) The Authority may take special disciplinary action against a staff executive officer or key employee if:
 - (a) the Racing Probity Commissioner has carried out a probity check and determined that the staff executive officer or key employee is not a suitable person to be an executive officer or key employee, or
 - (b) the Authority determines, whether or not based on the findings of a probity check, that the staff executive officer or key employee has engaged in misconduct under this Part.
- No. 15 Pages 10 and 11, schedule 1 [2], proposed section 15L, line 29 on page 10 to line 8 on page 11. Omit all words on those lines. Insert instead:
- (1) The Racing Probity Commissioner may refer to the Commissioner of Police copies of photographs, fingerprints and palm prints obtained in respect of a person and any supporting information that the Racing Probity Commissioner considers should be referred to the Commissioner of Police.
 - (2) The Commissioner of Police is to inquire into, and report to the Racing Probity Commissioner on, any matters concerning a person who is the subject of a probity check under this Part that the Racing Probity Commissioner may request.
 - (3) The Racing Probity Commissioner may enter into arrangements for the supply to the Racing Probity Commissioner of information contained in the records of the Police Service, to assist in the effectual administration of this Act.
- No. 16 Page 11, schedule 1 [2], lines 12-28. Omit all words on those lines. Insert instead:
- (1) Any fingerprints or palm prints obtained by the Racing Probity Commissioner, and any copies of them, must be destroyed as soon as the Commissioner has no further use for them.
 - (2) The Commissioner is to be considered to have no further use for them if the person concerned does not become, or ceases to be, an executive officer or key employee.
 - (3) A person:
 - (a) who has possession of fingerprints or palm prints obtained by the Commissioner, or copies of them, and
 - (b) who fails to deliver them to the Commissioner in accordance with the written directions of the Commissioner to enable subsection (1) to be complied with, is guilty of an offence.
- Maximum penalty (subsection (3)): 100 penalty units.
- No. 17 Page 14, schedule 1 [5], line 28. Insert "the Racing Probity Commissioner," after "direction by".
- No. 18 Page 18, schedule 2 [2], proposed section 10H (1). Insert after line 4:
- Racing Probity Commissioner*** or ***Commissioner*** means the Racing Probity Commissioner holding office under section 29P of the *Thoroughbred Racing Board Act 1996*.
- No. 19 Page 18, schedule 2 [2], proposed section 10I, line 21. Insert "request the Racing Probity Commissioner to" after "The Minister may".
- No. 20 Page 18, schedule 2 [2], proposed section 10I, line 23. Insert "request the Racing Probity Commissioner to" after "HRNSW may".
- No. 21 Page 18, schedule 2 [2], proposed section 10I. Insert after line 24:
- (5) The Racing Probity Commissioner is to carry out a probity check pursuant to a request under this section.
- No. 22 Page 18, schedule 2 [2], proposed section 10J, line 28. Insert "request the Racing Probity Commissioner to" after "from time to time".
- No. 23 Pages 18 and 19, schedule 2 [2], proposed section 10J, line 31 on page 18 to line 4 on page 19. Omit all words on those lines. Insert instead:
- (2) The Minister or HRNSW may from time to time request the Racing Probity Commissioner to carry out a probity check of a person who is a key employee to determine whether the person is a suitable person to be a key employee.
 - (3) The Racing Probity Commissioner is to carry out a probity check pursuant to a request under this section.

- No. 24 Page 19, schedule 2 [2], proposed section 10K, lines 7 and 8. Omit "the Minister or HRNSW is to assess". Insert instead "an assessment is to be made of".
- No. 25 Page 19, schedule 2 [2], proposed section 10K, line 13. Omit "The Minister or HRNSW may also have regard to". Insert instead "Regard may also be had to".
- No. 26 Page 19, schedule 2 [2], proposed section 10L, lines 17-19. Omit "the Minister or HRNSW may conduct such investigations and inquiries as the Minister or HRNSW thinks fit". Insert instead "the Racing Probity Commissioner may conduct such investigations and inquiries as the Commissioner thinks fit".
- No. 27 Page 19, schedule 2 [2], proposed section 10L, line 33. Omit "the Minister or HRNSW". Insert instead "the Racing Probity Commissioner".
- No. 28 Page 20, schedule 2 [2], proposed section 10L, lines 1 and 2. Omit "the Minister or HRNSW". Insert instead "the Racing Probity Commissioner".
- No. 29 Page 20, schedule 2 [2], proposed section 10L, lines 17-21. Omit all words on those lines. Insert instead:
- (5) HRNSW is to bear the costs of a probity check carried out by the Racing Probity Commissioner. The Commissioner may certify as to the costs of a probity check carried out by the Commissioner and the Commissioner's certificate is evidence of the matters certified.
- No. 30 Page 20, schedule 2 [2]. Insert after line 21:

10M Results of probity check

- (1) When the Racing Probity Commissioner carries out a probity check under this Part, the Commissioner is to notify the Minister or HRNSW, as appropriate, of the Commissioner's determination as to whether the person concerned is a suitable person to be an executive officer or key employee.
- (2) The Commissioner may, if the Commissioner considers it to be in the public interest to do so, give the Minister or HRNSW a report as to any matter revealed by the probity check. If the Commissioner gives such a report, the Commissioner must give a copy of the report to the person to whom the probity check relates.
- No. 31 Page 22, schedule 2 [2], proposed section 10P, lines 13-29. Omit all words on those lines. Insert instead:
- (1) The Minister may take special disciplinary action against a director executive officer if:
- (a) the Racing Probity Commissioner has carried out a probity check and determined that the director executive officer is not a suitable person to be an executive officer, or
- (b) the Minister determines, whether or not based on the findings of a probity check, that the director executive officer has engaged in misconduct under this Part.
- (2) HRNSW may take special disciplinary action against a staff executive officer or key employee if:
- (a) the Racing Probity Commissioner has carried out a probity check and determined that the staff executive officer or key employee is not a suitable person to be an executive officer or key employee, or
- (b) HRNSW determines, whether or not based on the findings of a probity check, that the staff executive officer or key employee has engaged in misconduct under this Part.
- No. 32 Pages 24 and 25, schedule 2 [2], proposed section 10S, line 28 on page 24 to line 4 on page 25. Omit all words on those lines. Insert instead:
- (1) The Racing Probity Commissioner may refer to the Commissioner of Police copies of photographs, fingerprints and palm prints obtained in respect of a person and any supporting information that the Racing Probity Commissioner considers should be referred to the Commissioner of Police.
- (2) The Commissioner of Police is to inquire into, and report to the Racing Probity Commissioner on, any matters concerning a person who is the subject of a probity check under this Part that the Racing Probity Commissioner may request.
- (3) The Racing Probity Commissioner may enter into arrangements for the supply to the Racing Probity Commissioner of information contained in the records of the Police Service, to assist in the effectual administration of this Act.
- No. 33 Page 25, schedule 2 [2], proposed section 10T, lines 8-23. Omit all words on those lines. Insert instead:
- (1) Any fingerprints or palm prints obtained by the Racing Probity Commissioner, and any copies of them, must be destroyed as soon as the Commissioner has no further use for them.
- (2) The Commissioner is to be considered to have no further use for them if the person concerned does not become, or ceases to be, an executive officer or key employee.
- (3) A person:

- (a) who has possession of fingerprints or palm prints obtained by the Commissioner, or copies of them, and
- (b) who fails to deliver them to the Commissioner in accordance with the written directions of the Commissioner to enable subsection (1) to be complied with, is guilty of an offence.

Maximum penalty (subsection (3)): 100 penalty units.

No. 34 Page 28, schedule 2 [5], line 16. Insert "the Racing Probity Commissioner," after "direction by".

No. 35 Page 31, schedule 3 [7], proposed section 29A (1). Insert after line 27:

Racing Probity Commissioner or ***Commissioner*** means the Racing Probity Commissioner holding office under section 29P.

No. 36 Page 32, schedule 3 [7], proposed section 29B, line 15. Insert "request the Racing Probity Commissioner to" after "The Minister may".

No. 37 Page 32, schedule 3 [7], proposed section 29B, line 17. Insert "request the Racing Probity Commissioner to" after "The Board may".

No. 38 Page 32, schedule 3 [7], proposed section 29B. Insert after line 18:

- (5) The Racing Probity Commissioner is to carry out a probity check pursuant to a request under this section.

No. 39 Page 32, schedule 3 [7], proposed section 29C, line 23. Insert "request the Racing Probity Commissioner to" after "from time to time".

No. 40 Page 32, schedule 3 [7], proposed section 29C, lines 26-32. Omit all words on those lines. Insert instead:

- (2) The Minister or the Board may from time to time request the Racing Probity Commissioner to carry out a probity check of a person who is a key employee to determine whether the person is a suitable person to be a key employee.
- (3) The Racing Probity Commissioner is to carry out a probity check pursuant to a request under this section.

No. 41 Page 33, schedule 3 [7], proposed section 29D, lines 3 and 4. Omit "the Minister or the Board is to assess". Insert instead "an assessment is to be made of".

No. 42 Page 33, schedule 3 [7], proposed section 29D, line 9. Omit "The Minister or the Board may also have regard to". Insert instead "Regard may also be had to".

No. 43 Page 33, schedule 3 [7], proposed section 29E, lines 13-15. Omit "the Minister or the Board may conduct such investigations and inquiries as the Minister or the Board thinks fit". Insert instead "the Racing Probity Commissioner may conduct such investigations and inquiries as the Racing Probity Commissioner thinks fit".

No. 44 Page 33, schedule 3 [7], proposed section 29E, line 29. Omit "the Minister or the Board". Insert instead "the Racing Probity Commissioner".

No. 45 Page 33, schedule 3 [7], proposed section 29E, lines 33 and 34. Omit "the Minister or the Board". Insert instead "the Racing Probity Commissioner".

No. 46 Page 34, schedule 3 [7], proposed section 29E, lines 12-16. Omit all words on those lines. Insert instead:

- (5) The Board is to bear the costs of a probity check carried out by the Racing Probity Commissioner. The Racing Probity Commissioner may certify as to the costs of a probity check carried out by the Commissioner and the Commissioner's certificate is evidence of the matters certified.

No. 47 Page 34, schedule 3 [7]. Insert after line 16:

29F Results of probity check

- (1) When the Racing Probity Commissioner carries out a probity check under this Part, the Commissioner is to notify the Minister or the Board, as appropriate, of the Commissioner's determination as to whether the person concerned is a suitable person to be an executive officer or key employee.
- (2) The Commissioner may, if the Commissioner considers it to be in the public interest to do so, give the Minister or the Board a report as to any matter revealed by the probity check. If the Commissioner gives such a report, the Commissioner must give a copy of the report to the person to whom the probity check relates.

No. 48 Page 36, schedule 3 [7], proposed section 29I, lines 2-9. Omit all words on those lines. Insert instead:

- (1) The Board may take special disciplinary action against an executive officer or key employee if:
 - (a) the Racing Probity Commissioner has carried out a probity check and determined that the executive officer or key employee is not a suitable person to be an executive officer or key employee, or
 - (b) the Board determines, whether or not based on the findings of a probity check, that the executive officer or key employee has engaged in misconduct under this Part.

No. 49 Pages 38 and 39, schedule 3 [7], proposed section 29M, line 25 on page 38 to line 4 on page 39. Omit all words on those lines. Insert instead:

- (1) The Racing Probity Commissioner may refer to the Commissioner of Police copies of photographs, fingerprints and palm prints obtained in respect of a person and any supporting information that the Racing Probity Commissioner considers should be referred to the Commissioner of Police.
- (2) The Commissioner of Police is to inquire into, and report to the Racing Probity Commissioner on, any matters concerning a person who is the subject of a probity check that the Racing Probity Commissioner may request.
- (3) The Racing Probity Commissioner may enter into arrangements for the supply to the Racing Probity Commissioner of information contained in the records of the Police Service, to assist in the effectual administration of this Act.

No. 50 Page 39, schedule 3 [7], lines 8-24. Omit all words on those lines. Insert instead:

- (1) Any fingerprints or palm prints obtained by the Racing Probity Commissioner, and any copies of them, must be destroyed as soon as the Commissioner has no further use for them.
- (2) The Commissioner is to be considered to have no further use for them if the person concerned does not become, or ceases to be, an executive officer or key employee.
- (3) A person:
 - (a) who has possession of fingerprints or palm prints obtained by the Commissioner, or copies of them, and
 - (b) who fails to deliver them to the Commissioner in accordance with the written directions of the Commissioner to enable subsection (1) to be complied with, is guilty of an offence.

Maximum penalty (subsection (3)): 100 penalty units.

No. 51 Page 42, schedule 3 [7]. Insert after line 4:

29P Racing Probity Commissioner

- (1) The Governor may, on the recommendation of the Minister, appoint a retired Judge of the Supreme Court or District Court as Racing Probity Commissioner. The Commissioner may be appointed for a period of up to 3 years.
- (2) The employment of the Commissioner is not subject to the *Public Sector Management Act 1988*.
- (3) The Commissioner is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine.
- (4) The Governor may remove the Commissioner from office only for misbehaviour, incapacity or incompetence.
- (5) The Commissioner has such functions as may be conferred on the Commissioner by or under the Racing Acts. Such staff as may be necessary to enable the Commissioner to exercise the Commissioner's functions are to be employed under Part 2 of the *Public Sector Management Act 1988*.
- (6) In this section:

Racing Acts means this Act, the *Greyhound Racing Act 1985* and the *Harness Racing New South Wales Act 1977*.

No. 52 Page 42, schedule 3 [9], line 18. Insert "the Racing Probity Commissioner," after "direction by".

These amendments are intended to create a separate and independent office of Racing Probity Commissioner to conduct probity testing under the provisions of the Racing Legislation Amendment (Probity) Bill. I will not go through the lengthy arguments that I raised in my speech on the second reading but I draw the attention of the Committee to the relevant provisions. Amendment No. 51 relates to the appointment of the commissioner by the Governor. In the balance of the amendments a number of provisions are repeated for each of the Acts that are amended by this legislation. Amendments Nos 1, 18 and 35 are definitional amendments in relation to the Greyhound Racing Authority Act, the Harness Racing New South Wales Act and the Thoroughbred Racing Board Act respectively.

The majority of the remaining provisions are machinery provisions that are repeated for each of the various Acts. I draw the Committee's attention in particular to amendments Nos 14, 31 and 48, which relate again successively to the Greyhound Authority Act, the Harness Racing Authority Act and the Thoroughbred Racing Board Act. In relation to those amendments there is an additional substantive change in that the Minister's discretion is limited to acting on the result of the probity report. I commend amendments Nos 1 to 52.

The Hon. JOHN 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) [2.48 p.m.]: The structure of the Racing Legislation Amendment (Probity) Bill is considered by the Government to be appropriate to the aim of ensuring the probity of designated racing industry officials, and also to be consistent with the approach taken for probity checking in other gambling-related legislation. It should be noted that the probity bill has also been the subject of consultation with the three racing control bodies, which have all given their support.

There is no valid reason to support the creation of a Racing Probity Commissioner or to support any of the associated amendments. Such an office would add nothing to the requirements for probity checking, except an additional layer of bureaucracy and cost. The reasons put forward for the amendments are flawed and misguided. It should be clearly understood that persons seeking employment in senior and responsible positions in a gambling-related industry are aware that passing probity and integrity checks is an important part of the eligibility requirements of their employment. There is no reason to suggest that anything less than an equally high standard should also apply to the racing industry.

The bill is based on similar provisions contained in the Casino Control Act 1992, the Public Lotteries Act 1996 and the Totalizator Act 1997. They contain effective and proven measures to ensure the probity of individuals who are appointed to senior and responsible positions operating in a gambling-related environment. In particular, I point out that the probity bill is consistent with the overall policy and framework in this area and with the model legislation—the Casino Control Act 1992—which was enacted by the Opposition when it was last in government.

The proposition that the probity bill is centralising or politicising the appointment of racing officials is manifestly incorrect. The bill does not alter the existing procedure for appointments to the boards of the Thoroughbred Racing Board, Harness Racing New South Wales and the Greyhound Racing Authority. They are made by the Governor on the advice of the Executive Council. The Minister has a well-recognised and traditional role in that procedure which includes sponsoring the appointment process, which itself includes probity scrutiny prior to appointment.

In addition, under the probity bill, the Minister would oversight the probity checking of the chief executive and the chief steward of each of the three racing controlling bodies. These are the most senior operational regulators in the racing industry. The three controlling bodies would oversight the probity checking of any other designated key employee positions. I emphasise that in relation to these classes the Minister would have no direct involvement in the probity checking process. Ministerial involvement in such scrutiny for racing officials is entirely consistent with that current framework in, for example, the Casino Control Act 1992, the Public Lotteries Act 1996 and the Totalizator Act 1997.

In each case the Minister has a direct involvement in the probity checking of the most senior officials, and in some cases may do so in relation to all key employees. If the proposal for a racing probity commissioner were to be accepted, it would be inconsistent with the relevant provisions in the other gambling-related Acts. It might also be seen as providing a special and privileged position for racing officials. Further, the involvement of the Minister in such matters for the most senior racing officials is consistent with the role of a Minister with racing responsibilities. These positions are entrusted with maintaining the integrity of racing and associated gambling. They are regulators and, therefore, are entrusted with performing a function of government. The Government is not able to support the amendments moved by the Opposition.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [2.52 p.m.]: The Australian Democrats support these amendments. It seems that to take probity checking away from the political process is a wise thing to do. Indeed, there are still languishing in prisons previous Ministers who were theoretically responsible for corruption-related activities. Perhaps it is a good idea to have a separate racing probity commissioner so that there is a division and to try to keep honesty in an industry in which the temptation for race fixing and gambling is high.

The Hon. RICHARD JONES [2.53 p.m.]: I support the Opposition's amendments on the Racing Legislation Amendment (Probity) Bill. These amendments will establish an independent racing probity commissioner to carry out probity checks on key employees within the racing industry. Probity is a critical part of accountability and transparency in the racing industry. Therefore, we must ensure that probity checks are carried out in the most accountable and transparent manner. While the Government may argue that the structure for probity checks set up in this bill should not be altered, because it is based on the requirements contained in other gambling-related legislation, such as the Casino Control Act 1992, the existing requirements in that Act do not necessarily reflect best practice.

The existing requirements may have reflected what was best practice at the time the legislation was passed, but best practice is a constantly evolving entity. What is best practice today will not necessarily be best practice tomorrow, next week or next year. In any case, Ministers in other portfolio areas are not required to and do not conduct background checks into the people who are employed by the agencies for which they are responsible. For example, the police Minister does not conduct the background checks on people in the Police Service. Also, the Minister for Police does not head up the Police Integrity Commission; nor does the Treasurer head up the Auditor-General's Department. And rightly so.

Therefore, it makes perfect sense for the office conducting probity checks in the racing industry to be independent of the Minister for Gaming and Racing and the organisations in charge of racing in New South Wales: The Greyhound Racing Authority, Harness Racing New South Wales and the Thoroughbred Racing Board. Of course, this is not to say that the Minister and these agencies should have no involvement whatsoever in the process. Far from it. After all, these amendments will ensure that the checks conducted by the probity commissioner can only be carried out at the request of the Minister, the Greyhound Racing Authority, Harness Racing New South Wales and the Thoroughbred Racing Board.

These amendments will, establish another layer of bureaucracy, but they will also provide a much-needed layer of oversight. The minimal expense involved in establishing an independent probity commissioner now could also save New South Wales taxpayers a lot of money in the long run. After all, lack of probity in the greyhound racing industry necessitated a much more costly Independent Commission against Corruption inquiry. Therefore, I commend these amendments to the Committee.

The Hon. IAN COHEN [2.55 p.m.]: On behalf of the Greens I support the Opposition amendments moved by the Hon. Greg Pearce. I listened with interest to the issues put forward by the Hon. Richard Jones in relation to the essential separation of the Minister for Police from the Police Integrity Commission, and in relation to the Auditor-General's Department, which has played an active and effective role at arms length from the Minister's office. With a matter like this, the Greens would find it hard not to support an extra level of scrutiny and independence from the political exercise of the day. The Greens believe that with the history in both horse racing and greyhound racing, it is appropriate that full measure is taken absolutely to control aspects of corruption that may move into those areas, because it is very hard to remove corruption from gambling and racing. The Greens support the amendments.

Question—That the amendments be agreed to—put.

The Committee divided.

Ayes, 21

Mr Breen	Mr Harwin	Mr Ryan
Dr Chesterfield-Evans	Mr M. I. Jones	Mr Samios
Mr Cohen	Mr R. S. L. Jones	Dr Wong
Mr Colless	Mr Lynn	
Mrs Forsythe	Mrs Nile	
Mr Gallacher	Reverend Nile	<i>Tellers,</i>
Miss Gardiner	Mr Pearce	Mr Jobling
Mr Gay	Ms Rhiannon	Mr Moppett

Noes, 17

Dr Burgmann	Mr Macdonald	Mr Tingle
Ms Burnswoods	Mr Obeid	Mr Tsang
Mr Della Bosca	Mr Oldfield	Mr West
Mr Dyer	Ms Saffin	<i>Tellers,</i>
Mr Hatzistergos	Mrs Sham-Ho	Ms Fazio
Mr Johnson	Ms Tebbutt	Mr Primrose

Pair

Dr Pezzutti

Mr Egan

Question resolved in the affirmative.

Amendments agreed to.

Schedules 1 to 3 as amended agreed to.

Title agreed to.

Bill reported from Committee with amendments.

CONSUMER CREDIT (NEW SOUTH WALES) AMENDMENT (PAY DAY LENDERS) BILL**Second Reading**

The Hon. EDDIE OBEID (Minister for Mineral Resources, and Minister for Fisheries) [3.05 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce important legislation into this House which will put a stop to payday lenders charging interest rates of up to 1,300 per cent on short-term loans in New South Wales. Payday lenders' practices are arguably the shonkiest in New South Wales. Until now these rip-off merchants have taken advantage of a loophole in the Consumer Credit Code that has allowed them to proliferate in the poorer suburbs across the country and to exploit those who are desperate for cash. Consumer groups, financial counsellors and many of our colleagues have expressed concern about the effect that payday lenders' activities are having in their communities. The honourable member for Rockdale, who has an extensive background in banking and finance, has said that he was aghast at the outrageous and usurious practices of payday lenders. The Minister for Fair Trading has heard other members describe them as financial parasites, leeches and vermin. Almost no language has been too harsh.

The Hon. Michael Gallacher: This is pretty good for a second reading speech.

The Hon. EDDIE OBEID: Is the Leader of the Opposition trying to protect them? The operations of payday lenders have rightly touched a nerve in the Australian community. This bill not only applies the same rules to them that the credit providers abide by but also caps the costs to consumers at a rate that is far below the usurious rates currently charged by payday lenders. I should make very clear at this point that the bill is a State initiative that was championed by the Labor States at the Ministerial Council on Consumer Affairs last year. That is why the Minister for Fair Trading was more than surprised to see the Commonwealth Minister for Financial Services and Regulation, Joe Hockey, try to claim credit for it last week: Obviously he is desperate to score some points for the ailing Howard Government. But grandstanding in the press and saying that he urged ministerial members last November to act on this issue is a bit rich, even by his standards.

The facts are very different. The only thing I am aware of Mr Hockey doing is vociferously defending the banks at last year's ministerial meeting and responding to a letter last November that was written by the former Queensland Fair Trading Minister, the Hon. Judy Spence. Mr Hockey has never expressed an interest in this matter. He never even issued a public statement on this issue before last week. The New South Wales Minister for Fair Trading wrote to Mr Hockey expressing his surprise at Mr Hockey's new-found so-called concern for consumers. The New South Wales Minister for Fair Trading wrote:

Dear Minister,

I am writing to you concerning your recent comments in relation to the regulation of pay day lending.

It was with some bemusement that I noted your suggestion that you have been urging States to take prompt action on this matter.

As you are aware, the States and Territories were the initiators of the proposal to deal with the undesirable practices of pay day lenders and the matter has been progressing rapidly through the Ministerial Council on Consumer Affairs, of which you are a member. Indeed, the letter you wrote in November supposedly "urging action" was simply a response to advice provided on the issue by the former Queensland Minister for Fair Trading, the Hon J. Spence, MLA. Furthermore, while your correspondence indicated that you have received advice from the Commonwealth Consumer Affairs Advisory Council on pay day lending, you have not seen fit to share that Council's findings with the Ministerial Council.

The Commonwealth Government has done nothing to address the problems arising from pay day lending. Moreover, it has done nothing with its banking powers to help the low income consumers who have been forced to deal with these loan sharks. Despite repeated calls from the States and Territories, you have done nothing to counter the actions taken by banks and other mainstream lenders to force the socially disadvantaged out of their branches.

If you had really wanted to do anything to counter the damage caused by pay day lenders, you would have ensured that their financial needs were met by the institutions for which you have direct responsibility.

As you are aware, the New South Wales Government and the other States and Territories are acting swiftly to regulate pay day lending. The only action you have ever taken on this issue is one acknowledgment and a press release. The record speaks for itself.

Yours sincerely,

John Watkins MP
Minister for Fair Trading

I look forward to Mr Hockey's response to that letter. If Mr Hockey is so concerned about the plight of families preyed upon by payday lenders, why has he continually opposed repeated calls by the States and Territories to force the banks to be more socially responsible? As recently as two weeks ago Mr Hockey opposed the sensible Federal Labor policy to implement a charter of social responsibility for banks. I cannot believe that he is so out of touch. Ordinary Australians—ordinary New South Wales families—want financial service providers, especially banks, to seriously lift their game.

The Hon. John Ryan: Point of order: I know it is an unusual point of order to be taken on a second reading speech, but the Minister has been talking a lot about banks, which have nothing to do with the subject of this bill, which is payday lenders. We have heard a fairly significant tirade of abuse against the Federal Minister, Joe Hockey, and so on, with regard to banks. I know that normally second reading speeches are well-crafted exposes of the contents of a bill, but the Minister's speech does not appear to accord with that rule. I ask you to caution the Minister to stick closer to the leave of the bill, which does not make any reference whatsoever to banks.

The Hon. Duncan Gay: Go and play politics somewhere else.

The Hon. EDDIE OBEID: The Deputy Leader of the Opposition, of all people, should not speak about playing politics.

The PRESIDENT: Order! There is certainly no particular standing order that relates to second reading speeches. However, there is of course Standing Order 81, which generally refers to relevance. It would appear from the Minister's speech that payday lenders and banks are, as a generality, involved in the same sorts of behaviour. The Minister may proceed; however, I draw his attention to Standing Order 81, which relates to relevancy.

The Hon. EDDIE OBEID: I cannot believe that the Federal Minister is so out of touch. Ordinary Australians—ordinary New South Wales families—want financial service providers, especially banks, to seriously lift their game. It is a bit rich for Joe Hockey to say that he is opposed to a charter of social responsibility and yet try to pretend he now has a social conscience. The people of Australia will vote with their feet—

The Hon. John Jobling: Point of order: It is with reluctance that I take a point of order. However, ruled on the previous point of order that the Minister's speech should be relevant and that he should return to the leave of the bill, the Minister has now proceeded to flout that ruling, has taken no notice of it whatsoever, and is continuing to read his prepared speech. I ask you to bring him back to the leave of the bill and the title of the bill. The title of the bill contains no reference whatsoever to the word "banks", or to Joe Hockey or to most of the other matters with which the Minister has proceeded to regale this House.

The Hon. EDDIE OBEID: To the point of order: I paid the Opposition the courtesy of not speaking to the previous point of order. I am covering the issue in relation not only to payday lenders but also to other institutions that lend to consumers. I believe that if one reads the entire text of the speech—

The Hon. John Jobling: Did you say you are speaking to the point of order?

The Hon. EDDIE OBEID: Yes, I am speaking to the point of order you just raised. I have sought to reply to the behaviour of the Federal Minister, Joe Hockey, in his role as the main legislator for these institutions. I believe that the second reading speech puts the picture as it truly is.

The PRESIDENT: Order! The full title of the bill is Consumer Credit (New South Wales) Amendment (Pay Day Lenders) Bill. Its short description is as follows:

A bill for an Act to amend the Consumer Credit (New South Wales) Act 1995 with respect to the provision of short-term credit; and for other purposes.

Given the general title of the bill, obviously the Minister is able to canvass other providers of credit, such as banks. I would think it would be very difficult to speak about lending and credit without making some reference to the situation in other States or federally. However, I once again draw the Minister's attention to Standing Order 81. The Minister may continue.

The Hon. EDDIE OBEID: I mentioned previously that the Ministerial Council on Consumer Affairs had endorsed the proposal to bring payday lenders under the code. Later this year an amendment will be made to

the uniform Consumer Credit Code enacted by the Queensland Parliament, which will apply in New South Wales as provided by the Credit Laws Agreement. However, until that time, and in view of the urgent need to stop the proliferation of these lenders in this State, this bill will apply the Consumer Credit Code to payday lenders in New South Wales from the time it is passed. The bill achieves this by applying the code to lenders who provide credit for less than 62 days unless their fees are less than 5 per cent and the interest rate is less than 24 per cent. The bill specifically excludes those products which the code intended to exempt, such as authorised overdrawn cheques and the like.

Once the bill is passed, all the code's protections will be available to consumers of payday loans. The code's protections include pre-contractual disclosure of all costs and terms and conditions of the loan, which is a basic protection currently unavailable to payday loan borrowers. All they get now is a form to sign to authorise direct debits from their accounts. Other relevant protections include a requirement that a copy of the contract be provided, as well as restrictions on repossession and enforcement. Payday customers currently receive little or no documentation, and securities are taken, commonly over cars, for loans amounting to a fraction of the value of the car. Those securities may be seized and sold if the consumer is one day late in making a repayment. This practice will be illegal when payday lenders come under the code. The bill provides a very important cap on what those lenders can charge. Honourable members would be aware of the exorbitant charges levied by these lenders in view of the considerable unfavourable press coverage they have received. It is not uncommon for the charge for payday credit to be in the order of 1,000 per cent if it is calculated as an annual percentage rate.

The problem the bill will overcome is the claim by payday lenders that they do not charge interest. In short, the true cost of the loan is currently disguised. Unsuspecting customers often do not realise the extent to which they are being slugged as they are charged a flat fee. That means that even though they might be able to get credit elsewhere, they cannot compare the cost, as reputable lenders disclose their costs as an annual percentage rate. That is why this bill will require payday lenders to express the cost of credit as an annual percentage rate. Consumers will then be able to see what they are getting into. Moreover, the maximum interest rate that is applied to credit in New South Wales can then be applied. That rate is currently prescribed at 48 per cent, which is the same rate as in the other jurisdictions which impose a cap—that is, Victoria and the Australian Capital Territory. Since there are currently no meaningful contracts and payday lenders are not subject to current regulation, these lenders have been charging whatever fee they think they can get away with for, say, late payment or to get back a repossessed car or goods.

The Government believes that the intention of the maximum prescribed rate would be subverted if it was applied only to the annual percentage rate that payday lenders will be required to disclose. Therefore, the bill requires all their charges to be included in the calculation of the maximum interest rate. This will be the case for credit which is to be provided for up to 62 days or for prescribed contracts. This step has been taken so that disreputable lenders cannot escape the cap by disclosing a rate well below the maximum and then inflating their fees to maintain their excessive profits. I commend the bill to the House.

The Hon. MICHAEL GALLACHER (Leader of the Opposition) [3.20 p.m.]: I speak on behalf of the Opposition to the Consumer Credit (New South Wales) Amendment (Pay Day Lenders) Bill. My contribution to this debate will be relevant—unlike the Minister's contribution—and I hope it will be of greater assistance to people who read the debate. In recent times honourable members have received a lot of correspondence about payday lenders. The Parliament has a moral obligation to ensure that the most vulnerable people in our community are protected. The evidence is compelling: this legislation will provide protection for many consumers who use the services of payday lenders. The legislation will ensure that the system does not swallow them up, as we have been told by the Minister for Mineral Resources in this place, the Minister for Fair Trading in another place and victims. I refer to the biggest disappointment in relation to this legislation. On 11 October 2000 the Minister for Fair Trading gave the following assurance in the Legislative Assembly:

Payday lenders are nothing but loan sharks preying on people desperate for cash. ... That is why I am pleased to be able to advise the House ... that New South Wales, in conjunction with other States, is in the process of closing the loopholes that have allowed these unsatisfactory practices to arise.

He continued:

Let me make it clear: it is my intention to move quickly ...

He made that speech in October 2000—it is now June 2001. If that is the Minister's idea of moving quickly, I shudder to think what he means when he says that it will take us some time to work these issues through. Members of the Opposition are waiting for the Minister to fulfil some of his other promises to the people of New South Wales, the biggest chestnut of which is that he will single-handedly reduce petrol prices. I do not

intend to digress further down that path. The Minister's credibility has to be questioned. Once the ink dries on his press releases and he has made his comments to the media, the Minister scurries back into his office and looks for yet another issue to run with, releases another press release and does very little with it.

This legislation has taken many months to hit the decks of the Legislative Council. If the information that members of the cross bench and the Opposition have received from interested parties directly involved in this industry is correct, this Minister has had little, if any, consultation with stakeholders in the preceding months. That is of extreme concern to the Opposition. We recognise the need to ensure consumer protection and we wish to be assured that this legislation will provide that in a fair and equitable way. At the same time, we want to ensure that payday lending stays in place. Consumers must be protected in the process; there must be a balance. The Opposition has received correspondence in the past few days which indicates that consultation has not taken place.

It is important that all people involved in payday lending have an opportunity to state their case. There is no doubt whatsoever that consumers have had an opportunity to speak to the Minister, but it is equally important that those on the other side of the ledger—that is, the providers of payday credit—have an opportunity to put their case to the Minister and protect their interests. The Opposition has been told that some payday lenders are best described as questionable or, to use the Minister's words, "loan sharks". However, others are reputable. The Opposition wants to be assured that payday lenders have had an opportunity to state their case to the Minister and that he, at the very least, considers it. I move:

That this debate be now adjourned until the next sitting day.

The Hon. RICHARD JONES [3.26 p.m.]: Today we had a meeting with payday lenders. They are not loan sharks—as they have been described in this Chamber—they are ordinary businesspeople trying to make a dollar. Sure, some try to make too many dollars, but they are basically ordinary business people with a number of clients. I have been provided with a list of clients and their comments. We need time to examine this bill in much more detail. Therefore, I support the motion to adjourn the debate so that payday lenders have a chance to meet the Minister and be consulted, and so that we have a chance to digest the information they have given us.

The Hon. JOHN RYAN [3.26 p.m.]: I support the sensible motion moved by my colleague the Leader of the Opposition. I do not think any honourable member would accuse me of being backwards in coming forwards in protecting consumers. I have been a vocal advocate for consumer rights. There is little doubt, from some of the stories I have heard with regard to consumer credit, that there is reason for concern. The Minister has every reason to be concerned—although I am not exactly sure that I would use the term "loan sharks" in a second reading speech. Nevertheless, payday lenders have been described in that way. In some circumstances people who have borrowed a fairly modest amount of money have lost their motor vehicle or put their home mortgage under difficulty. There is little doubt that regulation is needed in this area. On Friday afternoon correspondence from people purporting to represent payday lenders crossed my desk. I picked it up with some amusement and fired off a missile to them, the contents of which I have since shared with the Minister. I will quote part of the letter, so that it cannot be used in a context over which I do not have some control. I wrote to the manager of Money Plus and said:

You have to be kidding. Now we hear from you! All I can say is you may have had a case, but you have hardly given yourself a chance when you turn up on the death-knock begging for mercy. The dogs have been barking against your industry for months and you have been totally discredited with the public.

This was a letter in support of the Minister's bill. Nevertheless, this morning I received a letter from Money Plus. To some extent, it causes me to apologise for the tone of my letter. I am prepared to admit that perhaps my letter was strong. It said:

Dear Mr Ryan

Although the content of your letter, in response to our paper concerning the Consumer Credit NSW Amendment (Pay Day Lenders) Bill 2001 was tough in its message, we appreciate you taking the trouble to respond and we take your criticisms on the chin.

He then explained:

Our problems are that the industry fragmented considerably, late last year, when a major franchise system fell apart and a number of outlets formed other associations. The original organisation's management was understood to have had in hand the presentation of our position to the Minister and members of parliament. Unfortunately this was not so.

He further explained:

To address this problem, we contacted Minister Watkins at the beginning of April 2001 and were provided with an opportunity to meet with him, to discuss the bill, next Wednesday 6th June. Neither his office, nor our various local ALP MP's who we were in contact with alerted us to the possibility that the bill would be introduced before the Wednesday meeting. We have enclosed our chronology of the events.

That chronology of events was enclosed. It discloses the names of members of the Minister's staff. I do not believe it is fair in these circumstances to put those names on the public record. Nevertheless, if members wish to peruse the chronology, I am happy to give them access to it. In any event, some Labor members had made submissions on behalf of the industry. They include the honourable member for Londonderry. The point I make is that the industry is in general agreement that it needs to be regulated. In that respect, we are all as one. I understand there is difficulty with only one provision of the bill, and that relates to amalgamating charges and interest charges.

Frankly, I can understand the Minister wanting to make sure that these matters are dealt with sensibly, because it is possible to have a fairly low interest rate which, although accompanied by a whole range of charges, gives a false impression of what the real interest rate really is. Nevertheless, I accept that payday lenders are providing a facility to people who often are not good loan risks—otherwise, the banks would be taking up their needs. Quite a number of people who access loans from payday lenders default. It is therefore necessary for such lenders to add what appears to be a fairly considerable charge to the cost of borrowing money. That cost, compared with those of banks, might appear to be unreasonable.

The interest rates can be quickly represented as a 48 per cent charge on a \$100 loan, but might look more modest if amortised over a \$2,000 or \$3,000 loan, which is not unusual. But I understand there is difficulty in only one area: they wish to speak to the Minister tomorrow about this. That seems fair play. Notwithstanding my support for the industry, some aspects of it are suspect. In my opinion the regulation appears to come within the definition of what is called a Henry VIII clause in Erskine May's *Parliamentary Practice*. Those who wish to look at page 574 of Erskine May will find, essentially, that a Henry VIII clause is a clause in a bill that allows the statute to be altered by means of regulation. I draw attention to the provision in the bill:

In the case of a short term credit contract, the regulations may require interest charges ...

It is not impossible that that regulation will be more than is necessary to achieve the objects of the bill. So there are legitimate reasons to examine that provision. The bill is scheduled to be debated tomorrow. I entirely support the adjournment motion on the basis of fair play. It is important for the New South Wales Parliament not to be seen as railroading an industry that may well consist of perfectly reasonable people. In those circumstances, 24 hours seems a not unreasonable length of time to adjourn debate on the bill. As my leader said, this debate was initiated last November, and a day is hardly a big deal. I appeal to the Government to support the Leader of the Opposition's motion to defer debate on this bill for a day.

Reverend the Hon. FRED NILE [3.32 p.m.]: The Christian Democratic Party supports the motion to adjourn this debate to allow further consultation on the provisions of the bill. However, it may be that that consultation will result in agreement that the bill not proceed immediately tomorrow. In that circumstances, it may be necessary to amend the bill. Honourable members should not assume that the bill will be put forward tomorrow at some particular time. It should be debated when the Government has had satisfactory consultation and possibly agreement.

Motion for adjournment agreed to.

COMPANION ANIMALS AMENDMENT BILL

Second Reading

The Hon. EDDIE OBEID (Minister for Mineral Resources, and Minister for Fisheries) [3.34 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

The *Companion Animals Act 1998* was introduced by this Government as part of its review agenda for animal welfare legislation in New South Wales. The Act provides a sound framework for the management of companion animals in the new millennium and reflects current community values and expectations about animal management and welfare.

The Companion Animals Act has been fully operational since 1 July 1999.

The aim of the current amendments is twofold:

- first, to impose stronger penalties on the owner of an already declared dangerous dog which attacks a person as a result of the owner's failure to comply with their obligations; and
- second, to address a number of practical enforcement issues that have arisen since the commencement of the Act.

Already there are higher penalties for a number of offences where a dog has been declared dangerous. The current penalties for a declared dangerous dog which attacks again are already 10 times higher than for other dogs.

For a dog to be declared dangerous under the Companion Animals Act, it must have, without provocation, attacked or killed a person or animal, or repeatedly threatened to attack; this is provided in section 33 of the Act. Once declared dangerous, there are a number of specific control requirements imposed on the owner of the dog under section 51 of the Act. These include desexing the dog, ensuring that the dog is always on a lead and muzzled when away from the property where it is usually kept; displaying a dangerous dog warning sign on the property and keeping the dog in a child-proof enclosure.

Failure to comply with these requirements is currently an offence with a maximum penalty of 50 penalty units and may also result in the seizure of the dog by a council officer under section 52 of the Act.

I must emphasise that the majority of dog owners are responsible and loving carers. In the vast majority of instances, dogs are valued and loved family members. These well socialised dogs, far from being a danger, provide a number of benefits to our community.

However, there are a small number of cases where the owners of dangerous dogs do not take the necessary precautions to protect the public. Although the number of dog attacks each year are very small and dogs rarely attack without provocation, dog attacks do occur and these attacks can be serious, or even fatal.

The bill will create an additional offence whereby the owner of a dangerous dog will be guilty if an attack on a person is the result of the owner's failure to comply with the requirements under section 51 that I mentioned earlier, such as keeping the dog in a child-proof enclosure. This new offence carries a maximum penalty of 200 penalty units or imprisonment for two years, or both. It also provides for the owner to be automatically and permanently disqualified from owning a dog.

This penalty ensures consistency with other relevant legislation as advised by the Attorney General. Under the Crimes Act 1900 it is an offence under section 35A if a dog is used to maliciously inflict grievous bodily harm, or actual bodily harm, on a person. The maximum penalties are seven or five years imprisonment respectively. A person convicted of either of these two provisions is also permanently disqualified from owning a dog under section 23 of the Act.

In addition the bill provides for more effective enforcement of the existing dangerous dog and restricted breed control requirements.

Currently under clause 25 of the *Companion Animals Regulation 1999*, dogs which are declared dangerous must be lifetime registered within seven days of being declared dangerous. However the penalty for failure to comply is simply a fine. The bill provides for the requirement to lifetime register to be treated in the same way as the other control requirements imposed on dangerous dogs and restricted breeds. Thus, failure to comply will result in a much higher penalty and/or the dog being seized by an authorised council officer.

The bill therefore includes lifetime registration as a requirement for dangerous dogs in section 51 and for restricted breeds in section 56. Clause 25 of the regulation will also be amended accordingly. The registration requirement applies seven days after a dangerous dog declaration regardless of the dog's age, and at six months of age for restricted breeds.

The bill also includes a number of minor amendments which are intended to improve the effectiveness of the existing legislation for councils in light of experience since the implementation of the Act.

These amendments are intended to assist councils in obtaining compliance with the requirements of the Act, are consistent with responsible ownership and remedy a number of shortcomings in the present arrangement. Advice has been sought from the Companion Animals Advisory Board and other key stakeholders on problems with the legislation so that appropriate and considered amendments can be made. Only non-controversial and pressing amendments have been included at this time.

At the moment an owner can only ever be fined once for owning an unregistered animal. Once fined, there is no incentive at all to register the animal. This was not the intention when the *Companion Animals Bill* was drafted and the effect was only discovered after the Act had commenced. Given that the penalty for "animal not registered" is \$110, versus the cost of registering an entire animal at \$100, many councils have reported that "irresponsible" animal owners have little incentive to lifetime register their animals.

To address this situation, the bill creates two new offences which cover unregistered animals which are legally required to be registered.

The first offence will allow the owner of an unregistered animal, which is legally required to be registered, to be fined if the animal is found in a place other than the place where it is ordinarily kept.

A second new offence of "failure to comply with notice to register within 28 days" is also created. This will cover the circumstance where council has sent the owner a notice reminding them that their animal is overdue for lifetime registration. If

the owner ignores that notice and fails to lifetime register their animal within 28 days of the date of the notice, the owner will be guilty of an offence, unless the animal is otherwise exempt under the provisions of the companion animals act. An example of a dog which is exempt from registration would be a dog used for the primary purpose of working stock—section 3 of the Act. A new offence may occur, and an additional penalty imposed, every six months until the dog is registered.

For both these new offences the maximum penalty is two penalty units which is presently \$220. The penalty has been set at a level which is not unduly harsh as they are both offences which can be repeated. This provides a greater incentive for animal owners already caught once to lifetime register their animals for the future. Once registered it is then possible to identify the owners when animals are involved in other breaches such as straying or attacking. This encourages responsible ownership which is more consistent with the *Companion Animals Act*.

The bill also extends section 11 of the Act so that it applies to identified-only animals as well as those which are lifetime registered. Currently only owners of animals which are microchipped *and* lifetime registered are required to update their records on the register when there are any changes of ownership or address. This has caused problems, particularly for breeders and pet shops not properly completing forms with respect to changes of ownership. To maintain the integrity of information contained on the New South Wales Companion Animals Register, this bill will ensure that all changes of ownership and address must be notified.

The bill also introduces measures which will regulate all situations where dogs and cats are microchipped in New South Wales. Currently, in situations where animals are not required to be registered under the *Companion Animals Act* but the owners voluntarily choose to microchip their animals, there is no regulation of the microchipping processes used. This includes cats which were owned before 1 July 1999, working dogs, and dogs still on the old annual registration system. At the moment, anyone can insert the microchip, any microchip can be used and the animal need not be listed on the New South Wales Companion Animals Register.

This situation has caused problems with at least one supplier providing microchips which do not comply with the international standard. This supplier has been encouraging vets and other unregulated and possibly untrained persons to use non-ISO microchips on certain categories of animals.

Untrained and unqualified persons inserting microchips creates potential health and welfare risks for animals. The use of non-ISO microchips also has the potential to compromise the integrity of the register itself, since the non-ISO microchips are not guaranteed to have unique numbers.

The bill extends the regulation of microchipping to not only cover animals required to be microchipped under the Act, but also animals whose owners have chosen to have them chipped voluntarily.

Now all people doing microchipping in New South Wales will be covered by the Act and will have to follow the director general's guidelines. If not authorised to microchip under the Companion Animals Act they may be fined; or if they are authorised under the act but breach the Act, regulations or guidelines they may have their authorisation withdrawn.

This measure will provide responsible pet owners with greater protection against untrained microchippers and non-complying microchips, and will ensure that all owners can be confident that by microchipping they are listing their pet on the New South Wales Companion Animals Register.

At the moment under the Act it is a defence for an animal owner to say that someone else, such as a professional dog walker or boarding kennel, was in charge of the animal at the time that an offence occurred. However, there is no corresponding offence provision for that person. The bill provides that the person in charge of the animal may, for certain minor offences only, be guilty of the offence in lieu of the owner. This situation will only occur when the owner is not present, and has left the dog or cat in the charge of another person who is aged 16 or older.

These offences include “dog not under effective control in a public place” and “failure to remove dog faeces”, and range from \$55 to \$220 in penalty notices for normal dogs and cats. There are higher penalties for dangerous dogs and restricted breeds, but it should be noted that these dogs must never be left in the sole charge of anyone under the age of 18—this is already a requirement of the Act.

The bill also addresses some operational difficulties encountered with the confidentiality and misuse of information provisions of the Act, as well as bringing the legislation into line with the *Privacy and Personal Information Protection Act 1998*. The Government takes its responsibilities very seriously with respect to protecting the privacy of animal owners.

The *Companion Animals Regulation* was amended in July 2000 to address some of these issues. It is now proposed to amend section 89 of the Act to make a single, comprehensive provision in the principal legislation to address privacy issues, as well as other issues to do with the integrity of information collected under the Act. This section will draw together clauses 29 to 31 of the regulation with the existing privacy and confidentiality provisions of the Act.

Currently section 89 only covers information acquired in the exercise of functions under the Act; it does not adequately cover information obtained unlawfully. It also covers unlawful disclosures of information, but not the unlawful *use* of information.

The current penalty for the offence is inadequate given the community's concern to protect personal information. The Act will be amended to cover the misuse of confidential information, whether lawfully or unlawfully obtained. It will also cover not only information from the New South Wales Companion Animals Register, but other confidential information that may be obtained under the Act.

In conclusion, these measures will strengthen the protection of privacy of animal owners, and ensure that personal information collected about animal owners under the Act is not unlawfully used or disclosed to third parties. The maximum penalty will be increased from 10 penalty units to 25 penalty units for confidential information, or 100 penalty units for suppressed records.

I commend the bill to the House.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [3.35 p.m.]: The Companion Animals Act 1998 was introduced by the former Minister for Local Government, the Hon. Ernie Page—another one that the Coalition has removed. The Government has lost two local government ministers, and Ernie was probably the better of them.

The Hon. John Johnson: Be nice, Duncan.

The Hon. DUNCAN GAY: Are you saying you do not like Ernie Page?

The Hon. John Johnson: I said, "Be nice."

The Hon. DUNCAN GAY: I am being nice.

The Hon. Eddie Obeid: You are never nice.

The Hon. DUNCAN GAY: I am always nice. As I was saying, the Act was introduced by the Hon. Ernie Page as part of a reform process aimed at reviewing animal welfare legislation in New South Wales. The original bill, frankly, was badly written legislation that required more than 200 amendments to render it mildly workable. Under the original, dare I say mean and tricky, bill, it would have been perfectly legal to take to a stray cat with a shovel! That is how silly the original legislation was. Problems still exist, despite the 200 amendments, and the bill currently before the House is a further attempt by the Government to amend the Act to fix some of the more obvious problems.

In his second reading speech the Minister referred to the Act as the vehicle for sound framework for the management of companion animals in the new millennium that reflects current community values and expectations about animal management and welfare. Frankly, that was something of an outrageous statement. The bill does not go anywhere near doing that. I am sure the department and the Minister know that. As I have said, it is pretty ordinary legislation—well-intentioned, but badly performing. The Opposition contends that the Companion Animals Act has become a chain around the neck of many councils, veterinarians and pet owners across the State, and could hardly be described as a sound framework for anything.

Whilst members of the Opposition support the concept of responsible pet ownership, we continue to have significant concerns about the operation and administration of the Act. Last year I wrote to councils across the State seeking their views on various aspects of the Companion Animals Act. More than 60 councils responded to the survey form that I sent to them. The message I received was clear: this Act has impacted heavily on council finances and resources. The Act is a burden; it is presenting problems relating to database access and data entry. The Act, frankly, is causing community concern. In short, the Act has fallen short of the Government's original stated aim of effective pet management—an aim that the Opposition continues to support.

The bill contains two separate sets of amendments that go some way towards addressing the outstanding issues in the Act. The bill is a start, but it is in no way a solution to the multitude of problems posed by the Act. The first set of amendments in the bill are aimed at strengthening the penalties that can be imposed on the owners of dangerous dogs who fail to comply with their obligations. Stronger penalties are currently in place for a number of offences when a dog is declared to be dangerous. The Opposition supports those amendments, which mean that the penalties for offences pertaining to dangerous dogs are now 10 times higher than those for offences pertaining to other dogs. That is a sensible amendment.

The Act currently places conditions on the owners of dangerous animals to ensure that the animals do not pose a threat to members of the public. These conditions include specific control issues, including desexing, ensuring that the animal is on a lead and is muzzled while in a public place, the display of a dangerous dog sign on the property where the animal is ordinarily kept, as well as the requirement to keep the dog in a child-proof closure. Under section 51 of the Companion Animals Act failure to comply with those requirements attracts a maximum penalty of 50 penalty units and may result in the seizure of the animal under section 52 of the Act. A new offence contained in the bill will mean that the owner of a dangerous dog will be guilty if an attack on any person results from the owner's failure to comply with the requirements of section 51 of the Act, to which I have referred.

The new offence will carry a maximum penalty of 200 penalty units or imprisonment for two years, or both. So The Government is getting fair dinkum. The owner of the dog involved in the attack would be

automatically and permanently disqualified from owning a dog. The Opposition supports the creation of this new offence. Some may claim that the penalty is too harsh and draconian, but the figures speak for themselves. Last year in New South Wales 213 dog attacks were reported, 134 of which occurred on humans. More than 70 per cent of the attacks took place in public places, with 29 different breeds of dogs identified as being responsible for the attacks.

The Hon. John Johnson: How many attacks on postmen?

The Hon. DUNCAN GAY: And how many attacks on politicians who go doorknocking? One of the most brutal attacks took place in 1997. A five-year-old boy was brutally attacked by a pig dog near Walgett. The child was alone with the dog during a hunting trip and the animal turned on him, attacking his head and neck. Although the child recovered, he required extensive surgery to repair deep wounds and cuts. The Opposition supports any move to strengthen the penalties that can be applied to owners of dangerous dogs for breaching their responsibilities. Although the number of attacks falls each year, the potential for harm is present. Any move to minimise the chances of a dangerous dog being on the loose in the public has to be supported.

The bill also addresses the practical issue of the registration of dangerous dogs. Under section 25 of the Act, dogs that are declared dangerous must be lifetime registered within seven days of having been declared a dangerous animal. However, the current penalty for failure to comply with the requirement is simply a fine, which means that owners of dangerous dogs are not compelled to register those animals and they continue to pay fines if they are caught out by council rangers. That is an example of the types of problems that occur when legislation is not properly thought out and consideration is not given to all the practical issues. The bill, therefore, includes lifetime registration as a requirement for dangerous dogs listed in section 51 of the Act and for restricted breeds listed in section 56. Failure to comply with the lifetime registration requirement will attract higher penalties and/or the dog being seized instead of a fine.

The Opposition will move an amendment in Committee relating to the registration of animals, which I will talk about later. Currently, persons collecting an undesexed animal from a pound or purchasing an unclaimed, undesexed animal from a pound pay a registration fee of \$100. However, people collecting their own desexed animal from a pound or purchasing an unclaimed, desexed animal from the pound pay a registration fee of \$35. The suggested amendment would give people buying or reclaiming an undesexed animal the option to have the animal desexed within 28 days of taking the animal from the pound. Upon providing proof of desexing they will receive a refund of \$65, making the total paid for registration \$35. The main advantage of this amendment would be an increase in desexing rates and a reduction in the number of animals left at pounds or animal welfare organisations.

I have been advised by Parliamentary Counsel that this amendment is within the leave of the bill. I hope that the Opposition receives support for this sensible move. I look forward to the comments of the Minister for Fisheries when that amendment is debated. I would like to establish what is the Government's stance in relation to that issue. The amendment has the support of the RSPCA, which stated in a letter to me that, while this bill goes some ways towards addressing the problems of the Act, it believes a full review of the legislative requirements relating to companion animals is now needed—a view with which I wholeheartedly concur. I will speak more about that issue later.

Other minor amendments in the first part of the bill are targeted at fixing up problems that have emerged since the Act commenced operating in 1998. I note that the Minister said in his second reading speech that only non-controversial and pressing amendments had been included at this stage. The question for the Minister is: When will the Government address the major issues facing councils—issues such as the cost burden of the Act; the use of and access to the pet registry database; the arbitrary approach by some councils to enforcing the Act; and registration discounts for pensioners? Frankly, I would have thought that all those important issues would have been included in the first amending bill. The Opposition will be seeking some answers from the Government in relation to those issues.

The Opposition believes that it is time for a full-scale review of the Act to identify and pursue further major problems. The bill addresses other registration issues. Currently a pet owner can be fined only once for owning an unregistered animal. That means that once owners have been handed a fine there is no incentive to register an animal and owners are safe in the knowledge that they cannot be fined again. The penalty for not registering an animal is \$110, yet the cost of lifetime registration is \$100. Many people are choosing to cop a fine, pay the extra \$10 and incur all the inherent problems rather than register the animal. The bill creates two additional offences. The first offence will lead to the owner of an unregistered animal being fined if the animal is found in a place other than the place where it is ordinarily kept.

The second offence of failing to comply with notice to register within 28 days will cover a situation where a council has sent a notice warning that an animal is overdue for lifetime registration. If owners ignore that notice and their animals are not exempt from registration under the Act, a fine can be issued. A new offence may occur and another fine may be levied every six months until the dog is registered. Frankly, these are sensible new offences—offences that the Opposition believes should already have been included in the Act. Another anomaly that currently exists is that only owners of animals that are microchipped and lifetime registered are required to update their records on the statewide pet registry when there are any changes of ownership or address. Obviously that has caused problems.

I have received many complaints in my office from pet owners and councils on this issue. The provision makes it difficult to track the owner of an animal because in some cases a breeder or a pet shop owner who is selling the animal may not complete the forms relating to the change of ownership. The bill, therefore, requires all changes of ownership or address to be notified. That is another issue that should have been addressed in the original bill. The bill also addresses the regulation of the microchipping of animals in New South Wales. A peculiar situation currently exists in that owners who choose to microchip their animals, but who are not required to register those animals on the pet registry, are not subject to any form of regulation. Those animals not required to be entered into the pet registry include cats which were owned before July 1999, working dogs and dogs still on the old annual registration system.

This provision in the bill will mean that all people conducting microchipping will be covered by the Companion Animals Act and will be subject to guidelines and directives from the Director-General of the Department of Local Government. That is also a sensible amendment. It offers a greater level of protection to pet owners who will be safe in the knowledge that the microchipping process is being carefully regulated. It will mean that unauthorised microchippers operating outside the Act can now be fined and may have their accreditation withdrawn. The Minister referred in his second reading speech to the use of non-International Standards Organisation microchips in New South Wales. He claimed that at least one supplier has been providing chips that do not conform with international standards.

It is worth pointing out that some 18 months ago ISO test chips, which do not have a unique serial number and were never intended for widespread distribution or implantation, were sent out around the State. The Minister confirmed in answer to a question on notice and before an estimates committee that some 15,000 test chips with the test No. 999 were distributed in New South Wales. That means there is no way of telling who owns an animal carrying such a chip; 15,000 have the same test number. We were assured that not all of those test chips were implanted—that there were only very few—but it is frightening that so many were distributed. I acknowledge that the department recalled the test chips; however, the problem has been not only with non-ISO chips but also with chips that comply. The Minister should bear that in mind.

Other offences created by the bill go some way towards addressing some of the peculiarities of the Companion Animals Act. Currently it is an offence for the owner of an animal to claim that someone other than the owner was in charge of the animal at the time an offence occurred. If an animal attacked while a professional dog walker was taking it for a stroll in the park, the owners could claim that the animal was not under their control and, therefore, escape a fine. There is no corresponding fine for the person in control of the animal. The bill allows for the person in control of the animal to be fined in lieu of the owner, provided that the owner is not present and that the person in charge of the animal is over the age 16.

The Opposition is pleased that the bill also contains provision to address operational difficulties experienced with regard to confidentiality and privacy issues. The existence of the statewide dog register means there is a large repository of centralised data on thousands of pet owners. Any misuse of that information could be a serious privacy breach. Section 89 of the Local Government Act covers only information that is required in the exercise of functions under the Act. The problem is that section 89 does not cover information obtained unlawfully by people other than those authorised to access the registry. The Opposition is pleased that the amendments in that regard will strengthen the protection of privacy of pet owners. Penalties will be increased dramatically, and that is appropriate.

The Opposition welcomes this bill as an important first step in rectifying problems with what has been proven to be a fundamentally flawed piece of legislation. The Opposition hopes that reform will not stop with this bill and that the Government may move to a full and open review of the principal Act to deal with the remaining matters of concern. I indicate to the Minister that I would be keen to work with the department and with the Companion Animals Advisory Board on that review. I hope it will be possible for a bipartisan approach to be taken to any such review.

The Hon. Dr PETER WONG [3.53 p.m.]: I support the bill, which is a commendable attempt to protect the community from known dangerous dogs. We are talking about dogs that have been identified as requiring additional care and responsibility by their owners—for example, ensuring that dogs wear muzzles in public, that they are housed in childproof enclosures, and so on. In an attempt to provide an incentive for owners to register their pets the bill also introduces an offence relating to animals being outside their owner's property. Currently, there is no real incentive for pet owners to register their pets with the council from six months of age, as required by the legislation. It is hoped that this new offence will provide that incentive to some owners.

I take this opportunity to encourage the Government, if the bill is passed, to conduct an extensive community education campaign. Such a campaign is particularly important for those from non-English-speaking cultures where registration of pets is perhaps not so common. We need to ensure that this proposed legislation achieves its aim of providing an incentive to owners to register their pets and not become a revenue-raising opportunity for cash-strapped councils. The Unity party is encouraged to note that a moderate maximum penalty of two units applies, and this may limit the revenue-raising opportunity. For this reason, the Unity party supports the bill.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [3.54 p.m.]: The Democrats support this bill as it makes some changes to dealings with dangerous dogs and as such will protect the public. We believe a number of improvements could be made to the original Act. When the original bill was introduced I moved an amendment to include as an object of the bill a commitment to the preservation and protection of native wildlife. That aspect was not dealt with in the bill until I sought to include it at the end, because when the compromised bill was being negotiated—and one can see that the bill is a highly structured compromise between a number of distinct vested interests—nobody was negotiating on behalf of native wildlife and the effect companion animals might have on them. With the change being restricted to dangerous dogs, there has been no improvement.

I understand from the Government that more extensive changes are being discussed, and we would certainly like to look at them. Some consideration must be given to native wildlife, and some realistic measures implemented to protect native wildlife. The Democrats have some amendments that I will talk about in a moment. If changes are to be made to the Act, we would suggest that one such change provide some incentive for owners to desex their animals. We suggest further that registration fees be used to allow councils to retrieve injured and stray animals and return them to their owners.

For my analysis of this bill I would like to thank the Wildlife Information and Rescue Service [WIRES] and the Humane Society International. The amendment I propose is low-cost but effective. It was suggested by WIRES. Apparently 90 per cent of people want to take action to stop companion animals damaging native wildlife but they do not know what action to take. The suggestion from WIRES is that leaflets be distributed by councils through the Director-General of the Department of Local Government, which is the peak registration authority. Any costs associated with the distribution would be met from existing funds. Section 85 already authorises payments from the Companion Animals Fund to meet expenditure in connection with the administration of the Act, and information would be provided by WIRES or some other group nominated by the Minister that is a neutral but reputable authority on the protection of native wildlife.

I note the first amendment proposed by Hon. Richard Jones, which relates to incentives to desex animals, is identical to the amendment proposed by the National Party. I note also that the Hon. Richard Jones is wearing a tweed coat this afternoon. I hope it is an indication of a measure of harmony between the honourable member and the National Party. I will support either amendment. I will also support the second amendment of the Hon. Richard Jones, which seems to continue this theme of increasing incentives to desex animals.

Another suggestion of mine that has not been taken up or addressed is the use of an electricity utility database as an additional means of tracing owners before pounds put unclaimed dogs to death. I hope the matter will be discussed should this proposed legislation be considered further.

The Hon. Duncan Gay: There would be privacy considerations with such a suggestion.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The privacy issue is significant but the caveat I would place on the scheme would be that owners registering dogs would give permission for the electricity utility database to be used as a search tool should, for instance, the owner of a dog that has been impounded has moved house and has inadvertently failed to notify the council of the move, which does happen. Within that framework, we support the bill and the amendments specified. I also seek support for the amendment that I propose to move in Committee.

Pursuant to sessional orders business interrupted.

QUESTIONS WITHOUT NOTICE

HIH INSURANCE

The Hon. MICHAEL GALLACHER: My question without notice is to the Treasurer. Does the State Government have legislative powers and responsibilities in relation to investigating and auditing approved insurers, including due diligence tests? Did the Government sign HIH Casualty and General Insurance as an underwriter for the Home Building Act in 1997? What due diligence checks were carried out in this instance? Was proper process followed in signing HIH as an underwriter under the Act?

The Hon. MICHAEL EGAN: The first part of the honourable member's question seeks a legal opinion, which I am not able to give.

The Hon. Michael Gallacher: Legislative powers.

The Hon. MICHAEL EGAN: Precisely. It is a legal opinion. I suggest that the honourable member put the remainder of the question on notice.

ONE.TEL EMPLOYEES ENTITLEMENTS

The Hon. TONY KELLY: Can the Special Minister of State, and Minister for Industrial Relations, tell the House what the New South Wales Government has done to support the 1,400 One.Tel employees?

The Hon. JOHN DELLA BOSCA: Yesterday the New South Wales Government intervened in the Australian Industrial Relations Commission to help the Community and Public Sector Union secure redundancy provisions in an award for One.Tel workers. It is the position of the New South Wales Government that One.Tel employees, most of whom live in New South Wales, should have access to basic redundancy entitlements. The One.Tel contracts are another example of employees negotiating on an individual basis with their employers and emerging with a substandard deal. When Peter Reith heralded the brave new world of individual contracts he assured workers that they would be no worse off. Clearly, that has not been the case in the agreements at One.Tel. The One.Tel fiasco demonstrates the relevance and importance of trade unions as a protection in the working lives of Australians. The only person who would appear to disagree with that position is the Federal Minister for industrial relations, Tony Abbott. As reported on the *7.30 Report*, on the morning of Monday 4 June Mr Abbott said:

People who are covered by award entitlements will get them—but if people aren't covered by award entitlements, they get whatever other entitlements they have ... it just goes to show what a slack union it's been over the years.

That is the CPSU. The day before, the ABC reported that Mr Abbott was "accusing the union of seeking more for the workers than they were entitled to", and said he would not be sending a representative to the Industrial Commission. By Monday afternoon, following an address by our Premier to a rally organised by Community and Public Sector Union employees, the Federal Government recognised that it had to concede to the union's claim. John Howard announced that the Commonwealth would not oppose the application by the union for an award, including redundancy provisions.

I am pleased to inform the House that last night the Federal commission granted an interim award that will provide eligible One.Tel workers with access to redundancy entitlements. The plight of the One.Tel workers is a further example of the inadequacy of the Federal Government's employee entitlements scheme. It is misleading for the Federal Government to claim that it has an adequate scheme in place. The employee entitlements support scheme pays only a fraction of what workers are owed, and the taxpayers foot the bill. As I have previously informed the House and mentioned in the public arena, the New South Wales Government supports a national scheme for the protection of 100 per cent of employee entitlements. Finally, in the considerable debate about One.Tel we have not heard one word from the honourable member for Lane Cove.

PACIFIC POWER INTERNATIONAL

The Hon. DUNCAN GAY: My question is to the Treasurer. Has Pacific Power International recently advertised in major metropolitan newspapers, including the *Sydney Morning Herald*, for a site manager to oversee the company's involvement in the construction of the Tarong North Power Station in Queensland? How

does the involvement of Pacific Power International in this multimillion-dollar construction project contrast with the Premier's statements in support of selling the company that, "We've got to do something with a small section of the power industry which now has nothing to do"?

The Hon. MICHAEL EGAN: I thank the honourable member for his question, which I will refer to the Minister for Energy for his response.

LOCAL GOVERNMENT VOTING RIGHTS

The Hon. MALCOLM JONES: My question is to the Minister for Mineral Resources, representing the Minister for Local Government. Citizens living in Thredbo and Perisher Valley do not have full voting rights in local government elections. Can the Minister explain this lack of democracy? What will he do to ensure that in future locals are given their right to participate?

The Hon. Michael Egan: Point of order: I think that involves a matter of government policy.

The Hon. John Ryan: The Hon. Malcolm Jones has been discussing government policy for some time.

The Hon. Michael Egan: We are now precluded from doing so, and that is as it should be.

The Hon. John Ryan: You are not.

The Hon. Michael Egan: The sessional orders adopted by the House last week returned question time to what it should be, that is, simply the seeking of details, not an exposition of, or argument or debate about, government policy. The first two parts of the Hon. Malcolm Jones' question are in order but the third part—I think there were three parts to the question—clearly involves a matter of government policy.

The Hon. John Jobling: To the point of order: The Leader of the House is referring to the new sessional order adopted by the House, which states that questions shall not ask for a statement of government policy. Clearly, that was the situation that existed prior to the adoption of the new sessional orders.

The Hon. Michael Egan: No, it wasn't.

The Hon. John Jobling: Yes, it was. I suggest that the honourable member have a look at the old sessional orders. In looking at a number of references, I draw your attention to the Senate rulings, which state on page 489 of Odgers:

In applying the rule that a question shall not ask for a statement of government policy ...

It is clear that deals with the ability of a member to ask a Minister about government policy. However, in the No. 12, 1989 Senate debate, it was ruled that it is in order for a question to seek an explanation of government policy; to ask a Minister about the effects of a proposal on the Minister's portfolio; to ask about a Government's intentions and the reasons for those intentions; and to seek clarification of a statement made by a Minister. Also, Kerry Sibraa ruled that a question is in order unless it seeks an expression of the Government's intentions in some matters of ministerial responsibility.

Equally in the House of Representatives it is understood that a question that clearly and directly asks a Minister to state a policy is out of order, but the request for an explanation regarding existing policy and its application, or regarding the intention of a government, is in order. Yesterday in the House of Representatives the Federal Leader of the Opposition raised a point of order in which he said that question time is the one time when the people of Australia have an opportunity—

The Hon. Michael Egan: Who was that?

The Hon. John Jobling: Kim Beazley said that question time is an opportunity to hold accountable a government of the day. The question asked by the Hon. Malcolm Jones is in order inasmuch as it was not asking the Minister to state policy; it was questioning policy and asking for an explanation of the Government's actions and intentions.

The PRESIDENT: Order! It is true that paragraph 2 (b) of the amended sessional order relating to questions without notice introduces a new element: a question must not ask for a statement or announcement of

the Government's policy. The new sessional orders are very prescriptive and explicit and I must rule in a very discreet way. The Hon. John Jobling referred to the practice in the Senate. I might say that Odgers states also that it is for the Minister to say whether a question involves a statement of government policy. As the Minister said, much of the question of the Hon. Malcolm Jones was in order—I think the first two parts—but the final part was not in order. I suggest that he rephrase the question and ask it when he next receives the call to ask a question.

BUILDING INDUSTRY WORKPLACE SAFETY

The Hon. HENRY TSANG: My question is addressed to the Special Minister of State, and Minister for Industrial Relations. Can he tell the House what has been done to improve safety in the building industry?

The Hon. Michael Gallacher: Obviously the question is about policy and your initiatives.

The Hon. JOHN DELLA BOSCA: No, no. It asks what has been done. It is a narrative about actions that have been taken. Over the past year I have informed the House about a number of WorkCover safety initiatives. Honourable members will be aware of the 15-minute safety checks for farmers that have been placed at every rural roadside mailbox in the State. The campaign in the electricity industry has been aimed at reducing the number of electrocutions that have occurred in rural New South Wales. In addition there is WorkCover's \$2 million fund to assist farmers to obtain rollover protection for tractors. A memorandum of understanding also operates in the hospitality industry, which outlines occupational health and safety practices.

At the end of this month the new WorkCover premium discount scheme comes into effect. The scheme provides discounts on workers compensation premiums for employers who improve their occupational health and safety measures. Residential builders and contractors should be providing safer workplaces. However they seem to be unaware of their legal obligations. As well as general compliance with occupational health and safety legislation, inspectors will check whether proper measures have been taken to prevent falls, dangerous handling practices, electrocution, structural collapse, falling objects, exposure to asbestos fibres and noise. Inspectors have also taken action to ensure that builders and contractors have appropriate workers compensation insurance. Inspectors have also been issued with resource kits to provide tips and advice for general safety improvements.

NO-TAKE MARINE RESERVES

The Hon. RICHARD JONES: I ask the Minister for Fisheries: Are you aware that 115 of Australia's leading marine scientists have now backed the scientific consensus statement on no-take marine reserves which has already been signed by 161 of the world's leading marine scientists? Are you aware that the considered scientific view is that the larger no-take marine reserves have spillover effects where the size and abundance of exploited species increase in areas that are adjacent to reserves and that reserves have increased populations regionally of allowable exports? In other words marine reserves benefit both marine populations and those who wish to exploit marine resources, including both commercial and recreational fishers. What are you and the Department of Fisheries doing to explain to fishers the urgent need for, and benefit of, significant no-take marine reserves along the northern New South Wales Coast, in our harbours and estuaries?

The Hon. Michael Egan: Point of order: A number of times the honourable member's question asked, "Are you aware?" That involves an assertion of fact. The honourable member could have asked, "Is it fact ...?", and in that case I think his question would have been in order. But to ask, "Are you aware ...?", and then state something as a fact is clearly contrary to the sessional orders that the House has adopted. I therefore suggest, Madam President, that you ask the honourable member to rephrase his question.

The Hon. Richard Jones: To the point of order: The Leader of the House is trivialising the motion that was passed the other day and playing with the House. Clearly the question is in order and I believe the Minister for Fisheries should have the opportunity of answering it.

The Hon. Eddie Obeid: I am not worried about it.

The PRESIDENT: Order! I have been informed that the one minute is up. I call the Hon. Jan Burnswoods.

The Hon. John Ryan: Should we not have your ruling, Madam President? The question was asked and the Minister started answering it. There are four minutes to go.

The Hon. Eddie Obeid: How do you know what I was saying?

The PRESIDENT: Order! I am finding it very difficult to hear. I certainly cannot hear the alarm that indicates that a member's time for speaking has expired. If members would keep their chatter down, I might be able to hear the timing device. The point of order is whether the phrase "Are you aware?" is in fact asking for an opinion.

The Hon. Michael Egan: No, Madam President. May I clarify the point of order?

The PRESIDENT: Yes.

The Hon. Michael Egan: My point of order is that the honourable member's question was in the form of "Are you aware?", followed by the assertion of something as a fact.

The Hon. Greg Pearce: Point of order.

The PRESIDENT: Order! Is the Hon. Greg Pearce taking a point of order on the point of order?

The Hon. Michael Egan: Madam President, he cannot take a point of order on a point of order.

The PRESIDENT: I thought he was speaking further to the point of order. I was asked by the House to rule on the point of order.

The Hon. Duncan Gay: You were making a ruling and the Leader of the House took a point of order on you.

The PRESIDENT: Order! I am finding it enormously difficult to hear today. I am certainly finding it difficult when members talk over me, and I ask them to stop doing so.

The Hon. Michael Egan: My point of order, Madam President—

The Hon. Duncan Gay: He cannot take a point of order on your ruling.

The Hon. Michael Gallacher: Madam President, he cannot take a point of order on you when you are giving a ruling.

The Hon. Michael Egan: I am not taking a point of order.

The PRESIDENT: Order! I was asking for clarification because I did not hear.

The Hon. Michael Gallacher: He took a point of order.

The PRESIDENT: Order! Do not canvass my ruling. I am asking for clarification because I did not hear the original point of order.

The Hon. Michael Gallacher: You were giving your ruling and he took a point of order on you.

The PRESIDENT: Would the Minister please clarify his original point of order?

The Hon. Michael Egan: The point of order is that the Hon. Richard Jones' question was in the form of "Are you aware?", followed then by the assertion of fact.

The Hon. John Ryan: So what?

The Hon. Michael Egan: It is out of order under the sessional orders. The point I was making is that if the honourable member wants to ask a question, he can ask whether something is true but he cannot assert it as a fact simply with a preamble—

The Hon. Doug Moppett: Unless he can authenticate it.

The Hon. Michael Egan: The Hon. Doug Moppett is spot on.

The Hon. Duncan Gay: We do not disagree with you but you interrupted a ruling.

The PRESIDENT: Order! Would anyone else like to speak further to the point of order?

The Hon. Greg Pearce: Madam President, in relation to a similar point of order on 31 May in answer to a question asked by the Deputy Leader of the Opposition concerning the Australian Workers Union election campaign, you ruled that sessional orders allow members to ask for facts. You further ruled that sessional orders allow honourable members to ask for facts as long as relevant material can be authenticated.

The Hon. Richard Jones: Further to the point of order: The Hon. Doug Moppett said that one should ensure that these facts are facts. The Minister knows that they are facts because I sent the details to him and he has actually read the scientific consensus statement.

The PRESIDENT: Order! Now that I have actually heard the arguments, I will rule on the point of order. It is true that questions must not contain statements of fact or names of persons unless they are strictly necessary to render the question intelligible and can be authenticated. Unfortunately, the member did not authenticate the statement of fact within his question. He might rephrase his question, when he is next given the opportunity to ask it, by asking, "Is it a fact ...?" rather than, "Is the Minister aware ...?"

GLOBAL 500 AWARDS

The Hon. JAN BURNSWOODS: My question without notice is addressed to the Treasurer, and Minister for State Development. Can the Minister tell the House what the Global 500 Award is?

The Hon. MICHAEL EGAN: I am pleased to inform the House that the prestigious Global 500 Award is a United Nations Award given for environmental excellence. Previously honoured individuals include Jacques Costeau, Sir David Attenborough and Chico Mendes, the Brazilian rubber worker who was murdered in his fight to save the Amazon.

The Hon. Duncan Gay: Have you been getting lessons from Eddie on pronunciations?

The Hon. MICHAEL EGAN: I never claim to be an authority on pronunciation. But I do have to be careful about answering interjections. Over the time I have been Minister I have had so many questions, both substantive questions and questions by way of interjection about my dog, that honourable members have changed the rules. I do not think I have ever mentioned my dog once without being prompted to do so.

The Hon. Ian Macdonald: You didn't have a dog.

The Hon. MICHAEL EGAN: Yes, I did. But his name was Spider, not Shady. I would ask the Deputy Leader of the Opposition not to interject, because he knows I have a habit—in fact I have a practice—of answering each and every interjection. I would ask him not to interject; otherwise I will have to take up the time of the House in answering those interjections.

I am very pleased and proud to now advise the House that in Italy today the Sydney Olympic Games is being presented with the Global 500 Award. This special ceremony marks World Environment Day, and representatives of the Olympic Co-Ordination Authority [OCA] and the Sydney Organising Committee for the Olympic Games [SOCOG] are in Turin to accept the award.

It seems that Sydney 2000's commitment to environmentally sustainable development and waste minimisation were just two factors involved in the Games organisers winning this prestigious award. Sydney Olympic Park, the heartland of the Sydney Games, was transformed from an industrial wasteland into an environmental showpiece.

The Sydney 2000 Games set environmental benchmarks in the areas of energy, water conservation, waste minimisation, pollution avoidance and the protection of the natural environment. Indeed, the green and gold bellfrog became the symbol of Sydney's environmental credentials. Everything built and operated at the Games was structured towards environmental goals. This latest recognition, by the United Nations, comes on top of the Australian Banksia Environmental Foundation Award for 2001, which OCA won over the weekend for its ground-breaking recycled water management scheme, Water Reclamation and Management Scheme.

We delivered to the world the best Games ever. Now the international community has put the Sydney Games on its environmental roll of honour. That means Sydney 2000 has now won a total of 11 high-level environmental awards.

The Hon. Charlie Lynn: We saw it on the *Sunday* program.

The Hon. Duncan Gay: Did you see blood on the rings?

The Hon. MICHAEL EGAN: Don't interject, don't ask me questions, because as I see it I am obliged to try to answer them. I did see it; I watched it on Sunday.

The Hon. John Della Bosca: You should have been at church. You shouldn't be wasting your time watching *Sunday*.

The Hon. MICHAEL EGAN: You are an offender too; you have to stop interjecting as well. There are a number of masses; they do not all coincide with the *Sunday* program—which, I must say, I found interesting. In fact, I have become a watcher of the *Sunday* program since I appeared on it myself the week before last—and I had to get up at 8 o'clock to watch it.

BUILDING THE FUTURE

The Hon. PATRICIA FORSYTHE: My question without notice is directed to the Minister Assisting the Premier for the Central Coast, representing the Minister for Education and Training. Will the Government release all submissions received on the Building the Future proposal and the restructure of schools on the Central Coast?

The Hon. JOHN DELLA BOSCA: I will ascertain the answer to the honourable member's question from the Minister for Education and Training as soon as possible.

STILLBORN BABIES NUCLEAR EXPERIMENTS

The Hon. ELAINE NILE: I direct my question to the Treasurer, representing the Minister for Health. Is it a fact that the bodies of stillborn Australian babies were shipped to the United States of America for nuclear experiments during the 1950s and 1960s, as alleged in the *Daily Telegraph*? Is it a fact that over a 15-year period 1,500 bodies from hospitals in the United Kingdom, Canada, Hong Kong, the United States of America, South America and Australia were sent with no parental or other authorisation? What action is the New South Wales Government taking to investigate these serious allegations to determine whether any New South Wales hospitals were involved in this practice?

The Hon. MICHAEL EGAN: I do not know whether the matters the Hon. Elaine Nile has raised are true. However, I will refer her question to my colleague the Minister for Health and obtain an answer for her.

SEAFOOD INDUSTRY

The Hon. JENNIFER GARDINER: My question is addressed to the Minister for Fisheries. What is the Government's response to expressions of anguish coming from seafood businesses confronting conflicting messages being sent from the Carr Government about the future of this State's seafood industry? What will the Government say to the Tweed—

The Hon. Peter Primrose: Point of order: As set out in paragraphs 1 (b), (c), (d) and (f) of the relevant sessional orders, questions must not contain arguments, inferences, imputations and expressions. For those reasons I ask that you rule the question out of order.

The Hon. Doug Moppett: And it contains nouns and verbs.

The Hon. Peter Primrose: I have no concern about nouns and verbs. I would have concern about adjectives if they were epithets; but as they weren't, I haven't raised them.

The PRESIDENT: Order! Although I could not hear the question properly, it seemed to me to contain not arguments, inferences or imputations, but certainly adjectives. The question was in order; however, the member's time for asking it has expired.

The Hon. Duncan Gay: Point of order: As I understand the democratic process, if a point of order on a question takes up the time remaining for that question to be asked and the point of order is not upheld, you, as a

proper presiding officer, should then allow the question to continue. When a member raises a point of order that has no chance of being upheld, by a process of fairness you should then allow the member to complete the question.

The Hon. Ian Macdonald: To the point of order: It is quite clear that there are some problems with the sessional orders, and I do not think the Opposition, when it presented them to members of the crossbench, had thought those problems through. The sessional orders contain no provision whatsoever for a delay in time, or extra time, when a point of order is taken on a question. Clearly the honourable member's time expired and therefore the question was not fully asked.

The Hon. Duncan Gay: Further to the point of order: It is a longstanding issue in the upper House that Presidents are able to interpret matters to ensure the proper running of the House. I would have thought that if the Government chooses to deliberately sabotage a member's question in this House by taking up the time for the asking of that question by raising a spurious point of order that you could not uphold, you would allow that question to be completed.

The Hon. Michael Egan: To the point of order: It seems to me that the Opposition is hoist with its own petard. The sessional orders are quite clear. If members of the House believe that the sessional orders adopted last week are not appropriate or need to be amended, there is a proper way to go about that, and that is to give notice of a motion to amend the sessional orders. But whilst the sessional orders apply, they must be adhered to.

The Hon. John Jobling: To the point of order: During the one minute the question has been completed and the point of order, which I did not consider to be valid, has been taken. The fact that you ruled inside that one minute that the question was in order seems to be in accordance with the sessional orders, even though you continued to direct the Minister to answer the question as he saw fit. Clearly within the one minute you ruled that the question was within the standing orders. The fact that subsequently you added further words would suggest to me that it would have been proper to rule that the Minister be given the opportunity to answer the question.

The Hon. Jan Burnswoods: To the point of order: It was, as you said, difficult to hear, but I am confident that your ruling came after the Minister replied and that the Opposition is quite wrong.

The Hon. Greg Pearce: To the point of order: The situation is quite clear. A question was asked, there was a point of order, and you did not uphold the point of order. Whilst your ruling took place after the expiry of the one minute, the question was duly asked within the one minute. It does not matter that the member attempted to add further verbiage: a question was asked and you ruled it in order. Therefore, the Minister should answer the question.

The Hon. Michael Egan: Further to the point of order: I think the Hon. Greg Pearce might be right. Whilst the time for asking the question had expired, in view of the fact that what had been asked up to that point was in order, it probably is appropriate for the Minister to be given the opportunity to answer that part of the question that was asked.

The Hon. Duncan Gay: Further to the point of order. There is a second point to the point of order, that is, the part of the question that was not able to be asked because the Government moved the spurious point of order. That should be allowed in the question as well.

The Hon. Jan Burnswoods: How do you know what was in the second part?

The Hon. Duncan Gay: We are not clairvoyant like you, but, given that the Government was playing silly tricks, a sensible President would allow the proper question to be completed. That would be a sensible presidential ruling.

The Hon. Michael Egan: I entirely disagree with the argument of the Deputy Leader of the Opposition that the time can be extended to allow the member to complete a question. The point I was making was that the Minister should be allowed to answer that part of the question that was asked within the minute and was ruled in order. I realise that there are difficulties as members become familiar with the new sessional orders and the way they will operate. All members, both Opposition and Government, should display an element of good faith. Notwithstanding that, we cannot simply ignore sessional orders that are only one week old. There were some

elements of the rules relating to questions that in many ways we all thought were dead letters, in much the same way as for many years there was a law that required a man holding a flag to precede any moving vehicle: it became a dead letter. In this case the rules have been renewed and reinvigorated and we have to try to make them work. I assure honourable members that the Government will adhere to the letter and spirit of the sessional orders.

The PRESIDENT: Order! The point taken by the Deputy Leader of the Opposition was whether the time taken to debate a point of order should be included in the one minute allowed to a member under the new sessional order to ask a question. I have given considerable thought to this matter and have taken advice on it. The practice in all procedures in this House is that the time taken to debate points of order is included in the time allowed to a member to contribute to the question before the Chair. On occasions the time of a member speaking to the adjournment motion is eroded by points of order. When matters of public importance are being discussed there are no timeouts for points of order. This is not a basketball game. It is a parliamentary chamber, and the time taken to debate points of order will be included in the time of the member to contribute to the matter before the Chair.

I agree with the Leader of the House: it is appropriate for the Minister to answer that part of the question that has been ruled in order. However, no further questions could be asked as the time allowed for asking the question had expired.

The Hon. EDDIE OBEID: I did not even hear the question.

The PRESIDENT: Order! I am having enormous difficulty hearing the questions and the answers. Presumably the Minister is having the same difficulty. I ask members to speak into the microphones when asking their questions and to refrain from engaging in chatter.

The Hon. EDDIE OBEID: Madam President—

The Hon. Helen Sham-Ho: Point of order: The practice in this House is that when a Minister cannot hear the question the Presiding Officer will allow the member to repeat the question. Also, our new sessional order is silent on whether order a question can be repeated. I plead with you, Madam President, to allow the member to repeat a question when the Minister cannot hear it.

The PRESIDENT: Order! The problem is that members cannot hear the questions when they are asked. A further problem is that the member's time for asking the questions had expired. The Minister was helping out by reading the question in the time allocated to him to answer it. He will now answer the question.

The Hon. EDDIE OBEID: The Hon. Jennifer Gardiner asked me: What is the future of the seafood industry in this State? The honourable member referred to the Tweed bait processing plant, which has just completed a \$1 million factory refit. I again say to honourable members that the Government is making the hard decisions that the Coalition failed to make when it produced the Fisheries Management Act. That is, we are giving more equity to both stakeholders, that is recreational—

The Hon. Doug Moppett: You are making the wrong decisions that the Coalition did not make.

The Hon. EDDIE OBEID: You should listen. The Government has initiated a policy to give more equity to recreational fishers, that is, by having full public consultation on designated fishing areas. That process is being applied all along the coast. At the same time the Government has told the commercial sector that it will give them long-term certainty by giving them a 15-year lease. But that will not happen until we have finalised the environmental assessments which should have taken place when the was in government. The Coalition failed to comply with part 5 of the Environmental Planning and Assessment Act; it rushed the legislation through in the last days of the Fahey Government and put the commercial sector at risk. The Government is taking this action because the Coalition did not comply at the end of 1994—you can't have your cake and eat it too! The Government is trying to correct the incompetence of the previous Government by undertaking environmental assessments, which will take approximately two to three years, in order to make sure that the community gets involved and the commercial sector gets long-term certainty of their business. [*Time expired.*]

WORKERS COMPENSATION PREMIUM DISCOUNT SCHEME

The Hon. RON DYER: I ask the Special Minister of State, and Minister for Industrial Relations: What action has the Minister taken to give smaller businesses access to the workers compensation premiums discount scheme?

The Hon. JOHN DELLA BOSCA: On 7 March 2001 I announced—as had previously been announced—the Government's new workers compensation premium discount scheme. The premium discount scheme will provide the benefit of a discounted premium to those employers who demonstrate measurable improvement in their occupational health and safety, injury management and return-to-work practices. Premium discount advisers will audit employers in relation to their occupational health and safety and injury management performance, and assess whether they qualify for a discount. Advisers will have a mix of skills in the occupational health and safety and injury management fields. Advisers must meet competency standards in education, training and experience to qualify.

Advertisements for expressions of interest for premium discount scheme advisers were placed across the State from 10 March. WorkCover has received 159 applications from individuals and groups interested in becoming premium discount scheme advisers. Applications have been received from applicants across the discount range. Some 98 expressions of interest have been evaluated as meeting the entry level requirements. Advisers are well represented throughout New South Wales both in distribution and discount allocation rate, particularly in country areas. Advisers' details will be available on the WorkCover web site when the scheme commences.

In my statement to this House on 27 March 2001 I advised honourable members of progress in the development of the premium discount scheme. At that time I advised the House also that a model would be designed for small businesses to enable them to access premium discounts. WorkCover has developed a strategy under the premium discount scheme specifically for smaller employers, particularly smaller employers in rural and regional areas. Small businesses that effectively achieve outcomes from programs developed by sponsors will then be entitled to a discount on their workers compensation premiums.

Advertisements calling for applications from suitable organisations interested in becoming sponsors appeared in the *Sydney Morning Herald*, the *Daily Telegraph* and the *Newcastle Herald* on Saturday 2 June and in the *Illawarra Mercury* yesterday. Expressions of interest close on 6 July 2001. The introduction of the premium discount scheme will go a long way to ensuring real incentives to employers to prevent and manage workplace injuries.

ONE.TEL TELEPHONE CONTRACTS

Reverend the Hon. FRED NILE: I ask the Minister for Mineral Resources, representing the Minister for Fair Trading, a question without notice. What action is the Government taking to protect the one million telephone subscribers whose phone connections are at risk through the insolvency of the One.Tel telephone company, to ensure fairness and justice concerning their contracts, which they signed in good faith?

The Hon. EDDIE OBEID: I will seek an answer from my colleague in the other House.

ROYAL COMMISSION INTO HIH INSURANCE

The Hon. JOHN JOBLING: I direct a question to the Treasurer, and Leader of the Government. Will the Government give a commitment today that no Minister will claim crown privilege if called as a witness before the royal commission into HIH Insurance?

The Hon. MICHAEL EGAN: That is a very weird question.

The Hon. Eddie Obeid: It seeks a legal opinion.

The Hon. MICHAEL EGAN: No, not a legal opinion; it asks for a policy position on behalf of the Government. I would very much like to answer the question, and I will answer it after question time. But, as it seeks a declaration of the Government's policy on this matter, I am not prepared to give the answer until about another 17 minutes.

SOUTHERN HIGHLANDS MINERALS EXPLORATION

The Hon. AMANDA FAZIO: I ask a question without notice of the Minister for Mineral Resources. What action has been taken in relation to minerals exploration in the Southern Highlands?

The Hon. EDDIE OBEID: The Deputy Leader of the Opposition might listen to my response. The New South Wales Government has completed minerals surveys of more than 50 per cent of our State, and the

Government's commitment to encouraging minerals exploration is continuing. The New South Wales Government's geological survey mapping team recently completed an analysis of the Goulburn region. The results of our survey indicate that the Crookwell area—which is 45 kilometres north-west of Goulburn—may contain deposits of zinc, lead, copper, gold and silver. This is similar to the Woodlawn deposits near Goulburn which have previously been mined. In July 1999 the New South Wales Government declared a mineral allocation area for Crookwell.

Expressions of interest were then sought from appropriately qualified exploration companies to apply for a licence. I am pleased to announce a New South Wales based company, Golden Cross Operations Pty Ltd, has successfully applied for an exploration licence. Golden Cross Operations has a strong interest in the region and in New South Wales. It has already invested \$1.9 million to explore the Kempfield area, and it holds exploration licences for the central west, in Cobar and in the Broken Hill area. Any future development of mineral deposits would be of enormous economic benefit to the southern tablelands region. This work is a further expression of the Carr Government's commitment to fostering mining development and resultant job creation in regional and rural New South Wales.

STOCKTON HOSPITAL CLOSURE

The Hon. DAVID OLDFIELD: My question is to the Minister for Juvenile Justice, representing the Minister for Disability Services. Can the Minister explain why the disability-specific facility Stockton Hospital is to be closed? As, in preparation for closure, the hospital is no longer admitting patients, where are those patients being sent? Is it correct that the disabled people who would otherwise be admitted to Stockton Hospital are now being admitted to aged care facilities? Is it correct that the Government intends to sell the Stockton Hospital site for development? If so, will the funds generated by that sale be used to replace the disability services that will be taken from the people of the Newcastle area?

The Hon. CARMEL TEBBUTT: I undertake to refer the question to the Minister in the other place and to obtain a response as soon as possible.

RED KANGAROO CULL PROTEST

The Hon. RICK COLLESS: I ask a question of the Treasurer, representing the Minister for Health. Was a so-called vigil conducted outside the gates of Parliament House yesterday and today in support of a ban on the killing of red kangaroos? Did the protesters dump the carcass of a kangaroo on the Macquarie Street footpath as part of their protest? What are the health risks associated with disposing of dead animals in this manner, and what action could be taken against the protesters for this disgusting display?

The Hon. MICHAEL EGAN: The first part of the honourable member's question contains argument. He referred to a so-called vigil; that obviously is an argument. Therefore I will not answer that part of the question. In relation to the other parts of the question, I have to admit I do not know the answer. I will refer those parts to my colleague for a response.

FRANK BAXTER JUVENILE JUSTICE CENTRE

The Hon. PETER PRIMROSE: My question is directed to the Minister for Juvenile Justice. What is the latest initiative to build self-esteem and instil community values in young offenders at the Frank Baxter Juvenile Justice Centre on the Central Coast?

The Hon. Richard Jones: Point of order: The question comes under paragraph 2 (b) of the rules for questions regarding a statement or announcement of the government's policy. The honourable member's question, in seeking a statement of government policy, is clearly out of order.

The Hon. Michael Egan: To the point of order: The Hon. Richard Jones makes a valid point. The question clearly is out of order, and I ask that it be ruled out of order.

The Hon. Duncan Gay: To the point of order: On behalf of the Opposition, I agree with both the Leader of the Government and the Hon. Richard Jones: the question clearly sought a statement of government policy. It was similar to the questions that the Opposition asked regarding administration. This question is entirely different from Opposition questions that were ruled out of order. This question clearly is out of order; ours were in order.

The Hon. Peter Primrose: To the point of order: I have listened to the submissions on the point of order, and I withdraw the question.

The PRESIDENT: Order! Notwithstanding, I will rule on the point of order. Paragraph 2 (b) of the sessional order regarding questions is very clear. A question must not ask for a statement or announcement of the government's policy.

The Hon. Tony Kelly: Madam President, correct me if I am wrong, but I thought that your earlier ruling was that the point of order and your ruling would be included in the one minute that was allocated for the question.

The PRESIDENT: No. I simply ruled that the question had to have been successfully asked within that time. It is obviously important to finish the point of order, to have the matter clarified for future question times. Paragraph 2(b) of the sessional order is very clear. It states:

A question must not ask for a statement or announcement of the government's policy.

The question asked by the Hon. Peter Primrose was clearly asking for a statement of the Government's policy, so I rule it out of order.

TERMINUS HOTEL, PYRMONT, SQUATTER EVICTION

Ms LEE RHIANNON: I direct my question without notice to the Special Minister of State. Is it true that the developer responsible for Monday's violent eviction of squatters from the Terminus Hotel at Pyrmont gave \$40,000 to the Labor Party in 1999? Is it also true that those squatters had been improving the buildings and might have expected—

The Hon. Jan Burnswoods: Point of order: So far the honourable member has breached paragraphs (a), (b), (c) and (d) of sessional order 2. But certainly the paragraph relating to imputations is the main difficulty. She has also breached the paragraph relating to statements of fact. I could go through the sessional orders relating to questions, but I suspect that Ms Lee Rhiannon is trying to make a nonsense of the Opposition by seeing how many of these rules she can breach.

The PRESIDENT: Order! The member's question obviously contained imputations. However, if she is quick she may be able to reword it within the time allowed.

Ms LEE RHIANNON: My question without notice—[*Time expired.*]

INSURANCE COMPANIES REGULATION

The Hon. JOHN RYAN: My question without notice is directed to the Treasurer, and Leader of the Government. What are the powers and responsibility of the State Government for the regulation of insurance companies that operate as underwriters for government agencies? Is it appropriate that the Federal royal commission extend its powers to include a reference to involve State governments? If its current terms of reference do not include that, will the Government agree to include such a reference?

The Hon. MICHAEL EGAN: On a number of occasions I called for a royal commission not only into the collapse of HIH but into almost all matters associated with it and with the prudential regulation of insurance companies. I made it quite clear that any royal commission worth its salt should cover not just HIH but also the role of the Australian Prudential Regulatory Authority and any other agency, State or Federal. I made that clear right from the start. I also urged the Commonwealth Government to ensure that the terms of the royal commission would encompass the question of whether statutory insurance schemes should be run on a uniform national basis or whether we should retain the situation that currently exists, that is, that there are various State-based schemes.

Initially, that was a proposal by Mr Hockey. I indicated that, in principle, the New South Wales Government had no objection to that. I have urged that that be one of the terms of reference of the royal commission. Likewise, I have suggested that the royal commission might also look at whether the law of tort requires reform. I do not want Australia to go down the path of the United States of America, where everyone sues everyone else at the drop of a hat and where business and life generally become a bankrupting nightmare of litigation. So I have urged the Federal Government to include all those matters in the terms of reference. As yet

we have not seen the terms of reference. As yet we have not seen the appointment of a commissioner. Time is dragging on a bit. Two weeks ago we finally succeeded in getting the Federal Government to commit itself to a royal commission. I urge the Federal Government to act as soon as it possibly can, both to announce the name of the royal commissioner and to adopt terms of reference that are—

The Hon. Michael Gallacher: Will you give evidence?

The Hon. MICHAEL EGAN: I would be happy to give evidence.

The Hon. Michael Gallacher: You will not claim privilege?

The Hon. MICHAEL EGAN: Why would I do that?

The Hon. Michael Gallacher: It is a question you were asked earlier.

The Hon. MICHAEL EGAN: Opposition members asked me what the Government's position would be. I cannot tell them what government policy will be on the matter, but I can tell them that I would not mind having my day in court. I look forward to that. It would be like question time. It would give me a great opportunity to tell everyone what they did wrong and what they should do to get things right.

NATIVE FISH STOCKING PROGRAM

The Hon. IAN WEST: My question without notice is directed to the Minister for Fisheries. What action has been taken to stock the State's waterways with trout and native fish?

The Hon. EDDIE OBEID: The stocking of captive-bred fish plays a key role in better recreational fishing. I am pleased to be able to say that this program has had another successful year. This season more than 6.5 million trout, salmon and native fish have been released into our waterways. Funds raised by the freshwater recreational fishing licence have contributed to the success of this program. In the past year, two million native fish were released in waterways and impoundments throughout the State. The program is also helping to protect our native species. One hundred thousand trout cod have been released into the Macquarie and Murrumbidgee rivers. It is expected that this release will help the recovery of this threatened population.

During the warmer months of last year 162,000 Murray cod, 729,000 silver perch and one million golden perch were released into impoundments. Over 247,000 Australian bass were released in the northern, central and southern regions. This year close to 4.4 million trout and salmon were bred by New South Wales Government hatcheries. We are continuing to work closely with trout acclimatisation societies to determine the best locations for the release of captive-bred trout. Local communities and New South Wales Fisheries have now released trout in the Snowy Mountains, the Central Tablelands and the Southern Tablelands. Trout have also been supplied to acclimatisation societies in the New England Tablelands and around Orange. In fact, more than three million rainbow trout, 900,000 brown trout and 50,000 brook trout have been released this season.

Keen anglers fishing in the Burrinjuck Dam and Lake Jindabyne will ultimately benefit from 315,000 Atlantic salmon which were released this season. Recreational fishing is important for regional communities. It creates jobs, supports local businesses and encourages tourism. A recent study of the Snowy Mountains area, which was funded by freshwater anglers, found that recreational fishing contributes \$70 million to the State's economy and supports up to 700 local jobs. The New South Wales Government continues to strongly support our statewide stocking program, which directly benefits regional communities.

In addition to our stocking program, the successful dollar-for-dollar fishing scheme continues this year. New South Wales freshwater anglers contributed \$200,000 towards this program. The dollar-for-dollar stocking scheme matches funds raised by angling clubs or local councils to stock native fish in community waterways. This season an extra 407,000 golden perch, 194,000 Murray cod and 91,500 Australian bass have been stocked in the State's waterways, bringing the total number of fish released to over seven million. This will help build better recreational fishing for our State's anglers and help protect our fish stocks for future generations.

NURSES WORKING CONDITIONS

The Hon. HELEN SHAM-HO: My question without notice is directed to the Leader of the House, representing the Minister for Health. Did the Nursing and Health Services Research Consortium survey find that

currently 15,900 registered nurses in New South Wales are not working in the profession because of a lack of work flexibility, family responsibilities and inadequate education and retraining? What steps has the Minister taken to improve working conditions, management practices and support services for nurses in order to encourage registered nurses to return to work? Given that New South Wales Health has indicated that there is a critical shortage of nurses in this State, with about 1,300 unfilled nursing positions, can the Minister advise the House what the department is doing to boost nursing recruitment in New South Wales?

The Hon. Michael Egan: Point of order: That question was clearly an argument, and I notice that the Hon. Doug Moppett is nodding his head in agreement. The purpose of these new sessional orders is to do away with argument and debate in question time. Question time is for the seeking of information. The honourable member should read the sessional orders.

The Hon. Helen Sham-Ho: It is not arguing; it is a statement of fact.

The Hon. Michael Egan: In answering a question a Minister must not debate the question. If the question is full of argument, I will not be a position to answer it. That is ridiculous. Under the new sessional orders, question time is for the seeking of information only. The honourable member cannot make an argument in her question.

The Hon. Helen Sham-Ho: To the point of order: My question is not an argument. The first part of the question states a fact, it tells the Minister the problem. The second part asks what steps are being taken to rectify the problem. There is no argument.

The Hon. Michael Egan: Further to the point of order: The last part of the question asks what the Government intends to do to rectify something, but the whole question establishes that something is a problem. The honourable member cannot do that.

The PRESIDENT: Order! The Treasurer has drawn attention to paragraph 6 of "Rules for questions", which provides that in answering a question a Minister must not debate the question. It is clear that the question asked by the Hon. Helen Sham-Ho contained argument. It is not appropriate for a question to contain argument when the Minister answering the question cannot respond accordingly. Therefore, I rule the honourable member's question out of order.

BUDGET DOCUMENT DISTRIBUTION

The Hon. DOUG MOPPETT: My question is to the Treasurer. Why was the budget document titled Budget Highlights for Rural and Regional New South Wales distributed to journalists and attendees in the pre-budget lock-up but not made available with the remaining budget documents that were distributed to many members of the Opposition? What does the Government have to hide?

The Hon. MICHAEL EGAN: There is a rule that members cannot ask questions about the budget, but this question is not about the budget. I do not know. I assumed that that document was widely distributed. That was certainly my intention. If honourable members do not have copies of it I will certainly make them available. If they would like additional copies to circulate to their constituents I will make available as many copies as one prudently and responsibly might be able to fund. If the Hon. Doug Moppett wants to distribute copies around New South Wales I am quite happy to provide him with a reasonable supply. I am happy to provide copies to other members of the Opposition, if they would like them. If they would like multiple copies of my Budget Speech, personally penned, I would be most happy to supply them as well.

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

SHOVELNOSE SHARKS CULL

The Hon. EDDIE OBEID: On 29 May the Hon. Dr Brian Pezzutti asked me a question regarding the shovelnose sharks cull. I now provide the following answer:

I have been advised that in May this year a number of people at Broken Head on the State's North Coast witnessed a spearfisher harvest five shovelnose sharks on two separate occasions. This Government introduced the State's first bag limits on sharks last year when we implemented the most comprehensive and conservation based set of bag limits that this State has ever seen. Under current management arrangements sharks may be taken recreationally but fishers are restricted to a bag limit of five sharks per person per day.

New South Wales Fisheries is investigating the possibility that these sharks may have been taken illegally for sale on the black market. Since the introduction of fish market deregulation in November 1999 it has been easier to identify illegal fish product being laundered through legitimate fish markets, as a paper trail is required for any purchases. The penalties for selling fish, including sharks, without the appropriate fishing licence also has a maximum penalty of \$11,000. The current bag limit on sharks will be further considered as part of the preparation of the recreational fishery management strategy.

Fisheries officers will also be conducting high-profile patrols in the Broken Head area to educate the wider community on the importance of bag and size limits, as well as targeting a number of tourist centres in the area to ensure that nonresidents are aware of the importance of sustainable harvesting.

Questions without notice concluded.

NORTH HEAD QUARANTINE STATION

Return to Order

The Clerk, in accordance with the resolution of the House of Wednesday 30 May 2001, tabled:

- (1) Documents relating to the North Head Quarantine Station received by him today from the Director-General of the Premier's Department and referred to in paragraph 1 of the resolution of the House, and
- (2) A return identifying documents received by him today from the Director-General of the Premier's Department and referred to in paragraph 3 of the resolution of the House, which are considered privileged and should not be made public or tabled. In accordance with the resolution of the House, the Clerk advised that these documents are available for inspection by members of the Council only.

COMPANION ANIMALS AMENDMENT BILL

Second Reading

Debate resumed from an earlier hour.

The Hon. RICHARD JONES [5.04 p.m.]: The Companion Animals Amendment Bill seeks to amend the Companion Animals Act. The Act was introduced under intense scrutiny and opposition from many members of this House—including, in particular, the Deputy Leader of the Opposition—the wider community and many animal welfare organisations, including the Animal Welfare League, the Royal Society for the Prevention of Cruelty to Animals [RSPCA] and the Cat Protection Society. Concerns were raised about the incomplete nature of the hastily introduced legislation, the apparent limited knowledge of the Minister at the time of the details of the legislation he was introducing, the absence of any regulations that formed a substantial part of the legislation and the questionable consultation process to which the original legislation was subject in the first place. Honourable members will remember that John Laws debated the demerits of the legislation on his radio program before it was amended in the lower House and in this House.

Almost two years ago in this House I said that the Companion Animals Bill actively discouraged people from owning companion animals by forcing them to comply with expensive identification and registration requirements. It made no reference to the welfare of companion animals. Acts and amending bills such as this should encourage community partnership, provide incentives for de-sexing and controlled breeding, focus on rehousing stray animals and actively promote proper pound management, not inflict punitive sanctions on people who own pets. The Animal Societies Federation spokesperson Katherine Rogers has noted that:

While attempts to address the inadequacies of the current Act are welcomed, the major problem with the Act is that it puts companion animal ownership out of the reach of many low income earners.

The personal tragedies that lie behind these figures is not known—but there are many reports of owners of impounded animals requesting—even begging—for time to pay for the release of animals and having to cope with the animal being put to death because they could not raise the required amount on time.

It would have been good to see a requirement that council give owners time to pay fines and charges for impounded animals rather than see a loved animal put to death because a gate was left open by a tradesman.

Petcare Information and Advisory Service Australia statistics show that 64 per cent of the 6.8 million households in Australia own pets. Australia has the highest incidence of pet ownership in the world, and 91 per cent of pet owners report feeling very close to their pets, reinforcing that pets are integral members of the family unit, however constituted. Pets were a normal part of childhood for more than 83 per cent of Australians. Of the Australians who do not currently own a pet, 53 per cent would like to do so in the future. Australian pet ownership statistics for 1998 in New South Wales show that there were approximately 1,340,000 dogs and

810,000 cats. Research also estimates that Australian cats and dogs saved \$2.227 billion of current health expenditure in 1994-95. There are very good reasons for that. Compared to non-pet owners, people who own pets typically visit the doctor less often, use less medication, have lower cholesterol and blood pressure, and recover more quickly from illness and surgery. Pet owners also deal better with stressful situations and are less likely to report feeling lonely.

The fact that every year many companion animals are lost or stray, dumped, taken to a pound, unable to be re-homed and then killed is a tragedy. The Government has introduced this bill not to address these very important issues but to tighten up already tight provisions and create new offences. A new offence for which the owner of a dangerous dog will be liable is if the owner has failed to comply with the control requirements as detailed under section 51 of the Act—such as that the dangerous dog be de-sexed, signs be displayed on the property, the dog wear a muzzle in public—and the dog bites or attacks an animal or a person. Another new offence is a companion animal not being registered and being outside the place where it is usually kept—that is, its home.

A person who is in charge of the animal if the owner of the dog is not present—that is, a professional dog walker—will, if over 16 years of age, be liable for existing offences under the Act. Councils will be able to issue a notice to an owner requiring the animal to be registered within 28 days if the animal has been attacked, strayed or impounded. It will be an offence if the owner fails to comply with the notice. The practice of microchipping will also be regulated as it cannot be guaranteed that the number of the chip is unique if the chip does not comply with the International Standards Organisation specifications. Owners of dogs will also have to notify the Companion Animals Register of any change in identification details, such as details about the owner. Some animal welfare groups have expressed no major opposition to the bill. For example, the RSPCA stated:

The Society also has no difficulty with increased fines for dangerous dogs that have already been declared dangerous and have committed a second act being increased to \$22,000 or 2 years imprisonment.

The Cat Protection Society, animal-liberation and other animal welfare groups have expressed similar sentiments. However, the groups have noted with dismay the fact that the Government has misplaced its focus in relation to the amendments it has introduced as a priority, and at the expense of focusing on other areas that need to be addressed. The Minister, in his second reading speech on 10 April, said:

I must emphasise that the majority of dog owners are responsible and loving carers. In the vast majority of instances, dogs are valued and loved family members. These well socialised dogs, far from being a danger, provide a number of benefits to our community.

The Pet Care Information and Advisory Service stated:

We don't have a problem with the changes to the Companion Animals Act regarding dangerous dogs—but it does seem to miss the point.

The Government has offered nothing to foster or support caring pet owners in society, nor the organisations supporting them. This includes not only animal welfare organisations but also the council pounds which are responsible for selling or killing these much loved pets. It is true that dog attacks do occur and they can be serious. However, the Government's response is to create new offences for owners, impose much higher penalties and/or seize the dog. Research published in the British Medical Journal shows that education can help prevent these bites. The article refers to a program called Prevent-a-Bite, which is described as:

... an educational program designed for primary school children. The program aims to instil precautionary behaviour around dogs assuming that this might reduce the incidence of attacks.

The article refers to a trial conducted here in Sydney in which a dog handler demonstrated various dos and don'ts of behaviour around dogs; how to recognise friendly, angry or frightened dogs; and how children should approach dogs and owners when they wanted to pat a dog. Research into dog bites by Delta Society Australia shows that this is an important step. It stated:

Two thirds of all bites involve the family, friends or neighbour's pet dog at home or in the back yard and 60% of all serious bites occur in children under 10 years of age.

The society concluded:

Legislation targeting stray or dangerous dogs and the control of dogs in public places does not help to reduce these incidents. There is an irrefutable argument for a harm reduction program through community education.

The Animal Societies Federation adds its voice to the chorus of concerns, stating:

The Bill is particularly disappointing in the manner in which it addresses the area of dangerous dogs. Rather than addressing the real issues of appropriate socialisation and training, the Bill is apparently based in the concept that as long as the penalty is severe enough, contravention will not occur. The real answer is education.

Since the introduction of the Act, the organisation Pound Watch conducted a study to determine whether there had been any short-term impact of the Companion Animals Act on the number of dogs being impounded, surrendered, reclaimed, rehoused or euthanased, and to obtain some baseline data against which future data could be compared. The study included samples from:

... some of the largest pounds and most highly populated council areas encompassing 1.98 million people. Within these councils some 19,500-20,000 dogs are impounded annually and this may represent close to 50% of the total number of dogs impounded in council pounds across the state each year.

The study showed:

The proportion of dogs sold from pounds is generally quite small, mostly representing 5% to 10% of the total number of dogs ... Most dogs that end up in pounds are euthanased.

The study noted:

Increased costs (microchipping, lifetime registration and other fees) associated with reclaiming a dog may have had some impact on the rate of release of dogs from pounds. Anecdotal evidence suggests that some people have been hit hard by these increased costs.

The study concluded:

It is unfair to direct criticism about low reclaim rates or high euthanasia rates solely to the pounds or the councils. The number of dogs ending up in pounds is largely a reflection of the attitudes of the citizens of the local government area. This would indicate the need to have education programs aimed specifically at different geographical areas in addition to more general widespread education programs. This study has highlighted the high impounding rates for some western Sydney and rural councils—and would suggest specific programs should be developed for these areas.

One measure that can be adopted here and now with the passing of this legislation is to encourage the de-sexing of animals reclaimed or purchased from pounds. A registration fee of \$100 is payable by persons reclaiming their animal or purchasing another animal if it has not been de-sexed. However, persons reclaiming their own de-sexed animal from a pound or purchasing an unreclaimed, de-sexed animal from a pound pay a registration fee of only \$35. The amendments I will move in Committee will give persons the option, when buying or reclaiming an animal that has not been de-sexed, to have the animal de-sexed within 28 days of taking the animal from the pound and upon providing proof of de-sexing, receive a refund of \$65, making the total paid for registration \$35. In other words, the owner of the animal pays the higher fee to begin with, then once the animal is de-sexed the incentive is on the owner to seek the refund. The amendments have the support of the RSPCA, with which we have been negotiating for some days now. It stated:

This will enable them to pay the lesser lifetime registration fee of \$35 instead of \$100 for an entire animal. We would expect that 28 days would be required to enable the owner to make arrangements for the desexing and in some cases allow sufficient time to organise desexing appointment and costs (the incentive to desex is clear).

The main advantages of this amendment would be an increase in desexed animals and a reduction in the number of animals left at pounds or animal welfare organisations that are not reclaimed by their owners because of excessive costs.

My amendment provides for these provisions in relation to council pounds and animals sold or returned by animal welfare organisations, such as the RSPCA, the Cat Protection Society and the Animal Welfare League. The Animal Rights and Rescue Group says also that the issue of de-sexing an animal cannot be understated. One of the group's members wrote to my office stating:

I am writing to you regarding a very important environmental issue that has been ignored for far too long. That is the issue of desexing of cats and dogs.

I live on the North Coast of NSW and am involved with a group of dedicated animal lovers who are trying as best we can, with no Government assistance, no shelter, to help the hundreds of dumped and neglected cats and dogs found each year.

The group is Animal Rights and Rescue. Each year this problem gets worse and I and others have written to Government in the past and still no response.

Every day we are faced with issues of dumped puppies and kittens and their parents. As a result of the high price of desexing they [the animals] are left to breed, and kittens and puppies are just dumped or destroyed unnecessarily.

This issue being resolved will benefit animal lovers and wildlife lovers alike, most of all it will benefit the animals.

Please give this issue the attention it so badly deserves, I speak for those you cannot speak themselves and await a reply.

The Government, in response to the proposal, said that this would place an additional administrative burden on councils without commensurate compensation. Reservations about the proposal centred on consultation and finances, and the perceived burden on councils. This is in stark contrast to animal welfare organisations, such as the RSPCA, which are 100 per cent supportive of the proposals and, in the interests of all creatures great and small, have immediately understood the benefits of offering pet owners the refund. They know that these measures will benefit the community and the animals, including wildlife. For that reason I urge honourable members to consider these amendments in Committee, whether they are moved by me or by the Deputy Leader of the Opposition.

Reverend the Hon. FRED NILE [5.17 p.m.]: The Christian Democratic Party supports the Companion Animals Amendment Bill. This bill will improve accountability for owners of animals that bite or attack humans, and contains other miscellaneous amendments. I am sure all honourable members can quote stories and reports of attacks on not only on children but also on adults by violent or dangerous dogs. I remember the tragic murder of a helpless senior citizen who was attacked and killed by dogs. Unfortunately, we need this type of legislation. In particular, the Christian Democratic Party supports this new offence which will apply only to dangerous dogs. The offence will target the owners of dogs previously declared to be dangerous dogs who fail to comply with their obligations under section 51, which requires dangerous dogs to be de-sexed, housed in a childproof enclosure and wear a muzzle when in public.

Sometimes members of the public, particularly children, have difficulty deciding whether a dog is dangerous until it attacks someone and is vicious. Often we see owners with two large dogs on leashes walking around suburban streets; one is not sure whether to approach the dogs or even to be near them when they go past. That raises the question of how we can be sure that all dogs that are dangerous have been declared to be dangerous dogs. If owners fail to comply with their obligations under new section 51 and as a result a dangerous dog attacks or bites a person the owner is guilty of this new offence. However, the offence will not apply when the dog attacks or bites an animal or when a dog is chased, rushed at or harasses another animal or a person. We support the bill before the House.

The Hon. IAN COHEN [5.19 p.m.]: The Greens are pleased to support the Companion Animals Amendment Bill. I was pleased to support the Companion Animals Act during debate in this place in 1998 when it became law. The Act introduced microchipping and recognised the benefits of pet ownership. It was hoped that that legislation would assist in reducing the dumping of animals. Unfortunately, it appears that the legislation has not reduced substantially the number of strays. Approximately 80,000 stray cats are put down each year. It is quite clear that irresponsible pet ownership is a major issue. Many honourable members in the areas in which they live and among their constituencies are constantly confronted by the problem of irresponsible pet ownership. It is very easy to own a pet and there is a degree of responsibility when people change their pets or go through some sort of fashion accessory phase. It is a very sad state of affairs that animals are exploited in those circumstances.

Mainly through the provision of education programs, people need to acknowledge at an early stage the responsibilities attached to pet ownership. That is a fact of life that needs to be acknowledged. Too many people fail to look after their animals in a humane manner. Too many people fail to discharge their community responsibilities when they take their pets onto the streets. They allow their pets to use public spaces as toilets and do not clean up after them. Because I have witnessed that so many times, I am convinced that their behaviour is deliberate. People let their dogs out for a while so that the dog can do its business. The dog's owners do not pay any attention to that at all and later on call the dog back to the home. That type of attitude makes dealing with this problem very difficult for the rest of the community.

The Hon. Duncan Gay: Some people do that.

The Hon. IAN COHEN: Unfortunately, a significant number of people do that. I also have to say that this amending bill takes a significant step towards responsible pet ownership, which is important. When I am in Sydney I live in the eastern suburbs area near Bondi Beach. I am aware of water pollution caused by dog faeces fouling the system because of irresponsible pet ownership. The incidence is quite substantial; it is causing a lot of problems and the pollution cannot be traced directly. It is too difficult for the medical fraternity to pinpoint the source but I know that the problem exists. In the summer time at Tamarama people play in the shallow pools with their dogs. The pools are heated by the sun and then half an hour after the dogs have been there, people come down and play in the pools with their children. They do not know what has happened and they do not realise the dangers that are involved. It is very important for pet owners to take the responsibility, but I am afraid that many do not.

Another sad state of affairs is the number of feral animals. Pets that get away and pets that are dumped are the main causes of the increase. Right throughout society, people are simply not responsible enough to give their unwanted pets away to a good home or dispose of them in a humane and responsible manner. Instead, people leave their pets in the bush somewhere or in a nearby park, thinking that somehow the animals will survive. Instead the animals become feral and they cause a major problem for native animals and the natural environment. Moreover these animals, which were once domestic pets and which have been cast out, lead a very difficult and cruel existence.

It is important to remember that it is not just certain types of dogs that are classified as dangerous or feral which are capable of injuring people and wildlife. Any dog has the potential to attack wildlife. In the northern area of New South Wales where I live I have had many discussions with people who deal with animals that have been injured as a result of dog attacks. In particular, in the Byron shire most serious problems have occurred in the koala colonies. In the Lismore-Goonellabah area urban encroachment is threatening the koala colonies and the animals are not surviving because they simply cannot cope with the marauding packs of dogs that are let out at night by irresponsible dog owners. These packs are decimating the koala population and it is happening time and time again.

I have been shown areas of koala populations in similar difficulties at Stockton in the Hunter region near Newcastle. A few irresponsible dog owners have animals that they let out at night. Those animals have decimated the local koala population and it is evident that the koala population will not survive in the long term. People who have endeavoured to look after these problems—Wildlife Information and Rescue Service [WIRES] volunteers and animal carers—were bereft because in some cases the damage is caused by unthinking people who love their domestic animals and do not see that their animals can also have a savage impact on the environment.

This amending bill aims to improve the operation of the Act in several important ways. First, it creates a new offence which increases the penalties applicable to irresponsible owners of dangerous dogs. As other honourable members who have participated in this debate have said, the vast majority of dogs are well trained and come from well-adjusted families. Those animals are an asset to their owners and there are many responsible dog owners; but, regrettably, the circumstances exist in which there are still dangerous dogs at large that are often allowed in open spaces off the leash. This situation should be brought under control. It is therefore appropriate that this bill provides for a more punitive application of the law against irresponsible owners of dangerous dogs.

The community is entitled to be protected from attacks by dangerous dogs. It is unacceptable that some dangerous dogs are permitted to roam the streets. Approximately a fortnight ago in the *Sydney Morning Herald* an article told the story of a person who was on a Wollongong beach with family and friends. The group was attacked by dogs. They went to the local council. The council rangers said that they simply do not have the staff to prevent these attacks. The message from the article was that people should not go to a Wollongong beach to spend time with their family and children because they may find themselves in a situation similar to what occurred on Fraser Island—namely, being attacked by dogs. I think that is very sad: It is a sad indictment that innocent animals such as dingoes on Fraser Island have become embroiled in controversy. It is sad that dogs are owned by morons in our society who do not know how to look them. We have reached the stage at which people who are going to a beach on a Saturday afternoon to have a picnic with their family do not consider themselves to be safe, so it is extremely important to control the owners of animals.

Dog attacks, or even the threat of dog attacks, can generate a great deal of fear in the community. An attack can be a terrifying experience and for vulnerable people, such as children and the elderly, the effects are likely to be particularly serious. The seriousness of an attack on such people should not be underestimated. I note that other honourable members who preceded me in this debate referred to the importance of educating young children and teaching them how to approach and deal with stray dogs that are in their vicinity. It is incumbent on owners, however, to control animals in public places and to ensure that there is no possibility of anyone being attacked, or threatened with attack.

The Greens congratulate the Government for placing a high priority on community safety. Although we support this aspect of the bill, we recognise the limits of criminal law approaches to this issue. During debate on the original Act I suggested that the Government should place greater emphasis on educating the community about responsible pet ownership. I identified the pet industry as a potential source of funds to underpin those education programs. The pet industry makes billion-dollar profits from pet food sales and the sale of other products. The pet industry should be required to make a greater contribution to solving the problem of

irresponsible pet ownership. It is also interesting to compare the Government's tough approach on this issue with the far greater problem of gun ownership in the community. It would be good to see the Government imposing penalties similar to those imposed on people who keep dangerous animals on people who keep dangerous guns. The problems caused by dangerous dogs need to be kept in perspective: far greater threats to the community arise from the proliferation of guns.

The Greens also support the new registration offence which applies to repeated failure to register companion animals. The Greens support the registration of companion animals. However, we recognise that for some people who are on low incomes, financial hardship rather than irresponsibility may be the cause of their failure to register an animal. The Greens therefore hope that the Government does not unfairly impose high costs on low income pet owners. The Greens will be supporting a number of amendments that are intended to provide balance and financial support for a program of de-sexing animals. If the animals are in the pounds and are taken out, a fee can be paid and compensation can be claimed at a later stage as a result of these amendments so people will derive some financial incentive to de-sex their animals. It is quite clear that de-sexing of animals should be a major campaign and a priority of this Government. All animal rights organisations support dealing humanely with the problem of the proliferation of animals, and the dumping of animals in the wild thereby allowing them to become a nuisance to native animals, to people and other pets. I commend the Government for moving towards that objective and for this amending legislation. The Greens support responsible pet ownership.

The Hon. AMANDA FAZIO [5.30 p.m.]: I support the Government's Companion Animals Amendment Bill and would like to echo some of the comments made by previous speakers about responsible pet owners. We should recognise the good work done by the majority of responsible pet owners in the community; that is, people who are quite happy about their animals being microchipped and wearing name tags that provide contact details so that if the animal leaves its owner's premises or gets off its lead the owner can be contacted about it. Such people quite willingly have their animals desexed and pay for registration fees. They also deal with the mess left by their dogs when they take them for walks in public places such as parks.

I have been a pet owner for a number of years. I recently acquired a new puppy, which is a gorgeous little white bundle of fluff called Joey Ramone. I am very careful when I take him to the park or other public places on his lead, because he is the sort of little puppy that attracts the attention of young children. They want to come over and pat him. I always say to the parents of these children, "Is your child used to dealing with a dog?" If the child is not, I pick the dog up to make sure that the child will not be bitten. It is not that my puppy is vicious; I simply want to ensure that the child does not approach the dog in a way that might spook or scare him. I would therefore class myself as a responsible pet owner.

One of my main bugbears as a parent has been trying to take my children out in the inner city area for recreation in open spaces where you encounter people who definitely are not responsible dog owners, and I refer to people with dangerous dogs. In particular, a large problem exists in an area of Hawthorne Canal at Haberfield, in the municipality of Leichhardt. There is a children's playground on one side of the canal and a dog park on the other. People are allowed to let their dogs off the lead, they run around, and sometimes jump in the canal, and that is fine. But some irresponsible pet owners then take their dogs, off the lead, into the children's playground area. I have seen dogs bite the children of their owners. Yet when I have asked the owner to remove the dog from the area or place it on a lead, the owner has refused to do so.

Because I have such a bee in my bonnet about people having dangerous dogs off the lead in children's playground areas, I have always made it my business to have the after-hours phone numbers for Ashfield council rangers. I used to say to people, "Put your dog on a lead and get it out of the children's park or I will ring the rangers." They would say, "No-one will come from the council on a Sunday." However, if you know which rangers to ring after hours—they are the rangers who have been bitten by savage dogs in the past while carrying out their duties—they are always more than happy to come out on the weekend and try to remove another savage and dangerous dog from a public place.

The owners of these dogs are not simply putting other people at risk when they are trying to use recreational facilities provided by local councils; they are taking that area for themselves. It means that people cannot send their children to a local park with a sense of security in the knowledge that if it is an area where people should not have dogs, there will be no dogs in the area. In the main, irresponsible pet owners are very selfish people. They are the sort of people who do not care about the rights of others. They are the sort of people who would be stupid enough to soot their dogs onto another person because they think it is a joke. I am therefore pleased that the amendment to section 17 increases the penalty for inciting a dog to attack a person.

I also support the provisions relating to confidentiality of registration details for pet owners. These days people can be bombarded with junk mail in many ways—for example, through the mail, via email, or through

solicited phone calls offering to sell them products they do not want or asking for donations to causes they do not support. As a result, many people are wary about adding their names to another database that could abuse their privacy. Therefore, the Government's initiative in tightening up that confidentiality aspect should also be supported.

The Hon. Dr Arthur Chesterfield-Evans said that one of the main aims of this legislation should be to preserve and protect native wildlife. I believe people would be better served if we supported the culling of feral animals, rather than adopting such a sentiment. We should also not be so judgmental about people who want to wear or eat the by-products of feral animal culls. If more people wore rabbit-fur and fox-fur coats, I am sure our wildlife, including small mammals in the bush, would be better off. If people continue to harass those who engage in such practices, we will not have any opportunity to promote industries with by-products of feral animals. I commend the proposed legislation to the House, noting that some of the amendments are inappropriate and not necessary.

The Hon. EDDIE OBEID (Minister for Mineral Resources, and Minister for Fisheries) [5.37 p.m.], in reply: I thank all honourable members for their contributions.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 3 agreed to.

Schedule 1

The Hon. RICHARD JONES [5.38 p.m.]: I acknowledge that the Deputy Leader of the Opposition has an amendment identical to one that I propose to move. I advise that we negotiated with the same people at the same time. However, it just so happens that I got my amendments in first. It was not a race; I just happened to get mine in first. By leave, I move my amendments Nos 1 and 2 in globo:

No. 1 Page 10, schedule 1. Insert after line 13:

[32] Section 64 (4)

Insert "or bought from the council" after "claimed".

[33] Section 64 (5)

Insert after section 64 (4):

(5) If:

- (a) the unregistered animal referred to in subsection (4) is not desexed at the time it is claimed or bought, and
- (b) the person claiming or buying the animal pays the registration fee specified under the regulations for an animal that is not desexed, and
- (b) the animal is desexed within 28 days after it is claimed or bought,

the person is, on providing proof to the council that the animal was desexed within that 28 day period, to be paid a refund by the council of an amount equal to the difference between the registration fee paid to the council and the registration fee specified under the regulations for a desexed animal.

No. 2 Page 10, schedule 1. Insert after line 23:

[35] Section 71A

Insert after section 71:

71A Registration of companion animals sold or returned by animal welfare organisations

(1) In this section:

animal welfare organisation means any of the following:

- (a) the Royal Society for the Prevention of Cruelty to Animals, New South Wales,
- (b) the Animal Welfare League,

- (c) the Cat Protection Society,
- (d) any organisation approved by the Director-General by order published in the Gazette.

animal welfare shelter means a place:

- (a) operated by an animal welfare organisation for the holding of companion animals, and
 - (b) in respect of which the animal welfare organisation has, in accordance with the regulations, been appointed by the Director-General to act as a registration agent.
- (2) An unregistered companion animal that is in the custody of an animal welfare shelter cannot, if it is required to be registered, be sold by the animal welfare organisation, or be returned by the animal welfare organisation to its owner, until an application for registration of the animal has been properly made and any registration fee that is payable has been paid.
- (3) If:
- (a) the unregistered animal referred to in subsection (2) is not desexed at the time it is sold or returned, and
 - (b) the person buying the animal, or the person to whom it is returned, pays the registration fee specified under the regulations for an animal that is not desexed, and
 - (c) the animal is desexed within 28 days after it is bought or returned,
- the person is, on providing proof to the Director-General that the animal was desexed within that 28 day period, to be paid a refund by the Director-General of an amount equal to the difference between the registration fee paid to the animal welfare organisation and the registration fee specified under the regulations for a desexed animal.

Currently, a person reclaiming an undesexed animal from a pound or purchasing an unreclaimed, undesexed animal from a pound pays a registration fee of \$100. However, a person reclaiming an undesexed animal from a pound or purchasing an unreclaimed, desexed animal from a pound pays a registration fee of only \$35. My amendments will give persons the option when buying or reclaiming an undesexed animal to have the animal desexed within 28 days of taking the animal from the pound. Upon providing proof of desexing, they will receive a refund of \$65, making the total paid for registration \$35. The 28-day period is reasonable, in that it enables the owner sufficient time to make the appropriate veterinary arrangements and organise the payment of costs incurred.

The main advantage of these amendments would be an increase in desexing rates and, therefore, a reduction in the number of animals left at pounds or animal welfare organisations. They are not reclaimed or sold under the current system because of excessive costs involved whereby a person pays \$100 registration fee and the cost of desexing the animal. Amendment No. 1 provides for these provisions in relation to council pounds whereby the council should pay the owner the refund of \$65 once the owner has provided proof of desexing. Amendment No. 2 provides for these provisions in relation to animal welfare organisations, such as the RSPCA, the Cat Protection Society and the Animal Welfare League. In those cases the director-general shall pay the owner the refund of \$65. The incentive is still on the owner to seek the refund. In relation to these amendments, the Animal Welfare League says:

We certainly support of these amendments.

Local government may complain that it is a burden, but it seems like everything is a burden to Local Government, and if we give in to that we give in to a whole host of things.

The councils actually should be offering only desexed animals such as the Animal Welfare League does.

If local government is really genuinely concerned about rehousing unwanted litter one way is to ensure that all animals are sterilised, otherwise we're aiding and abetting the problems we've already got.

The amendments encourage people to take advantage of the differential lifetime registration fee for desexed animals. The amendments are sensible, practical and workable. I hope that honourable members will consider the amendments on their merits and acknowledge the real benefits they will have for society and companion animals. The more animals that are desexed, the fewer stray animals there will be in the future.

The Hon. EDDIE OBEID (Minister for Mineral Resources, and Minister for Fisheries) [5.41 p.m.]: The Government does not support the amendments of the Hon. Richard Jones to section 64. They would undermine one of the aims of the Companion Animals Act, which is to encourage lifetime registration. The

effect on other provisions of the Act have not been examined—any such amendment would need to be considered in the context of a total review of the Act rather than as an one-off late amendment. There has been no consideration of alternative, non-legislative, solutions to this problem. Legislative change should be a last resort and only after full consultation and proper consideration of the problem and any possible solutions. They would impose an undue administrative burden on councils with no ability to recoup the additional costs. They will impact on the reliability of data on the New South Wales Companion Animals Register and increase the transaction load by generating additional amendments to records.

Councils are likely to object when they have not been consulted. Councils have not identified this as a problem needing urgent review. The amendments in the draft bill are all a result of direct feedback from councils. They have not been the subject of community consultation—such controversial amendments would change one of the aims of the Act—and would require a further review. The amendments proposed in the current bill are relatively straightforward; they are of an administrative nature and intended to close loopholes identified to the Department of Local Government by councils. The draft bill aims to tighten various provisions for irresponsible dog and cat owners—the amendments have the opposite aim, and that is to undo one of the key provisions of the proposed legislation, which is to target those owners who have already shown themselves to be irresponsible.

If an animal is returned to its owner without being registered, there is no incentive for the owner to register that animal at a later date—indeed, some of these animals, for example, working dogs and cats owned prior to 1 July 1999 would otherwise be exempt from registration. The levels of registration in this population can only drop from the current 100 per cent—and they are the owners/animals known to have been a problem. There is nothing to prevent pounds from offering a desexing service before an animal is claimed by its owner or rehoused. A survey of 37 Sydney metropolitan pounds in March this year indicated that 22, that is, 59 per cent, offered such a service. Where unclaimed animals are rehoused there is nothing to prevent pounds from having a policy of desexing as a condition of sale. A number of councils already have this policy in place and it appears to be working well.

There is nothing in the proposed legislation that prevents councils from providing a rebate on a pound animal that is desexed within a specified period of being released from the pound—either to its existing owner or to a new owner. This would be funded out of council's general fund as a community service obligation. The amendments are also inconsistent with other legislation such as the code of practice for animals in pet shops under the Prevention of Cruelty to Animals Act which actively promotes the desexing of cats and dogs.

The insertion of section 71A is not supported for the reasons above and for the following additional reasons. Under the current provisions of the legislation any animal welfare organisation or shelter may become a registration agent, either by appointment by the director-general or an agent of individual councils. Some animal welfare organisations do not wish to become registration agents—for example, the RSPCA. Would this amendment mean that the RSPCA could no longer operate as an animal welfare shelter? The amendment would appear unnecessary as most animal welfare organisations, including the major ones—RSPCA, Animal Welfare League and Cat Protection Society—have existing long-term policies in place whereby they will only sell or rehouse animals that are already desexed. The Government does not support these amendments. However, the Government is prepared to assure honourable members that the general thrust of the proposed amendments of the Hon. Richard Jones and the Deputy Leader of the Opposition will be considered in the context of the broader Companion Animals Act review.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [5.46 p.m.]: It is academic whether the Hon. Richard Jones or I first produced this amendment. It is sufficient to say that we had similar thoughts. I received a letter from Mr Edwards, whose letter must have been conveyed to the RSPCA. The RSPCA's suggestion was heading in the right direction but it was cumbersome. The Government's director of policy and reform, in answer to a Government adviser's question about Mr Edwards, said:

Mr Edwards proposal recommends an amendment to what he perceives to be a problem without identifying how serious the problem is. Nor does he appear to consider whether there are alternative means to achieve the outcome he seeks. As I indicated, the proposal has some merit. However, I am concerned that his proposal, as it stands, imposes a substantial administrative and cost burden on councils, particularly in chasing up owners who have failed to desex their animal or paid the additional fee.

You have also asked about a bond arrangement, presumably the owner would pay the higher fee and then receive a rebate. This option would be preferable because the incentive is then on the owner to seek a refund. However, this is too would place an additional administrative burden upon the councils without commensurate compensation.

The Government adviser did not at that time realise that the Hon. Richard Jones, I and my staff had anticipated his concerns. Our amendment, whilst it echoed the philosophy that Mr Edwards and the RSPCA had espoused,

has gone that next step and improved it. Before this evening members of the Government spoke to me and indicated that although they acknowledge that we have come a long way with these worthwhile amendments, they want to examine them further. Whilst the Government does not support the amendments, it is prepared as I understand it to assure honourable members that the general thrust of the proposed amendments of the Hon. Richard Jones and my amendment will be considered in the context of a broader Companion Animals Act review.

I am hoping that the Minister will say that, because so far he has not. In fact, he implied there should not be a legislative outcome to this matter. Also, I would seek a timetable on the undertaking. As the Hon. Ian Cohen indicated, an undertaking of sometime next year is not good enough. We need something more definite than that. I have dealt with the Minister's adviser before. Frankly, because of previous experience, I believe I can trust him. If the Minister gives his word on this, I hope the Government will act accordingly. I, too, share the concerns expressed about the extra cost burden on local government if the Hon. Richard Jones and I have not got this right. I believe we are right, but the present costs borne by local government are horrific, and are even more so following this House's passing of a bill shifting full responsibility for graffiti to local government. Once upon a time graffiti was the responsibility of all government agencies, but the passing of that bill placed full responsibility on local government.

I hope the Hon. Richard Jones feels the same as I do. If he does not, he will have his opportunity to say so. However I seek an undertaking from the Government that it will take up the two amendments proposed by the Hon. Richard Jones and the amendment that I moved, and that the Government will give us a firm undertaking to take appropriate action on the amendments and take the matter to local government. If the Government is prepared to give that undertaking, the Opposition would be prepared to accept the undertaking.

The Hon. EDDIE OBEID (Minister for Mineral Resources, and Minister for Fisheries) [5.52 p.m.]: I am pleased that the general thrust of the amendments proposed by the bill have been accepted by honourable members of this House. As I said in my second reading speech to this bill, the Government has shown its ongoing commitment to ensuring a workable and responsible legislative framework for the administration of companion animals. The Deputy Leader of the Opposition has referred to a survey of councils that he conducted last year and to the complaints that were made about the register. If he cared to check with the councils, he would find that significant improvements have been made in response to the concerns expressed by councils. His survey is yesterday's news.

Late last year the Minister sought advice from the Companion Animals Advisory Board on problems with the operation of the Act so that he could prepare a coherent and considered amendment bill. I note that the Deputy Leader of the Opposition has expressed concern over the legislation and has offered to assist the Department of Local Government and the Companion Animals Advisory Board in the process of the major review of the Act. I am aware that the Hon. Richard Jones has made a similar offer.

In the review the Companion Animals Advisory Board is consulting widely, including with councils and other stakeholders. I am advised that the Minister will ensure that the board contact the Deputy Leader of the Opposition and the Hon. Richard Jones so that their offers to assist can be accepted. This will ensure that when the bill is presented to Parliament late this year, they will be able to give their support to it. I am pleased to note that the issues in the bill have the support of the House. I thank honourable members for their support.

The Hon. RICHARD JONES [5.53 p.m.]: I think it is reasonable to accept the Minister's assurance that this year there will be legislation that will almost certainly include the provisions that we propose tonight. Those provisions will lead to fewer unwanted animals in the community because they simply will not be born. Those who have to pay the \$100 now and get a refund of \$65 when they return with their desexed animals. That will be benefiting not only themselves but the rest of the community. This is a sensible amendment.

I accept that there may need to be consultation. We talk an awful lot about consultation. I think it is about time we did some consultation, so let us go ahead with the consultation. I am happy to help in any way possible in the revision of the principal Act. It does need amendment. The Government should consider the matters I raised in my second reading speech, particularly the matters relating to low-income earners, who are having great difficulty with the Act and sometimes need time to pay. That matter and others need to be addressed at the time the Act is being reviewed. I ask the Minister to have a good look at the speech I made earlier and consider the issues raised by animal welfare groups, the RSPCA and other groups, so that those issues can be addressed later this year.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [5.54 p.m.]: The Opposition accepts the assurances of the Minister for Mineral Resources on behalf of the Minister for Local Government. We will be vigilant in making sure that the bill is introduced later this year.

The Hon. IAN COHEN [5.55 p.m.]: I thank the Minister for giving the undertaking and noting that there will be action this year on the matter. I would appreciate being involved in some way in that consultation so that the information comes our way. This is a very important process that the Greens have participated in. Our primary aim is responsible ownership. We appreciate that in recent times a significant number of issues have increased the burden on local councils. From my experience, in many instances local councils are not coping with those additional burdens. I do not seek to attribute blame in any direction, but the issues must be streamlined so that pounds, council officers and rangers can act in accord with them and the community can be drawn along with them, because significant problems arise if animal owners feel they are being dictated to.

Amendments negatived.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [5.55 p.m.]: I move:

Page 10, schedule 1. Insert after line 23:

[35] Section 73A

Insert after section 73:

73A Information about protection of native birds and animals to be provided

- (1) The Director-General is to provide the registered owner of a companion animal with information about the protection of native birds and animals from predation by companion animals.
- (2) The information is to be provided at the time of registration and is to be provided free of charge.
- (3) The information is to be in the form approved by the Director-General from time to time after consultation with the Minister for the Environment, Wildlife Information and Rescue Services Inc. (WIRES) and such other animal welfare agencies as the Director-General considers relevant.

The purpose of the amendment is to protect native birds and animals. As I said in my second reading speech, the amendment was written following consultation with the Wildlife Information and Rescue Service [WIRES]. That organisation assured me that 90 per cent of owners of companion animals do not want their animals to kill native birds and animals but are not quite sure how best to prevent them from doing so. If cats bring home birds and so on, the owners are a tad embarrassed. Obviously, they do not want that to happen. The suggestion is that the director-general, at the time of the registration, provide the registered owner of a companion animal with information about the protection of native birds and animals from predation by companion animals.

The information is to be provided free of charge, and it is to be in a form approved by the director-general from time to time after consultation with the Minister for the Environment, WIRES and such other animal welfare agencies as the director-general considers relevant. In other words, these experts in the field of saving native animals will write the information that will be distributed at the time of registration. Therefore the only cost will be in the collation of the information and the production of the pamphlet, with the distribution being an add-on cost of the administrative arrangement, that of registering of the animals. That makes the cost minimal and effectiveness extremely good. I seek the Minister's support for the amendment, although I note his comments about the Government's attitude generally to acceptance of amendments. If the Minister will not accept the amendment, I ask that it be taken into account during the subsequent review of the Act.

The Hon. IAN COHEN [5.58 p.m.]: On behalf of the Greens I support the amendment moved by the Hon. Dr Arthur Chesterfield-Evans. First, it is an educational provision. Also, it is consistent with the Green's position on the need for constant education about the potential danger to native animals posed by domestic animals that are not kept under appropriate and adequate control. The Greens support the amendment as a means of helping to educate animal owners and the general public on the vulnerability of our native wildlife.

The Hon. EDDIE OBEID (Minister for Mineral Resources, and Minister for Fisheries) [6.00 p.m.]: The Government does not support the amendment moved by the Hon. Arthur Chesterfield-Evans to section 73A for the following reasons. First, this is a shotgun approach to try to achieve protection of native wildlife. Although the aims of this amendment are to be applauded, it would legislate both a simplistic and a rigid response. To be effective, a communications strategy must be targeted at a range of audiences to take account of local circumstances, demographic characteristics and language, to name but a few aspects. A brochure provided at registration will not necessarily be effective in recruiting community acceptance of responsibility for managing companion animals to protect the environment.

Second, the Companion Animals Advisory Board is presently preparing the next stage of its communication strategy to assist councils and educate the community on responsible ownership of their dogs and cats. The honourable member may wish to communicate to the board his concerns about protecting wildlife so that those concerns are included in the legislation. Third, the Companion Animals Advisory Board is currently in the process of preparing advice for the Minister on problems with the legislation. The honourable member may wish to convey his concerns to the board so that the legislation can be examined to determine whether legislative changes are required to ensure that owners have appropriate incentives to protect wildlife.

Fourth, there has been no consideration of alternative non-legislative solutions to this problem. Legislative change should be a last resort and only after full consultation and proper consideration of the problem and any possible solutions. I said earlier on behalf of the Government that the Government would not accept the amendments moved by the Deputy Leader of the Opposition and the Hon. Richard Jones. Whilst the Government does not support the amendment moved by the Hon. Dr Arthur Chesterfield-Evans, I assure the Committee that the general thrust of his amendment will be considered in the context of the broader review of the Companion Animals Act.

Amendment negatived.

Schedule 1 agreed to.

Title agreed to.

Bill reported from Committee without amendment and passed through remaining stages.

BUDGET ESTIMATES AND RELATED PAPERS

Financial Year 2000-01

Debate resumed from 29 May.

The Hon. MICHAEL GALLACHER (Leader of the Opposition) [6.04 p.m.]: My contribution to debate on the Treasurer's Budget Speech comes at a time when various quarters of our community believe that this Government is continuing to fail on the things that matter for the people of New South Wales. Year after year the Government promises to deliver a true Labor budget, but what have those promises come to mean for the wider community in those areas to which I will specifically refer tonight? People in those areas will see less and less in the way of government services, despite knowing that they are being taxed at levels higher than in any other jurisdiction in our nation.

The unassailable fact is that, since coming to office in 1995, Labor has squeezed more money from New South Wales taxpayers than any other government. In 1995-96 Labor collected \$21,365 million in revenue. We are told by the Treasurer that next financial year Labor will collect \$28,487 million in revenue. That is an increase of 33 per cent, or an additional \$1,095 a year for every man, woman and child in New South Wales. That money, which will come out of the family budget—money for groceries, bills and recreation—will no longer be available for family outings. That impost will limit family spending on all fronts. Money will be collected from higher taxes, higher levels of stamp duty and a higher intake from payroll tax. Money will be squeezed out of pet owners, hard-working men and women and even recreational anglers.

Let us get this absolutely clear: every cent collected under the GST is coming back to the States. The GST may be collected by the Commonwealth but it is spent by the States. What a bonanza, according to the Treasurer's figures! No wonder the Premier, Bob Carr, could not wait to sign up for the GST. When we add up the GST take and all the increases in tax charges and other revenues this year, we find that the Treasurer has taken an extra \$1,095 a year out of everyone's pocket since he became Treasurer. We are blessed to have both the Treasurer and the Assistant Treasurer in this Chamber.

It is intriguing that both Ministers often talk of their concern about and their commitment to helping businesses in this State, yet both simultaneously preside over measures that negatively impact directly upon businesses and their ability to operate in New South Wales. Since 1995 this Government has increased payroll tax from \$2,881 million to \$4,125 million, an increase of 43 per cent. Katie Lahey from the State Chamber of Commerce had this to say after the budget was handed down:

The State Chamber of Commerce is particularly disappointed that payroll tax has not been reduced further in the budget. The Budget papers show that the Government will collect \$149 million more in payroll tax in 2001/02 than it did in 2000/01. It would have been far better for jobs growth for that money to be used to cut the tax rate.

Australian Business went further by stating that Victoria and Queensland had lower rates of tax and that this was detrimental to employment growth, particularly during an economic downturn. The Assistant Treasurer, on the other hand, presides over a workers compensation scheme that is in complete disarray following his patent mishandling of his own reforms. By his very actions many in our community—in particular the business community, who were promised so much only a few months ago—are now awaiting the introduction of workers compensation 2001 mark 2 to see how much the Government's much-touted blueprint to bring down escalating premiums has been corrupted.

I am fully conscious of the standing orders with respect to anticipating debate. However, the current legislation which is before the Chamber has no bearing on the proposals touted in the media as the outcome of secret negotiations with the Labor Council, such as the abolition of the Compensation Court. A cursory glance at this year's budget papers also indicates that words such as "privately underwritten workers compensation scheme" have been conspicuously left out of the budget papers.

The budget papers show that funding for the resolution of workers compensation disputes, including funding for the Compensation Court, will be increased from \$31.5 million this financial year to \$33.3 million next year. Little detail has been provided about the secret agreement between the Minister for Industrial Relations and the Labor Council to do away with the Compensation Court. I will be interested to see the final proposition and how some member bodies of the Labor Council will react. For example, the Police Association will be fully aware of how this change will impact upon its members, and I will be interested to see how the abolition of this court will operate in a positive way for them.

In recent times I have also spoken with members of the Fire Brigade Employees Union, especially in the Hunter Valley. Once again, we are confronted with another area of the emergency service that is far from happy with this Government's response to its problems and the current death and disability provisions to protect firefighters. Mr Kevin Brown, a Swansea firefighter, lost his life a little over a year ago while attending a fire. He was killed by a passing motor vehicle. His wife and family are yet to receive his promised pension. I have been advised by union sources that the reason for this delay is that the current death and disability provisions have left the Browns with a pension entitlement that is so inappropriate it is offensive.

The same could be said for the growing difficulties being experienced by ambulance officers. Apart from them suffering the more traditional injuries experienced in this line of duty, such as stress and back injuries, they are now becoming victims of assault and harassment when attending emergency scenes. I recently suggested the need to recognise the inherent danger of work performed by emergency services personnel and the responsibility of this Government, and indeed all governments, to protect those who protect us. The creation of a separate workers compensation scheme which recognises the higher likelihood of injury to emergency service workers—as has been adopted in Victoria—may well provide such a measure. It would also ensure the responsibility of this Government to provide not only rehabilitation but also real opportunity for injured workers to continue in a worthwhile job.

I was shocked to hear of recent reports in the *Maitland Mercury* that the New South Wales Police Service was in the process of recruiting civilians to perform the role of property crime investigators. The plan is being sold on the basis of freeing up police from attending property crime scenes. My concern arose not from the suggestion that civilians could not do the job but, rather, the ease with which the Government has ignored yet another opportunity to provide permanently injured workers with a chance to continue to play a role in the New South Wales Police Service. The Minister for Industrial Relations bears the greatest responsibility to protect injured workers, and I call on him to become personally involved in this issue.

Instead of allowing injured police to be thrown onto the workers compensation scrap heap, the creation of a local property crime investigation unit, utilising officers who, due to injury, are incapable of performing fully operational police duties, would be a far better use of professionally trained personnel and would allow officers to continue with their careers. Such officers would attend property crime scenes, conduct fingerprint and other scientific examinations, interview witnesses and victims and work with detectives and criminal intelligence officers to track down offenders. I welcome any thoughts that the Minister for Industrial Relations has on this proposition.

From a Central Coast perspective there is little to cheer about in the budget. Without doubt, the biggest continuing disappointment is the blowout in the completion of the high-speed rail link service in both the Central Coast and the Hunter areas. Residents of the Central Coast remember the announcement by the Labor Party's Central Coast team during the 1999 election campaign to fully fund the upgrade to the rail system to

allow high-speed commuting between the Hunter, the Central Coast and Sydney. The amount promised was \$790 million. There was nothing in the budgets for 1999 or 2000, but this year we are told it is up and running, with the commitment to provide \$1 million this financial year. The question is: Where is the remaining \$789 million?

The same could also be said for the Maitland to Dungog rail line. The Opposition has been very outspoken in recent months about the need to provide the necessary funds to get the old red rattlers—now re-sprayed grey—off that line. They are not airconditioned, they are dangerous and they are totally unacceptable. I have stood on railway stations in the Hunter region at sunrise and spoken to commuters, who are fed up with the way the Government treats them. Day after day Maitland councillor Bob Geoghegan—who has been a hard-working advocate for upgrading the rail services on the Maitland to Dungog line—and I are confronted by commuters who are disgusted with the Government's broken promises and the fact that they must use second-hand trains.

The Leader of the Opposition in the other place and I spoke with the partner of a young man who was killed on that line when he opened an unlocked door on a train. That woman and her children know the importance of upgrading trains on this line. On 25 March, in an attempt to placate local communities from Newcastle to Maitland and Dungog, who are growing more impatient by the day, the Government announced a \$50 million upgrade to rolling stock; It promised 14 purpose-built carriages. It was not until they read the fine print that everyone realised that the carriages would not be delivered until 2004-05 at the earliest, and then only two would be available. Those carriages will go the same way as the much anticipated delivery of the millennium train, which was promised prior to the Olympic Games last September.

At first the trains were delayed because there was concern that their introduction might cause some difficulties prior to that great event—the Olympics. But now, nine months since the closing ceremony, we are yet to see one new carriage roll off the production line. In the Hunter, one local manufacturer, Goninans, has secured a very large contract from the Western Australian Government to build carriages for its network. Why must the people of the Hunter wait a further four or five years, at the earliest, to get two trains when a local producer, Goninans, is currently producing stock for the people of Western Australia? Is it any wonder the people of Maitland anticipate another re-spray of their current 30-year-old stock before the Government's promises are realised.

While we are on the subject of oldies but goodies, let us return to that old chestnut, Raymond Terrace police station. Honourable members may recall that last week I spoke about my attendance at a community meeting in Medowie to discuss widespread concern about law and order in the area. Local residents detailed their experience as victims to the current member for Port Stephens—and I emphasise the current member for Port Stephens, Mr John Bartlett—and a number of local police officers. During his presentation the local member outlined plans for the new police station. He then showed the audience a map and indicated where the Raymond Terrace police station would go, where the court house would be moved to, and the current location of the council, to give members of the community an understanding of their exact location.

I cannot forget the statement by the honourable member for Port Stephens that, "with the new police station will come additional police resources." One can imagine my surprise and, indeed, disappointment, when I discovered that he had misled his local residents, because when the budget was released the following night it did not contain one penny for the new police station for the people of Raymond Terrace. Did the local member intentionally mislead the assembled audience or is he privy to what is in the budget for next year? If he is, he should tell us what other goodies are in store for the next financial year. The answer to that question is easily obtained by referring to the 1995 budget papers, which contained a commitment of \$2.5 million to complete the Raymond Terrace police station by 1999. However, by 1996 the money had disappeared from the budget because—as the people of Raymond Terrace were told—a new super station was to be built at Waratah.

One can only imagine the continuing disappointment and frustration being experienced by police currently stationed at Raymond Terrace. They are the other victims of this Government's neglect. One need only look at a map for this region to get an appreciation of the difficulties these officers face every night when they go to work. Only one police vehicle, with two officers, patrols the community from as far as Nerong to the north, right around the bay through to Karuah, to Raymond Terrace and out to the furthestmost areas of Nelson Bay. literally thousands of square kilometres and no backup for miles!

The Hon. Patricia Forsythe: And dangerous roads.

The Hon. MICHAEL GALLACHER: The Hon. Patricia Forsythe rightly interjects, "with dangerous roads to boot". As I said, the Government has a duty of care to provide a safe working environment for its

emergency services personnel, and on this score it is failing miserably. But the Hunter is not the only area neglected by the Government when it comes to police resources. Honourable members would be aware of my commitment and concern for the people of Woy Woy Peninsula. I know first-hand the difficulties experienced by local residents when it comes to crime prevention and law enforcement; and right now they are unfortunately blessed with a local member—the member for Peats, Marie Andrews—who does not believe that anything is wrong. Having police to work on the peninsula rostered from Gosford 25 minutes away is a classic sign of the safe-seat mentality.

Until now the local member and the Minister have simply ignored the issue in the hope that it will go away. However, I can assure them both that neither the Coalition nor the local community will let this issue rest until we see the return of permanently stationed police at Woy Woy. I cannot allow the opportunity to slip past without mentioning the continuing disgraceful fraud perpetrated on the people of Kincumber when in 1995 they were promised a police station. Apart from the time that the Opposition exposed the Government's hypocrisy by moving the entire VIP Cyclist Unit from Sydney to Kincumber and then claiming it had increased the personnel by a further 12, the only other officers to have worked there have been on permanent light duties.

Kincumber is not the only police station with a phoney facade. Stockton police station was closed and police officers were moved to Mayfield. In February I visited Stockton and spoke with businesses and residents about the closure of their local police station. The common thread of comments was simple: they no longer felt they lived in a safe community, removed from the problems of cities, where they could raise their children without fear. This feeling of safety was removed the day the Stockton police station was closed, as it was removed in many local communities which have similarly lost police stations.

The loss of a police station is perhaps felt more by a community than the loss of a post office or a bank. It goes to the core of the community; it is about safety. As the village atmosphere disappears, replaced by the urbanisation of Newcastle, Stockton has suffered its fair share of the loss of services, including the Commonwealth Bank not that long ago. What hurt most was the lack of prior consultation with the local community when the station was closed and the police were moved to Mayfield. This was compounded when Mayfield police station was closed, again without consultation, and the police transferred to Wallsend. The closure of Stockton police station is a symptom of a much larger issue—being taken for granted. State electorates throughout our region have experienced similar problems to those of Stockton residents. Police stations have been closed in Mayfield, Lambton, Hamilton, Carrington and Adamstown.

I spoke earlier about the police station at Woy Woy, which may be open but has no general duties police officers stationed there. All of these police stations are in safe Labor seats. Crime figures in these local government areas speak for themselves. In the past five years it has been reported that instances of crime have all increased, often incredibly so. With this increase in crime has come the inevitable result: people in a local community who do not feel safe in their homes, streets or neighbourhoods. A government that closes police stations, by its very actions, takes away a community's feeling of safety. When there is a drive-by shooting of Raymond Terrace police station, as we saw in February, these concerns are heightened.

The concerns of the residents of Stockton are justified. A patrol car from Wallsend may take more than 20 minutes to respond to a call for help, and even longer in heavy traffic. And if the patrol car is responding to a call on the other side of Wallsend, then good luck! During my visit to Stockton I was disappointed to be informed that I was the only State politician interested in this closure, the only one who had personally visited residents and listened to their concerns. Since my visit in February there has been a scintilla of good news for the people of Stockton. The police station has reopened, albeit for a few hours each weekday morning. Of course, local offenders will soon know when the police station is manned with an officer or two and no doubt they will adjust their working hours accordingly.

The education budget for the Central Coast and the Hunter is always a source of interest to a local community with a high rate of children and young people living in the area. Prior to the last State election the proposed sale of The Entrance Infants School site was a source of great public debate. prime waterfront land, the sale of the site for housing after the 1999 State election helped to swell the State Government coffers. As a fellow local resident I would like to know that the proceeds from the sale of the infants school site—I might add, the Coalition vigorously opposed the sale—will be used to upgrade educational facilities at The Entrance Primary School and other local schools. It is the least the local community deserves.

However, if the former Woy Woy TAFE site is anything to go by, the return of proceeds to the local community simply will not happen. Previous governments had recognised the need for a tertiary education

facility on Woy Woy Peninsula and had set aside land to build a TAFE college in future years. However, this Government decided that, rather than build a TAFE facility to assist local students to gain education that will allow them to get a job, it would sell the land from underneath them. Despite the strong desire of the Central Coast community for the proceeds of the sale to be returned to educational facilities in the area, particularly the Gosford and Wyong TAFE colleges, the Government chose yet again to ignore the wishes of local communities.

Wyong High School is rapidly falling into the same basket-case approach that this Government takes to education on the Central Coast. It is absolutely disgraceful the way the people of Wyong have been kept in the dark about future education facilities for their children and, indeed, their children's children. This is an area of growth, but the Government continues to ignore the people of Wyong. I can assure honourable members that this member and this Opposition will continue to raise issues relating to Wyong. Although Wyong is a safe Labor seat, we will continue to raise these issues to get answers for the people of Wyong.

A \$1.235 million allocation in last week's budget is causing quite a bit of debate in the Newcastle area. This money will be spent on shifting the Kooragang Island wetlands. However, the reason for this shift appears to be surrounded by a high degree of mystery and, indeed, secrecy. According to the Minister Assisting the Premier on Hunter Development, the current wetlands site is subject to a development marked "confidential" and is being considered by the Premier's Department, with no details being released. The honourable member for Port Stephens in another place—we will not forget the contribution of the member for Port Stephens in relation to Raymond Terrace—and the National Parks and Wildlife Service are at a loss to explain the decision to shift the birds from the wetlands.

The Minister for the Environment in another place, Bob Debus, is also at a loss to explain this \$1.235 million allocation. A truly worrying comment for local residents comes from Minister Face, a Hunter resident, who said that the wetlands move was "just relocating a particular area to sterilise some land that could be used for industry development". Perhaps the Treasurer—and I note his presence during my contribution to the budget debate—could explain just what this \$1.235 million grant will be spent on and why it is necessary.

Since its election in 1995, the Government has promised to complete Avoca Drive by 2003. Last week's budget concerned long-held suspicions by Central Coast residents about how much they matter to this Government. While any roads funding is welcome, there was no indication of when, or even if, the upgrading of Avoca Drive and The Entrance Road will ever be completed. The removal of any indication of completion dates is not peculiar to Avoca Drive and The Entrance Road. In the budget papers a whole host of road funding projects are labelled as having "not available" completion dates.

Compounding the removal of completion dates are the manifestly inadequate levels of funding in this budget. At its current rate of funding The Entrance Road will take 30 years to complete and Avoca Drive will not be anywhere near finished by 2003. A few weeks ago I called on the Government to release the Pacific Highway route study which covers the stretch of the Pacific Highway from Tuggerah to Kanwal. The Minister for Transport, and Minister for Roads had sat on the study for more than six months. The route study contains important details of urgent and necessary roadworks on the Pacific Highway.

I think it is important for that study to be released not only to the general public but, more importantly, to the Wyong Shire Council which could rely on the study to determine its road funding priorities. It was particularly important that funding be provided in the State budget for works deemed necessary by the study. I was therefore interested to notice in the budget a line item detailing "Kariong to Doyalson Route Development"—a project which has a total cost of \$18 million with \$3.6 million being allocated next financial year. Perhaps the Minister will outline to the House which projects in almost a 40-kilometre stretch of road from Kariong to Doyalson are to be funded under this line item? In particular, are there funds to upgrade the Tuggerah to Kanwal section of the Pacific Highway this financial year?

In conclusion, I wish to refer to the Hunter Children's Court. The budget also pushes back completion of the new \$6.5 million Children's Court in Newcastle to 2005-06 at the earliest. I was amazed that only \$300,000 has been allocated in the budget. That means that children, parents, Department of Community Services staff and legal representatives will continue to endure the existing inadequate facilities in Newcastle. It is ridiculous to suggest that it will take five years to plan and construct a simple court building. We all know that private enterprise could do the job in just over a year. I urge the Government to bring forward funding so that the court complex can be completed by 2003. Children should not be suffering from this Government's penny pinching.

[Mr Deputy-President (The Hon. John Johnson) left the chair at 6.32 p.m. The House resumed at 8.15 p.m.]

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [8.15 p.m.]: This year's budget is plausible but basically unimaginative. This Government is good at public relations and sold its budget very well to the media. Tragically, the substance is not up to the hype. It is almost a budget for the scaling down of government. When inflation is taken into account, it can be seen that many government services have not actually increased; in fact, they have decreased. Whereas honourable members hear the hype about the Government spending more than has ever been spent before, the reality is that as a force in the community this Government is declining under Labor. If there are restraints on taxation and so on, that does not mean that borrowing on assets which will appreciate has to stop; nor does it mean that imagination and investment in preventive programs to address future social problems cannot be undertaken.

In the portfolios of Education, Training and Health, this budget simply does not deliver the goods. The budget is also very unimaginative and unprogressive in relation to transport. In many cases the Government has not allocated enough money to keep up basic services to keep pace with inflation. Moreover there are a number of fiddles in the budget's macro figures: for example, comparing this year's budget to last year's budgeted figure, rather than comparing it to last year's actual spending. Actual spending consistently exceeds budgeted spending for a large number of departments and represents an ongoing lie. At best it would be called bad accounting practice.

At a macro level the 2001-02 New South Wales budget uses creative accounting to claim a surplus of \$368 million. Many of the financial negatives have been allocated to the 2000-01 financial year rather than to the current budget. For example, the \$600 million cost of the bailout of some HIH policyholders has been charged to the current financial year. If at some time in the future the liquidator pays 50¢ in the dollar, that may well be future revenue. Interestingly there is no 2001-02 Government employees contribution for the closed defined benefit superannuation funds for public servants. Super contributions for 2000-01 were \$1,378 million; in 2001-02 it will be nil; and in 2002-03 contributions will recommence at \$929 million.

All the costs of the retiring high-coupon T-bonds and replacing them with current low rates has been allocated to 2000-01 in hindsight. This will ensure that interest costs will look good in future budgets after mucking up what is left of the 2000-01 budget. Of course, no-one will look back to see what was the deficit in this financial year. In energy trading, Eraring Energy lost a lot of money—so much that it had negative value. This year \$420 million was allocated just to bring the company to solvency. But the electricity distributors levy of \$100 million—which should have been retained to offset possible continuing losses—was suspended this year. It is only a suspension of the levy for one year, not a removal—the regulatory and legal framework remains in place—and it can be reintroduced at any time. It therefore looks like something done in the short term to make this budget look good. As I said, a number of fiddles are going on.

The Council of Social Service of New South Wales notes the suspension, but it is concerned that the likely beneficiaries will be big business and not residential consumers who are about to enter a fully contestable energy market. However, an appropriately structured distributors levy might be a good way to fund the Electricity Tariff Equalisation Fund [ETEF] at some future point. Members of this House would be aware of my criticisms of the ETEF in the past, and I am sure there will be more criticisms in the future as the fund is structured suboptimally. National Rail Corporation Ltd's investment of \$52.123 million was written off in 2000-01, as was most of FreightCorp's privatisation costs of \$9.7 million.

The Treasurer made great play of his tax cuts, especially the cut in payroll tax from 6.2 per cent to 6 per cent from 1 July 2002. But he did not mention the fact that due to inflation and the fact that the threshold of \$600,000 has not changed, about 25,000 more small businesses are paying the tax, and in fact receipts of payroll tax have risen 14.9 per cent in the last three years. The financial institutions duty and stamp duty on marketable securities will be abolished from 1 July 2001, as agreed to under appendix A of the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations. The abolition of bank account debits tax has been brought forward from 1 July 2005 to 1 January 2002, provided the State obtains an assurance from the Commonwealth that New South Wales will not be disadvantaged.

I appreciate the intention of the Treasurer about this, and agree that this tax slugs consumers. But the question needs to be asked: Do people want these small changes when other essential services, such as health and education systems, are simply dying from neglect? This is a question not asked amongst all the hype. Much has been made of the reductions in payroll tax since this Government took office. Over six budgets, the rate has fallen from 8 per cent of payroll above \$600,000 to 6.2 per cent now and 6 per cent from July 2002. However, as I said, the lack of indexation has meant that more people are paying the tax. The growth of average wages has meant that whilst 18 full-timers would be needed for \$600,000 in 1995, a mere 14 would now breach the threshold. An additional 25,000 small to medium businesses have been caught.

The sale of the State Bank by the former Fahey Government in 1994 continues to be a drain on the New South Wales budget. The State Bank was sold to the Colonial group for \$576.5 million, with the investment operation, First State Fund Managers, thrown in. The former State Bank and First State Fund Managers were a key part of the Commonwealth Bank's recent \$8 billion takeover of the Colonial group. The budget papers show that the Government is continuing to pay out large amounts for indemnity and other payments to the Colonial group, which is now the Commonwealth Bank, under the sale agreement. The payment for 2001-02 is budgeted at \$39.85 million, resulting in \$427 million of the original purchase price being repaid. The State Bank was almost given away in what can be described as "the biggest bank heist of all time". I will not refer to all those payments but will simply indicate that to date the total \$426,845,000 on a bank that was sold for \$576 million. So much for privatisation by Mr Fahey—we are still paying for it now! This Government has assigned the bad news to soon-to-be historic accounts and kept asset revaluations for the current budget.

I now wish to refer to education—I think people can understand that more than they can understand a bunch of figures on the deficit. Education on school expenditure for 2001-02 has increased by 5.5 per cent on last year's budget, but the increase over the revised estimates—that is, actual spending—is only 2.1 per cent. That is a net decrease in real terms, because the increase in expenditures does not match the increase in inflation, particularly when the much-deserved teachers' pay rise is taken into account. The gross increase in spending for private and non-government schools is 12 per cent over 2000-01 budget estimates. The Government is yet again favouring private education over public education. The schools improvement plan commits \$1.1 billion for infrastructure over four years, but \$257 million this year only takes spending to 4.9 per cent of total schools spending, which is back where it was six years ago, it having dropped to as low as 3.1 per cent of the total capital works budget in 1997-98.

Since this Government has been in power—and the 1994 budget was the budget before the Carr Government came into power—spending has dropped dramatically, and this was associated with the period of the Olympics. What it boils down to is that this Government took the money out of capital spending on schools and spent it on the Olympics. As the Government seeks to correct this, it still has a huge deficit, yet it is painting this as some sort of brilliant, new initiative. It is only a big rise because of the fall that this Government created. Of the spending on schools, \$110 million would seem to be reliant on the sale of public schools as proposed in the "Building the Future" document released by the Department of Education and Training.

One cannot help but reflect that this Government seems to be totally dominated by Treasury and the Ministers simply apologise for the cuts to their portfolios, putting together whatever fig leaf of rationalisation and vision they can pretend in the cuts that are imposed on their departments. Schools will have to battle to get any real improvement at this level. The Government should be honest about what it is doing and say to the public, "Do you want a tax cut, or do you want decent schools for your kids?" Adjusted for inflation, total schools spending in 1999-2000 was \$5,434,695, compared to this year's budget of \$5,331,665, adjusted for expected inflation of 3 per cent. Therefore this year there is actually a decrease in education spending. An amount of \$1.1 billion during four years will not even catch up with the total shortfalls under the Carr Government since 1994-95. There has been a major and sustained dip in capital spending, with a total shortfall in today's dollars of \$203,955,000. So people should not get the idea that \$1.1 billion over four years will catch up.

The Carr Government acknowledges an increasing demand on the health care system due to population ageing, new technologies in medical treatment and rising consumer expectations. However, the increase in overall spending of 5 per cent suggests a strategy where the health care system will, at best, only keep up with its current standards, particularly because the 20 per cent drop in the Australian dollar has increased costs of imported equipment and drugs. The reduction in grants to non-government organisations in the mental health field is not a welcome sight, particularly in view of the suicide rate being so high in young people in Australia. I intend to raise that issue in the estimates committees.

In relation to tobacco—an area in which I have an interest—there has been an increase of \$1.5 million per annum for the implementation of health initiatives. That will bring the annual budget for the program to \$3.3 million. Although I am encouraged by that figure, money spent on preventative health saves money in public health expenditure in the future—and it does that at a very high return rate. The Cancer Council recommended that the budget for tobacco control should be \$15 million per annum. Research in California suggests that it is cost effective to spend that much money to reduce other health costs. Yet, we have gone from \$1.5 million to \$3.3 million—That is not a very daring increase! If there is not enough money for the tobacco action plan perhaps tobacco retailers should be licensed—which would fund enforcement to stop them from selling tobacco to children. We are also concerned that the option of taking legal action against tobacco companies seems to have been dropped, even though it was being considered by the Standing Committee of Attorneys-General. The silence has been deafening.

This Government has said that it would do something about drugs. However, of the \$50 million to be spent in this area in 2001-02, only a small proportion is earmarked for treatment and prevention; the majority of the money is targeted at law and order. Initiatives such as the 15-bed detoxification unit at Nepean Hospital, the 15-bed drug treatment unit at Wyong Hospital and \$670,000 for a heroin overdose plan are a drop in the ocean if we are to apply health-based solutions to the drug problem. The Cabramatta anti-drug strategy involves mainly policing and during 2001-02 it will receive \$3 million more than the three initiatives I have just mentioned combined. It is interesting to compare the 30 new beds for drug treatment with the 820 prison beds mentioned in the work in progress for Corrective Services. If a large percentage of crime is drug-related that is a highly nonprogressive approach!

I note the new legislation designed to control drugs—These are like the last gasps of prohibition strategy. A bill is before the House that provides for mandatory magnetic resonance imaging scans for children suspected of carrying drugs internally. The children can be kept in custody until they pass the drug-filled balloons or condoms. That is scarcely progressive stuff for a Government that held the Drug Summit to try to change public opinion to a more progressive approach! The Department of Corrective Services budget continues to increase. Its operating expenses are up 5.4 per cent from \$527 million to \$560.3 million. The budget notes that the average prisoner numbers have risen from 6,635 in 1998-99 to 7,930 in 2000-01, a rise of 19.3 per cent in two years.

The budget does not mention the number of intellectually disabled people in the system which, according to research by Professor Susan Hayes, was 19.3 per cent in 1999. This is in marked contrast to the figures from data given to the Select Committee on the Increase in Prisoner Population by Anne Langford, Clinical Co-ordinator of Disability Programs, Department of Corrective Services, who gave figures of 1.87 per cent in March. I note the difference of 19.3 per cent from the university academic and 1.8 per cent from the Department of Corrective Services. There is, of course, little evidence that incarcerating people improves the situation. In fact, there is little data one way or another but surely if so much money is being spent on incarceration it is time that that question was asked and compared to other options. While the Government pursues the options of more beds in prisons, it creates a lobby, a mindset and habits that we will pay for in the future.

The budget papers show that only 4 per cent of prisoners are in full-time education, a rise of nought per cent in the past three years. Yet, the number of serious assaults in prisons is up from 161 in 1998-99 to 270 in 2000-01, a rise of 68 per cent in two years. I wonder quite honestly if I should mention those figures lest they fall due to changes in recording procedures. Certainly it is a worry and does not suggest progress in rehabilitation within the prison system. One might note that the budget document does not boast of new prisons. They have learned the public relations of this situation. They have enumerated 820 beds and new prisons as work in progress to a total of \$76.3 million. But, as I said, there are only 30 new beds for drug rehabilitation even though a very high percentage of crimes are committed by people trying to get money for drugs. This is a conservative Government, without a real vision for the future, driven by shock-jock sentiment that thinks that when a baddie is caught it is the end of the story, like some sort of soapie. They are wasting our money and destroying lives by pandering to this unenlightened view.

Transport was given a great deal of hype in this budget. However, there is very little in relation to new rail works. There is the Parramatta-Chatswood rail link, but it does not say how much of that allocation is for the bus interchange at Parramatta. A lot of money could be saved if the line followed the existing line to Granville, and went up the Carlingford line, as planned, to Epping. The money saved from the large three-storey interchange and the extra two lines going deeply underneath Parramatta station could be used to put a line up the western orbital and continue into the north-west sector. That would reduce Sydney's car dependency considerably—as fuel becomes more expensive. A forward-looking government would not increase car dependency.

If it is said that there is a shortage of money perhaps we should consider issuing bonds. Although that is deeply out of fashion and all we hear about is the reduction in the State debt, in fact, there is nothing wrong with issuing bonds and buying assets, provided those assets are still on the books and are productive. The new philosophy is that private debt is good but public debt is bad. That is simply a silly and transient dogma that is stopping this Government from planning better for the future. We are not advocating irresponsible spending; we are advocating responsible investment in our future. In relation to community services, the Council of Social Services of New South Wales [NCOSS] has welcomed aspects of the budget, such as the proposed abolition of the bank account debits tax and the integration of pensioner concessions across electricity, gas and water. However, in its response to the budget NCOSS said:

... the Treasurer has further cemented the two-tier concessions system which discriminates against the unemployed, sole parents and the increasing number of the working poor. All of these groups should have similar access to concessions on utilities. Michael Egan has done a Peter Costello here.

The similarities between this conservative Government and the one in Canberra are striking and disappointing. NCOSS continued:

The Budget suggests an increase in economic growth to 2.7% in 2001-02, but a decrease in employment growth and an increase in the State average unemployment rate to 6.25%.

It appears that an obsession with paying off State debt is more important than stimulating job opportunities in both urban and rural disadvantaged communities.

NCOSS was also disappointed with the State budget in relation to children's services. It said:

Once again, children's services have failed to attract government attention in the budget, resulting in concerns for the viability of many stand alone preschools, and for the capacity of outside school hours care services to upgrade to meet national standards.

Children's services should be the frontline of a Department committed to early intervention and prevention, but the failure yet again to address affordability issues for preschools and standards and licensing issues for outside school hours care leads us to question the government's priorities ...

The overall increase in children's services funding of \$5M represents increased staffing costs within the Office of Child Care for new CSA positions, the restoration of financial assistance to vulnerable families to its correct position in the budget papers, and indexation of 3% for some services.

The Children's Services Forum through the NCOSS pre-Budget Submission argued strongly this year for a major commitment to meeting affordability for preschools, estimated at some \$15M, \$5M to meet Outside School Hours Care standards and assist in developing regulations for services to school age children, and a range of other measures, totalling \$31.9M for the program.

In this so-called "Education Budget", the vital years 0-6 have been totally overlooked and young children are being denied access to preschool issues because of the high cost of services in this State.

Whilst the early childhood field welcomed the launch of an Early Childhood Policy late last year which recognised the centrality of the early childhood years to good social policy—"in supporting the social fabric of the community"—it is empty rhetoric when the budget makes no financial provision for its implementation.

So NCOSS is very clear on that. NCOSS praised the Home and Community Care Service for its growth rate of 9 per cent, and said:

... the New South Wales contribution to HACC is expected to approach \$11 million, bringing the total NSW growth allocation to \$26.2 million this year. This will alleviate hardship and maintain people at home.

There is also some new funding for community services, as well as the announcement of 60 new caseworkers for the Department of Community Services. NCOSS said:

However, the community groups who partner DOCS in frontline work continue to be ignored. It seems that no allowance has been made to enable them to meet fixed costs and the forthcoming new Award, and this will cause greater difficulties for disadvantaged people and communities.

That is because of stress on those non-government organisations. So, all in all, when the hype is taken into account, this budget is lacking in elements of social policy and imaginative planning in transport. The budget was a disappointment. I think it was a missed opportunity, but certainly it was well sold.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [8.42 p.m.]: The 2001-02 budget has confirmed what many of us on this side of the House have thought for some time: the Carr Government is becoming tired and arrogant as it approaches 6½ years in office. It has also confirmed another belief of mine: the Carr Government rightly deserves the tag of "mean and tricky". I say that now because of our experience of getting hold of budget papers last week. The Carr Government states time and again that it is committed to country New South Wales, and even goes to the extent of producing a separate budget paper with all the "good news"—or so-called good news—projects for rural and regional areas. What a shame that honourable members of the Legislative Council had to try to find that budget paper last week, because it was not delivered with the rest of the budget papers, and no spare copies could be found. That begs the question: What did the Government have to hide? Really, how mean and tricky is that?

The Hon. Michael Egan: This is the first time you have told me there were not any copies.

The Hon. DUNCAN GAY: You were told in question time today.

The Hon. Michael Egan: Yes, today.

The Hon. DUNCAN GAY: You would have known, when you delivered a copy of the country paper, that you delivered it only to your people and the press, and that it did not come to Opposition members.

The Hon. Michael Egan: Not at all.

The Hon. DUNCAN GAY: We did not know what was missing.

The Hon. Michael Egan: But I made mention of it in the speech, so you would have known that it was not in the budget papers.

The Hon. DUNCAN GAY: Finally, when we went looking for it, it was not there. Did Government members get it?

The Hon. Michael Egan: I don't know.

The Hon. John Johnson: Did lower House members get it?

The Hon. Michael Egan: I don't know. But it was mentioned in the speech.

The Hon. DUNCAN GAY: But it was not delivered.

The Hon. Michael Egan: You knew about it because I mentioned it in my speech, and you should have let me know last Tuesday.

The Hon. DUNCAN GAY: You were not here. You have not been in the Chamber at question time for two weeks.

The Hon. Michael Egan: I have been in the House.

The Hon. DUNCAN GAY: Not at question time. We could have asked you a question about it if you had been here, but you decided not to be here. In fact, you did not attend any question time last week.

The Hon. Richard Jones: Because he was in a sulk.

The Hon. DUNCAN GAY: He is still in a sulk.

The Hon. Michael Egan: I was doing a luncheon.

The Hon. DUNCAN GAY: By way of interjection the Treasurer said he was not in a sulk, he was doing a luncheon. That was more important than attending question time!

The Hon. Michael Egan: I was paired.

The Hon. DUNCAN GAY: You were paired for question time?

The Hon. Michael Egan: Yes.

The Hon. DUNCAN GAY: Doing a luncheon?

The Hon. Michael Egan: Yes.

The Hon. DUNCAN GAY: You're telling the story.

The Hon. Michael Egan: I was paired on Wednesday and Thursday.

The Hon. DUNCAN GAY: Lunch was more important than question time!

The Hon. Michael Egan: They were budget luncheons.

The Hon. DUNCAN GAY: I would like to dwell today on what the budget has delivered—or, more correctly—

The Hon. Michael Egan: Point of order: I would not want to give the impression that they were budget lunches; they were budget presentation lunches.

The DEPUTY-PRESIDENT (The Hon. Reverend Fred Nile): Order! There is no point of order.

The Hon. DUNCAN GAY: I would accept the point of order. Anyone who knows the Treasurer knows he would never go to a budget luncheon. I would like to dwell today on what the budget has delivered—or, more correctly, failed to deliver for rural and regional New South Wales. The 2001-02 budget is, in the words of the Leader of the National Party, George Souris, a bland document that lacks vision. The Premier and his Government promised prior to the budget that 34 per cent of the Government's capital expenditure would go to areas outside Sydney, Newcastle, Wollongong and the Central Coast. This was a key point of the Premier's speech to the so-called Country Labor conference at Huskisson on the South Coast late last month. This was the same conference at which the Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs described the mayors of rural and regional New South Wales as a "mongrel of mayors".

The Hon. John Johnson: It was the biggest country conference of any political party in the State.

The Hon. DUNCAN GAY: And I imagine they all applauded when Harry Woods called the country mayors a "mongrel of mayors". Is the Hon. John Johnson telling me that they did not applaud? I bet they did applaud. Country people therefore, from the comments of the Premier, had an expectation that the Carr Government would deliver. The Premier had said so. Nothing could be further from the truth. The Government continues its penny-pinching tax take from country residents, and it continues to neglect regional New South Wales at the expense of the Newcastle, Sydney and Wollongong areas. Essentially, this budget is confirmation of the Carr Government's rising taxes and falling standards. As the Leader of the National Party, George Souris, stated last week, this is a budget of smoke and mirrors for country New South Wales.

Let me turn to some examples of where the Government's commitment to country areas has not been backed up by reality. In health, overall capital expenditure on major works totalled \$429.85 million. Just \$91.93 million of that expenditure is destined for regional areas. That is a mean 21 per cent of the total. That does not even come close to the stated commitment of the Premier at the Country Labor conference of more than a third. It is 21 per cent, Treasurer. That is not within a bull's roar of a third! That is the first black mark in the Government's book—and there are a lot more to come.

The result for health means that urgently needed capital works for country hospitals, including adequate provision for updating and supplying equipment, will be put on the backburner. The Treasurer's Speech, not surprisingly, refers only to what the Government sees as the good news from the budget. Whilst there are some major regional facilities that will be upgraded—including Coffs Harbour hospital and the Tweed hospital, which we applaud—there are many smaller country centres still awaiting for their funding. The lion's share of the new capital expenditure will be focused on the Central Coast and in the Sydney metropolitan area. Frankly, that is a disappointing result.

In education, capital expenditure on major works across the State totals \$157.26 million. Of that, just 22 per cent, or \$34.49 million will find its way into rural and regional schools. That 22 per cent is a fair way short of the one-third that was promised by the Premier. The Government has gone through the rhetoric and formed the yuppie party, but it has not delivered. Members opposite are pretty ordinary.

The Hon. John Johnson: What yuppie party?

The Hon. DUNCAN GAY: So-called Country Labor, which has not divided on anything against the Government. Members of Country Labor come into this Chamber day after day but they have not yet voted against the Government. All that the Hon. Tony Kelly and members of Country Labor do is put up their hands as high as they can to support Bob Carr. The Hon. Tony Kelly and Country Labor have lost again. Only 22 per cent, or \$34.49 million of the \$157.26 million of the budget allocation, will go to education. What a bunch of losers! Country schools will continue to make do with demountable classrooms, ageing buildings and inadequate facilities for yet another year. TAFE capital expenditure on new major works in regional areas stands at just 13 per cent. How much short of the one-third that was announced by Bob Carr on the South Coast is that?

As the Leader of the Opposition indicated earlier, no new police stations will be built in country New South Wales. That is confirmation of the neglectful policies of this Government—policies which were

highlighted prior to the Olympics when police officers were taken from country areas to work in Sydney. Some of those staff have not been returned. Do honourable members remember the Olympics and the promises of the great rewards that country New South Wales would get after the Olympics? The Government said to people in country and regional New South Wales, "Let us put the money into the city now. Let us put it there a little ahead of schedule because of the Olympics. You might lose your budget share at this stage, but we will more than make up for it later." Have people in country and regional New South Wales seen those rewards? Once again the Government's promises were just words.

As the Treasurer said to this House, this budget is every inch a Labor budget. It has taken money out of country areas. Honourable member would be well aware of the glossy publications that are produced each year to extol the virtues of the Government's capital works project. The last project—the Beyond 2000 document, which was released last year—detailed 47 projects that attracted government investment. That booklet showed \$13.9 billion of government investment for the Sydney area, whilst just \$6.3 million of that budget allocation will be spent on projects outside the metropolitan area. At the time that the booklet was issued I raised concerns about the projects that were listed in the hope that the Government might address the Sydney-country divide and start spending up on capital works programs for the bush. For the last four or five years the major part of that money has been going to the city.

Unfortunately, the budget shows that the Government actually underspent its capital works budget by \$380 million last year. It did not spend \$380 million of its budgetary allocation. So overall capital works went backwards by 8 per cent last year and the forecast increase for the coming year will happen only if the Government plays catch-up from the previous year, which is a fairly unlikely scenario.

I turn for a moment to the issue of payroll tax. This Government and this Treasurer promised to cut payroll tax to 5 per cent in 1999, and to 4 per cent in 2000. Once again, the Government has not delivered on a promise. The best that the Treasurer could do last week was a cut from 6.2 per cent to 6 per cent. That is really big news when we consider that the Treasurer promised a year ago to reduce that figure to 5 per cent in 1999 and to 4 per cent in 2000.

The Hon. Michael Egan: I never did.

The Hon. DUNCAN GAY: That is what the Treasurer promised.

The Hon. Michael Egan: When?

The Hon. DUNCAN GAY: That was one of the Treasurer's election promises. He always makes these promises, just as he promised cheaper electricity, but he has not delivered on that promise. Electricity prices have gone up 200 per cent since this Treasurer has been in office. He tries to confuse people with his rhetoric. This budget has exposed a litany of issues that the Carr Government has failed to address after almost 6½ years in office. In my shadow portfolio areas of local government, energy and mineral resources, the budget has delivered some pretty patchy results. Local government continues to be underfunded and underresourced at the hands of the Carr Government. The Department of Local Government is still reeling from an earlier decision to restructure its functions. Now it has just over half the staff numbers that it enjoyed two years ago.

Essential functions have been outsourced and the Government continues to expect councils to deal with more and more responsibilities with less and less funding and fewer resources. The Department of Local Government has been cut in half, the Government has loaded more and more responsibility on local government, yet Peter Woods, the President of the Local Government Association, continues to praise the Government. I wonder why? People are starting to talk about that. Why is this bloke supporting a government that has just about gutted local government?

The Hon. Michael Egan: He does not support us.

The Hon. DUNCAN GAY: He does support the Government.

The Hon. Michael Egan: He is a National Party supporter.

The Hon. DUNCAN GAY: He is not a National Party supporter.

The Hon. Michael Egan: He supports you.

The Hon. DUNCAN GAY: Peter Woods and the Treasurer are brothers. The budget finally contains some funding for the relocation of the department from Bankstown to Nowra—a project that will have been four years in the making by the time the department opens its doors on the South Coast in the year 2000.

The Hon. Jan Burnswoods: Country New South Wales obviously will applaud that.

The Hon. DUNCAN GAY: The Hon. Jan Burnswoods, who has been nattering throughout this budget debate, might be interested to learn, if she listened to the debate, that two years ago the Treasurer gave August 2000 as the completion date for the relocation of the Department of Local Government.

The Hon. Rick Colless: Is that in Nowra?

The Hon. DUNCAN GAY: Yes, that is in Nowra. The Government promised in 1999 that the relocation of that department would be completed in August 2000. Under freedom of information provisions my office obtained documents from the Department of Public Works and Services which revealed that the buildings would be completed in March 2001. Earlier this year the honourable member for South Coast is reported as saying in the *South Coast Register* that the relocation would be completed in 2001. That was hopeful to say the least!

We have now been provided with a fourth date by the Minister for Local Government. In answer to a question on notice he said that the relocation would be completed in early 2003. So we have gone from 2000 to 2001 and finally to 2003. Frankly, the completion date for this project has been a complete shambles. The former Coalition Government relocated the Department of Agriculture, which had a large number of staff, to Orange in the Central West in a much shorter time frame, but it had the will to deliver on its promises.

At the time the Minister announced the move of the Department of Local Government in 1999 we finally discovered that no planning and no costings had been done. This is despite a ministerial announcement. That is why it has taken so long for half the cost of the buildings to be included in this budget, and they were in the paper that we were not given. An examination of the budget papers shows the number of complaints handled by the department rising marginally from those of the previous year but still a long way below what were dealt with prior to the gutting of the Department of Local Government. This ludicrous policy of referring complaints back to councils for resolution means there is no effective procedure for dealing with complaints about councils. Ratepayers seek assistance from the Ombudsman but that office acknowledges in correspondence that it does not have the resources to investigate every complaint about local government that comes to its attention.

The number of regulatory and legislative amendments have fallen—further prove that the Government is not interested in solving the problems faced by local government. There has been some tinkering around the edges with regard to community land—fixing up what the socialists under Minister Page had put in place—and more recently, as of today, some companion animals legislation. But the major issues in local government that need to be addressed have not been addressed. The Local Government Act that the Coalition introduced is now seven years old, and I believe it is time for a full-scale review of that Act to more accurately reflect the changing role of councils across the State. The present Minister promised such a review when Labor was in opposition, but he has not delivered. The Opposition would be more than happy to work with the Government on issues that need to be addressed in any part of the review process, as I indicated earlier today in debate on the Companion Animals Amendment Bill. Last week I spoke at the annual conference of the Shires Association of New South Wales.

The Hon. Michael Egan: A very good organisation!

The Hon. DUNCAN GAY: It is a very good organisation, with a great new president.

The Hon. Michael Egan: Who is that?

The Hon. DUNCAN GAY: Mike Montgomery from Moree. He will do an excellent job.

The Hon. Michael Egan: Is he a mate of Wal Murray?

The Hon. DUNCAN GAY: Anyone in Moree would be a mate of Wal Murray and John Anderson.

The Hon. Michael Egan: Did he vote for Wal's expulsion?

The Hon. DUNCAN GAY: I doubt that he was at the meeting. Last week I spoke at the annual conference of the Shires Association of New South Wales, the peak representative body for more than half the councils across the State. An issue that came up time and again was that of unfunded mandates or, put simply, the transfer of responsibilities from this State Government to local government without financial support. This budget goes absolutely no way towards addressing the continual shift of responsibility to councils. It provides no additional funding, resources or guidance to councils, nor does it indicate that the Treasurer will loosen his purse strings on the massive national competition policy payments that the Government receives from the Commonwealth. The Queensland and Victorian Labor governments provide funding assistance to councils by releasing national competition policy payments. Even the Victorian Premier releases national competition policy payments, but does anyone think this Treasurer will do it? No! I cannot see why this Government cannot follow the lead of the Queensland and Victorian Labor governments.

The Hon. Michael Egan: On what basis?

The Hon. DUNCAN GAY: They have incurred a lot of costs and received negligible gains.

The Hon. Michael Egan: They have received very significant gains.

The Hon. DUNCAN GAY: No, they have not received significant gains. They have received very little gain. Part of the promise was that if they went through the pain they would receive some gain. The Treasurer has gone back on that understanding.

The Hon. Michael Egan: There has been no pain for that at all.

The Hon. DUNCAN GAY: Your Labor colleagues in Queensland and Victoria do not think the same way.

The Hon. Michael Egan: That is not logic.

The Hon. DUNCAN GAY: Isn't it?

The Hon. Michael Egan: No.

The Hon. DUNCAN GAY: Does that not even suggest that the Treasurer might have it wrong?

The Hon. Michael Egan: No.

The Hon. DUNCAN GAY: I think you have.

The Hon. Michael Egan: The Deputy Leader of the Opposition can think that, but it is not a good argument. That is what I am saying.

The Hon. DUNCAN GAY: Even Peter Woods thinks this Treasurer has got it wrong.

The Hon. Michael Egan: Peter Woods is a member of the National Party.

The Hon. DUNCAN GAY: He is not a member of the National Party.

The Hon. Michael Egan: He is certainly not a member of the Australian Labor Party.

The Hon. DUNCAN GAY: We are a broad church but we are nowhere near broad enough to accommodate him. He was probably at dinner tonight with the President and the Communist Cubans.

The Hon. Richard Jones: He was.

The Hon. DUNCAN GAY: The Hon. Richard Jones confirmed that he was at that dinner.

The Hon. Richard Jones: So was I.

The Hon. DUNCAN GAY: That is no surprise.

The Hon. Richard Jones: So was the Hon. James Samios.

The Hon. DUNCAN GAY: I am disappointed to hear that. Another issue that came to the fore at last week's Shires Association conference was the country towns water and sewerage scheme. I stated that the Coalition was hopeful of seeing a restoration of funding to that scheme to allow councils to finish much-needed water and drainage works, but it was not to be. Again, the Carr Government has underfunded the country towns water supply and sewerage scheme. The Government is at least \$170 million behind in its funding of that program. The \$66.8 million allocated in the latest budget only repeats the Premier's announcement in March of an extra \$15 million a year over four years. This \$15 million to country water and sewerage will disappear into a few large projects. That means that most of the unfunded projects will remain that way in the coming year. Underfunding of this program poses a major risk to public health, while also making it hard for local government to meet the standards imposed by the Environment Protection Authority. It should be noted by the Labor Party that the former Coalition Government, which left office 6½ years ago, funded this scheme to the extent of \$85 million a year. This mean, miserable Treasurer is cutting back and we have not heard a peep out of Country Labor.

Speaking of underfunding, I would like to talk for a moment about another issue of importance to local government: road funding. The roads budget has suffered a cut of \$2 million in straight dollar terms, but when an inflation figure of 3 per cent is taken into account the real cut is close to \$70 million. This follows another large cut of \$111 million in last year's roads budget. So in two years Premier Carr, with his mates from Country Labor, has cut \$180 million from roads. That is King Carl Scully for you; he would be assisting the Treasurer to cut road funding. This Government has an obsessive focus on grand projects in metropolitan areas at the expense of projects in country areas and road safety programs.

The Hon. Jan Burnswoods: What about Coffs Harbour hospital?

The Hon. DUNCAN GAY: I am speaking about a road program, dear! For example, black-spot funding is down 32 per cent to \$13 million. Contrast that with the Federal Government's commitment of \$16.1 million and honourable members will see what sort of government we are dealing with the New South Wales. This budget delivers cuts to road maintenance that in real terms total more than \$14 million. The Minister for Roads will spend just \$524 million keeping our roads maintained. Frankly, that is not good enough, and whenever I go to councils in this State—and I am sure the Hon. Tony Kelly finds the same thing—they are crying out for more money to fix ageing and rapidly deteriorating roads.

[Interruption]

Is the Hon. Tony Kelly saying he has never heard councils complain about the roads? Is that what I hear? Is the honourable member telling us he is happy with the spending of the Minister for Roads? My colleague in the other place the honourable member for Myall Lakes rightly points out that this Government is out to deceive the people of New South Wales about road funding. He points out that the Hon. Tony Kelly's mob, the so-called Country Labor, and other Labor members colleagues had been issuing press releases claiming credit for road projects, including—and honourable members will like this one—the realignment and widening of the New England Highway, and \$1 million spent on planning a bypass for the Newell Highway.

What the Hon. Tony Kelly did not say was that all the projects for which Country Labor took credit are funded by the Federal Government. Walt Secord wrote the press releases for the Hon. Tony Kelly claiming credit for Federal Government funding. Walt writes the press releases and Country Labor members release them. Honourable members should remember Walt, who said, "Are you pleased to see me or is that a gun in your pocket?" I turn now to mineral resources.

The Hon. Jan Burnswoods: Do you have to?

The Hon. DUNCAN GAY: The Hon. Jan Burnswoods asks whether I have to. I do have to because in this instance I want to give the Government a little credit. My speeches on the budget are honest, unlike those of the honourable member. The Carr Government has continued to commit funding to the Department of Mineral Resources to allow the ongoing exploration and mapping of New South Wales. The replacement for the Discovery 2000 project, which was initiated by the Coalition Government through Ian Causley, Exploration New South Wales, has again received funding. Last year Exploration New South Wales recorded information about Broken Hill and central and south-western New South Wales. As the Minister announced today, he has finally been able to get someone to mine the Goulburn area. That has resulted from this investment. Discovery

2000 was a Coalition initiative and, to the credit of the Minister, the Treasurer and the Government, they have followed through with the money. When the Government does the right thing we will give it credit. The Government does not do the right thing often, but in this case we will give it credit.

The Hon. Doug Moppett: How much money did the Government put in this year?

The Hon. DUNCAN GAY: Some \$30 million. Mine safety and derelict mine rehabilitation have been a high priority, as the Minister is only too happy to tell us over and over by way of the same Dorothy Dix questions in the House. As I said, it is not often that the Government will hear praise from us for work it has done, but this is one such occasion and the Government deserves it. My other shadow portfolio is energy, and unfortunately I cannot heap the same praise in that area. I have maintained a close watching brief over the energy portfolio over the past 12 months. Despite the Government's continued assertions that the State-owned electricity assets are returning near record dividends, the figures speak for themselves and the Government's assertions are not correct.

In 1997-98 the electricity assets returned dividends and tax equivalents to the Government of approximately \$693.4 million; in 1998-99 the result was \$664 million; and in 1999-2000 the figure had fallen again to \$650 million. I suspect that the dividend will continue to fall. The bottom line that the Treasurer does not want to tell Government members about is that the dividend is falling. I suspect that the dividend will continue to fall unchecked as the Government continues on its path of hands-off management and a program of transferring general government sector debt to the industry in an effort to shore up its budget bottom line. I assure honourable members that if my figures were wrong, if I was one scintilla out in the figures I have given the House, the Treasurer would be on his feet, assuring the House that I have misled the Parliament.

The Hon. Michael Egan: May I do that?

The Hon. DUNCAN GAY: However, the fact that he is not on his feet is an indication that I have read the figures correctly.

The Hon. Michael Egan: He is misleading the Parliament.

The Hon. DUNCAN GAY: I have not misled the Parliament. Despite the cold hard facts of these figures, the Treasurer continues to deny that there is a problem, as he just demonstrated. He cites near record returns and a reduction in net liabilities, coupled with falling retail electricity prices. I wish we could believe that. Falling retail electricity prices will become a major challenge for the Government with the looming onset of full retail contestability, when all electricity customers in New South Wales will be able to choose their own electricity retailer. The early signs are that the original price savings from the first and second tranches of contestability have all but disappeared. In fact, they have disappeared.

I have been made aware of several medium-size businesses across the State which have been offered new three-year electricity supply contracts that are up to 200 per cent above what they were paying for their first three-year contracts. Prices falling? A 200 per cent increase! I will be watching closely to see what happens when the market is opened to full competition. Will price savings be realised then? Frankly, it is a matter of wait and see. I hope that the savings will be realised but I do not think that will be the case. At this point I refer to a unit within New South Wales Treasury called the market implementation group [MIG]. MIG is charged with concocting the Government's energy policy. I would like to get paid what the members of MIG get paid.

The Hon. Michael Egan: So would I.

The Hon. DUNCAN GAY: So would we all, I suspect. The members of MIG get paid more than the Commissioner of Police. They are the highest paid public servants in New South Wales.

The Hon. Michael Egan: They are not actually public servants.

The Hon. DUNCAN GAY: They are paid by Treasury. I would like to get paid the same as they do. They get a total of \$8 million over the life of the project, with the director getting \$2,000 a day, according to the figures supplied to me by the Government. It would be good work. While MIG has provided the Government with most of the advice so far in relation to the introduction of contestability, I will be interested to see what it can produce in the way of ensuring that customers are able to get the best deal under contestability.

I am pleased that this year's budget papers show a commitment to funding major infrastructure upgrades in the State-owned electricity utilities. So there is a pat on the back—a small one but it is there.

Spending initiatives include \$5.5 million on line and substation development in the Tamworth and Gunnedah regions, \$4.6 million to upgrade the Liddell power station's infrastructure, \$8 million for gas infrastructure projects, \$2.3 million for Advance Energy's network development at Dubbo, \$11 million investment for Delta Electricity's investment in generator refurbishment in the Wallerawang generator unit, Energy Australia's network augmentation of \$44 million in the Hunter and \$26 million on the Central Coast, and \$8 million for remediation of NorthPower's electricity feeders.

Frankly, these are good spending initiatives. On behalf of the Opposition I congratulate the Government, especially on the projects related to network reliability. In some areas of the State the network could not get much worse. In northern and southern New South Wales frequent blackouts and brownouts are still a way of life. I get sick of my mother ringing me and saying that the power is out again. Next time she rings up I will refer her to the Treasurer.

The Hon. Michael Egan: She's a nice lady.

The Hon. DUNCAN GAY: She is a nice lady but she likes to have the electricity on in winter, especially in Crookwell. I hope that this additional funding is backed with recurrent capital expenditure on a yearly basis to ensure that the electricity network across the State is commensurate with what people expect in the twenty-first century. I take this opportunity to congratulate the Legislative Council's Standing Committee on State Development on its report.

The Hon. Michael Egan: Have they been to Crookwell?

The Hon. DUNCAN GAY: They have not been to Crookwell. The committee has not been to Crookwell. The Treasurer has not been to Crookwell.

The Hon. Michael Egan: I have been to Crookwell.

The Hon. DUNCAN GAY: No, you have not. The Coalition felt that the committee had to drag the Government to accept the recommendation of the Standing Committee on State Development. Frankly, given the size of the amalgamation of country distributors I am grateful for crossbench support and for the fact that the Government finally accepted the committee's report. The 19 recommendations that came out of the all-party committee's report were of the utmost importance to country New South Wales. Had Coalition members not insisted on the amalgamation recommendation, the report would have been presented without the amalgamation and would not have been nearly as good as it ultimately became.

Despite welcome initiatives in specific areas the bottom line is that the budget as a whole is a product of a tired Government—a Government which has had almost seven years to provide a strategy and results for country areas but which frankly just cannot get it right. This Government cannot resist the temptation of Newcastle-Sydney-Wollongong. The budget reveals a tinkering at the edges in specific areas but there is no big picture and there is no major infrastructure project that is truly worthy of the title of State significance. That went when this Government failed to support the Lithgow project that many of its supporters favoured, and the smelter ultimately went to Queensland. New South Wales Labor has become a government of spin and plenty of public relations hype, but there is very little substance for rural and regional areas. This Government has been aptly named a very mean and very tricky Government.

The 2002-03 State budget will be the Carr Government's last stand before heading into the 2003 election—an election that will hopefully deliver a Coalition government in New South Wales. The people of rural and regional areas deserve better than this Government. If Bob Carr and Michael Egan cannot deliver better results, then the electorate will look for someone who can. The next budget is the Treasurer's last chance. Let us hope that the next budget will be better than this one.

Ms LEE RHIANNON [9.22 p.m.]: This budget is little more than an exercise in accounting. It lacks vision—a problem that clearly afflicts the Treasurer on most days. The Treasurer exhorts that he is the greatest Treasurer that this State has ever had.

The Hon. Michael Egan: I have never said that. Other people say that, but I have never said it.

Ms LEE RHIANNON: I have heard him repeat it during question time. Such a remark coming from such a member is not surprising, but should we not judge the worth of this State's Treasurer on his ability to share the wealth of this State between all New South Wales residents while ensuring that social justice and

environmental considerations are central to economic policy? People are tired of the old major party rhetoric of trade-offs between economic, social and environmental goals. People cannot be conned with overused clichés of the economy versus the environment. People know that it is possible to have an economic policy that brings in from the cold people's needs and the environment and integrates those considerations into all aspects of budget priorities. The Treasurer may be proud of the budget but it will not stand the test of time. It has barely stood the test of one week. The tomes that have come forth from Treasury represent a type of intellectual and even an economic mediocrity that this State can ill afford.

Increases in the funding of public education were entirely inadequate, whereas a much larger rate of increase in State subsidies to private schools will serve only to exacerbate the inequities in the aggressive increases in Federal funding that were delivered by Howard, Kemp and Costello in this year's Federal budget. The essential context of the New South Wales schools and education budget is the dramatic change to the Federal funding of private schools which was introduced in the States Grants (Primary and Secondary Education Assistance) Act 2000. That Act paved the way for massive increases in per capita payments to non-government schools. This year's Federal budget revealed that, in real terms, the per capita increases to private schools was 7.88 times the per capita increase to public education. That is, for every additional dollar given to a student in public education, each child in a private school attracted \$7.88.

Because all schools run with large fixed costs it is the quantum of the additional funds at the margins that makes the difference in the way a school is perceived by prospective parents and, indeed, the way in which it can cater for the needs of its students. A marginal advantage of 7.88 for private schools means 7.88 times the number of new computers, 7.88 times the number of new library books, and 7.88 times the per capita expenditure on refurbishment of buildings and equipment. There is another way of quantifying the disadvantage felt by public schools as a result of the Federal Government's budget. Historically Federal funds to private schools constitute only 30 per cent of the total Federal schools budget. Since 1975 this figure has risen to 65.5 per cent and is scheduled to rise to 67.8 per cent by 2004-05.

If private schools funding was frozen at its year 2000 level an increase of \$2,500 per student per year to public education would be required to restore public education's share of the Federal schools budget to the historical level of 70 per cent. The Treasurer should ask public school teachers what they could do with \$2,500 per student per year. Their eyes would light up if they were speaking about reduction in class sizes by 30 per cent, buying computers for each student, or increasing the number of specialist teachers for students who have learning difficulties. Whichever way one chooses to measure it, the comparative disadvantage to public education is enormous and is now reflected in the public debate where the very future of public education is being questioned. Against that background the State Government chose to bring in a budget which gives a 12.6 per cent increase to private schools while granting only a 5.7 per cent increase to public education, as measured from budget to budget figures.

In large measure this inequity results from the per capita payments to private schools under section 21 of the Education Act. This holdover from the Metherell years has resulted in grants per capita to private schools in New South Wales at an average of 25 per cent of the cost of educating a child in a government school. Because of indexation of the payments, the cost of public education automatically places a tax on any attempted improvements to Government education funding. Because of the current enrolments mix, for every dollar spent in public education an additional 10¢ is automatically given to private schools. If the enrolment mix were to shift in favour of private education, this tax rate would increase at an alarming rate.

Later in this parliamentary session I will introduce a bill on behalf of the Greens that in part reforms some of the more inequitable operations of section 21 of the States Grants Act by removing the very wealthiest private schools from the 25 per cent rule, or gravy train, thereby freeing up revenue for equity programs in public education and also reducing the tax rate on public school improvements. The Carr Labor Government is also in the middle of a battle with inner-city public education communities. The Government is trying to close down and sell eight schools. The Government's argument is that it needs \$110 million to refurbish the remaining schools in the area yet each year the private schools continue to receive \$36.4 million from the New South Wales Labor Government for capital works. In just three years this interest subsidy money could have paid for the necessary works on public school infrastructure in the inner Sydney area without any need to raise revenue from the sale of public education sites.

The Education Act unequivocally enjoins an education Minister to place public education at the top of his or her priorities. It is time that the education Minister began to obey the law. It is time that he used the State budget to undo the damage that the Howard Government wants to wreak. It is time to make public education our first and foremost priority.

I refer now to the environment. The Treasurer has failed the key environmental test. He could not produce a budget that provided resources for this Labor Government to continue with the greenhouse leadership it showed when it was elected in 1995. Today the New South Wales Government spends less per capita than Queensland and Victoria on combating the production of greenhouse gas emissions. New South Wales is producing more greenhouse gases from energy production than ever. Per capita emissions increased from 7.73 tonnes in 1990 to 8.09 tonnes in 1999.

The Greens advocate that energy retailers who continue to fail to meet their modest emission benchmarks of 5 per cent reductions from 1990 levels should be penalised \$40 per tonne. This would raise between \$60 million and \$120 million per annum. Surely that is a revenue raiser worth considering. The Greens would see all this funding put into achieving sound greenhouse targets, with energy efficiency and renewable energy programs. The Government should cut greenhouse emissions by more than 20 per cent over 1990 levels by 2010, with funding to compensate low-income earning households for any increased energy costs.

The Greens strongly support the call by the New South Wales Council of Social Service for a much stronger commitment to job creation. Unemployment remains one of the major causes of poverty in New South Wales, particularly in regional and rural areas. Yes, we know that the budget provides for increases in the capital works program, but there is no attempt to deal systematically with the lack of jobs in New South Wales. We urgently need a region-by-region approach to this most debilitating crisis. A few glossy brochures and special announcements do not work. It is time Labor delivered in this area, which should be its home turf.

While the Treasurer was weak in a number of areas, there was one key area that he failed to even mention. In the 45 minutes he took to deliver his speech the Treasurer could not find time to address a most serious problem in this State: the housing crisis. Low-income families in the private rental market, homeless people, boarders and lodgers are becoming increasingly disadvantaged under this Labor Government. In Sydney, and across New South Wales, an increasing proportion of people's wages goes into the pockets of greedy landlords. Nearly 100,000 people are on the public housing waiting list. These are the forgotten people of the Treasurer's budget. The right to housing is a fundamental human right. How could the Treasurer possibly overlook this most critical issue? This omission seems indicative of a wider attitude on the part of the Treasurer and the Labor Government as a whole.

Remember that on budget day the Treasurer did not get the smooth run he expected; he was not always comfortable and in control. Remember also those television images, when journalists quizzed the Treasurer about e-learning. For a fleeting moment uncertainty flashed across his face. The composure quickly returned, but the language was not quite right. Speaking about e-learning was not the direction that the Treasurer wanted that press conference to take. But to be fair, we do not have to have a Treasurer who feels at ease with computers. Leaving the Treasurer's proficiencies aside, it is worth pondering the irony of a Minister who attempts to sell his budget on the basis of technological commitments, or refuses to incorporate the Internet into effective distribution of the budget itself.

The Greens strongly urge the Treasurer to adopt an open information society approach to the budget, instead of the archaic ritual of the media lock-up. What would be wrong with the Treasurer releasing all information on the Internet on the morning of the budget and allowing the public, community groups, or whoever, to access Treasury officials on the web for one day? The lock-up should be relegated to history. All the budget day lock-up does is isolate the media from the independent experts they normally use to critique government policy and ensure that the only point of view available is the Government's. If there is any price sensitivity in the budget, it would be best to put it on the Internet so that all players have equal and instant access to information. The secrecy argument with regard to the budget simply does not wash. For days, even weeks, before the budget government people were dribbling out electorally strategic budget information. The idea of secrecy is clearly a farce.

The Greens see improving public and media scrutiny of the budget as a key part of the need for an agenda to democratise the entire parliamentary process. This suggestion does not preclude the Treasurer having his moment of glory and delivering the Budget Speech in the House. For the record, the New South Wales Treasurer's lock-up is more draconian than that of Federal Treasurer Peter Costello. In the Federal Parliament all parties and crossbenchers were given access to the lock-up, with Greens Senator Bob Brown bringing in two advisers and the Opposition having more than 20 advisers present. Speaking of the Federal Treasurer, Mr Costello, it is worth remembering that on 27 February this year he praised our Treasurer. Mr Costello said:

I was interested to see a very astute observation reported on the AAP wire today:

Inflation is under control, there hasn't been a wages blowout, there hasn't been a mad credit binge, there hasn't been an asset price explosion and corporate profits are at historically high levels.

So said Michael Egan, the New South Wales Labor Treasurer when talking about the benefits of the current economic situation.

What a commentary! We could imagine that the Federal Treasurer would be very proud of our Treasurer's budget. I imagine that few of the Greens' criticisms register with the Treasurer. Hopefully he will take a reality check. If the Federal Treasurer is taking him under his wing, surely it is time to be concerned and worried if the budget he has brought forward is the best for the people of New South Wales.

Debate adjourned on motion by the Hon. Peter Primrose.

ADJOURNMENT

The Hon. IAN MACDONALD (Parliamentary Secretary) [9.37 p.m.]: I move:

That this House do now adjourn.

SOUTH-WESTERN SYDNEY RAIL SERVICES

The Hon. CHARLIE LYNN [9.37 p.m.]: I wish to comment on the pathetic standard of service provided by CityRail for train commuters from south-western Sydney in general and the airport link in particular. Last February I decided to use the rail service between the airport and Campbelltown. The first problem I encountered was a lack of baggage space for the luggage I carried; I had been away from home for two weeks. The trains servicing the airport rail link are normal commuter trains. I found it very awkward to stow the luggage on the floor, and it also proved to be inconvenient for other commuters. Undoubtedly, such a task would have been impossible for a commuter with a young child and two or three items of luggage.

After the train left the station I called my wife and asked her to drive to Campbelltown railway station from Camden, a round trip of about 30 kilometres. When the train arrived at Macquarie Fields, which is three stops short of its scheduled destination at Campbelltown, everyone was ordered to alight. No explanation was given and people were confused. At that time of day there were many young mothers with babies in prams and pushers, and a number of students. Railway staff came through the train to make sure everyone was off the train, but no reason was given; all they were told was that the train was returning to Sydney and another train would be coming via the Liverpool line to pick them up.

After manhandling my luggage off the train and onto the platform, I joined a group of extremely irate people demanding to know why they were being dumped. Some women were crying because it meant they would miss their bus connection in Campbelltown.

[Interruption]

I know the Hon. Ian Macdonald does not care about the young women and young families in western Sydney, but some people do care about them. I know he does not care about them, because he has never been out there. I asked the guard why we were all being dumped there, and he advised me that the train had to get back to Central because it needed to make up time for the on-time running statistics. The guard thought the situation was disgraceful and was most apologetic, but he said he could not do anything about it. I felt disgusted that a bunch of faceless bureaucrats were doing the Government's bidding to treat commuters from south-western Sydney like they were sheep or cattle.

The Hon. Jan Burnswoods: Did you have to carry your suitcase?

The Hon. CHARLIE LYNN: I understand that the old grey rattlers are going to be renamed the Burnswood's bafflers. There can be no excuse for putting statistics ahead of people. This is the sort of treatment one would expect in a Third World country. I say to the Minister and his bureaucrats that this is not a Third World country and the people of south-western Sydney are not Third World citizens. The practice of dumping commuters on stations well short of the scheduled destinations must cease, and I call on the Minister to put an end to it. I would hope for the Government's support.

A few weeks ago I decided to give the airport link another try. I was on a 7.00 a.m. flight and checked the CityRail web site the night before to see if there was a service that would get me to the airport at 6.30 a.m. A service was listed on the timetable, so I arranged for my daughter to drive me to Campbelltown railway station rather than have her drive me all the way to the airport. I arrived in plenty of time and went to the window to purchase a ticket. The attendant told me that the trains were not running on the East Hills line because of track maintenance. I advised him that I had checked the web site and showed him a copy of the print-out of the timetable. There was no mention that the trains were not running. He told me that I should not take any notice of that information.

The only option available for me to get to the airport in time to catch my flight was to catch a taxi. The fare was just short of \$70 from Campbelltown. My experiences with Countrylink are not much better. I know that members of the Government are not interested in this matter. The condition of the track is so poor that joggers would make better time over some sections of it. That is a disgrace! On others occasions when the Countrylink train can get a bit of speed up it is like a small boat in a force 10 gale! There are times when it just does not feel safe. It is obvious that there are serious funding shortfalls in both track maintenance and rolling stock. Since then I have asked people what they think of the service between Campbelltown and the city. I have been shocked at the response. It seems everybody has a horror story.

The Hon. Peter Primrose: What about Macarthur? Don't you go to Macarthur railway station?

The Hon. CHARLIE LYNN: No, I get on at Campbelltown. The honourable member may not be aware that Campbelltown is on the Macarthur line. A summary of people's comments reveals that the trains are dirty, damn uncomfortable and unreliable. A lot of people do not feel safe. It is about as bad as it gets. The people of Campbelltown should not have to suffer the daily discomfort and doubt of a dirty and unreliable train service. I am absolutely appalled that a bunch of so-called Chardonnay socialists do not give a damn about the people of Campbelltown. They are an absolute disgrace. [*Time expired.*]

WOMEN'S TOILET FACILITIES

The Hon. JANELLE SAFFIN [9.42 p.m.]: Tonight I speak on a matter of great importance, one especially important for women. I refer to a decision that embodies recognition of the different needs of men and women. It has passed without much fanfare, except for some commentary in the *Daily Telegraph*. Recently the Building Code of Australia recommended that women's toilet facilities be increased by 40 per cent. The needs of women and men are significant issues. Women's needs are not always taken into account, often by default or design, and men's needs and experience often become the norm. Laws are often built around—not in any deliberate way—the needs and experience of men. That occurs also in planning and policy issues. Every woman I know who attends public functions, buildings or centres has to endure long waits in queues. The *Daily Telegraph* reported this matter on Monday 14 May as follows:

Women take 30 per cent longer to use the toilet than men and they go more often.

That should be reflected in the building and planning codes, and it has not been for a long time. It is a real bugbear for women.

The Hon. Elaine Nile: It is equality, isn't it?

The Hon. JANELLE SAFFIN: It is not equality when men do not recognise our needs! Other women and I know this as fact. It is part of our daily lives. Often when I attend official functions that involve lengthy periods of time sitting, driving, et cetera, I cannot get frequent or timely toilet breaks. Let us face it, when men organise or host functions they often forget to factor that in, but when I organise a function I make sure that I do.

The Hon. Duncan Gay: We go beforehand. We are more organised.

The Hon. JANELLE SAFFIN: Yes, organised around your needs, not our needs—that is my point.

The Hon. Duncan Gay: If you went beforehand you would not have the same trouble.

The Hon. JANELLE SAFFIN: No. Women go more frequently, so we do have trouble. The Deputy Leader of the Opposition does not understand what I am talking about. How many times have women stood in a queue and cursed privately and publicly at the designers, builders, architects, local planners, councillors, et cetera, for not having enough women's toilets? I know I have, and I frequently join other women in the queue with the refrain, "I bet it was designed by a man." Let a woman do it and it will change. If the blokes had to queue the building codes would change immediately. However, as it is mainly men involved in the Australian Building Codes Board—an assumption on my part; and I stand to be corrected, although I am sure I am right—I say thanks to them for taking this long but most welcome initiative.

The Australian Building Codes Board has released a discussion paper on this issue. It recommends that single auditorium cinemas and live theatres, particularly those that serve alcohol—but I hope it is in all—actually make changes. The changes they recommend is one cubicle for 10 female patrons, two cubicles for the next 50 and an extra cubicle for an extra 60 patrons. If a theatre has a capacity of 500 or more female patrons it

will require 10 toilets instead of the current seven. I do not know why, but it is reported in the same *Daily Telegraph* article that that will apply only to newly built single auditorium performance centres or such places undergoing refurbishment. I say that it should go further. At the outset, the research shows—although we already know it by experience—that women take 30 per cent longer than men to use toilets: each visit takes 80 seconds for women compared with 60 seconds for men. Further, women use the toilet 30 per cent more often than men.

The Hon. Ian Macdonald: That's a sexist analysis.

The Hon. JANELLE SAFFIN: It is a factual analysis. I will not go into the details of why, but it is a fact. We know it. The *Daily Telegraph* cited a few public places in Sydney and, of course, it is not limited to the city; it also occurs in the country. How many times have honourable members stood in the queue at country showgrounds and had to wait and had the same refrain?

The Hon. Ian Macdonald: There is always a tree.

The Hon. JANELLE SAFFIN: A tree is not always the right place for women to go to the toilet. I refer to the heading of the editorial that appeared in the *Daily Telegraph*. It was a bit tongue in cheek: "Relief on the way at last". I say "Well done. It's about time."

EASTERN PET PROJECT

The Hon. RICHARD JONES [9.47 p.m.]: I refer to an important program operating in Victoria called the eastern pet project. It should be adopted urgently in New South Wales. The eastern pet project offers safe and temporary housing for companion animals belonging to any woman or family in crisis as a result of family violence. Volunteers offer accommodation for the pets until the families are safe, rehoused and in a position to have the animals back. The project is based on a scheme running in Cheltenham, England, and is also similar to the Domestic Violence Assistance Program operating in North America, Canada and Mexico. Those projects recognise that women and especially children have been forced to leave their beloved pets at home when they need to escape domestic violence due to the communal refuges' policy of prohibiting pets.

People are devastated at having to leave their loved animals behind. There is no guarantee of the safety of the pet left with the violent partner. Cases are often reported where threats have been made to kill the pet to prevent the women from leaving. The link between violence toward animals and violence toward humans has been studied extensively, and should not be ignored. One is often a harbinger for the other. Researchers, the Federal Bureau of Investigation and other agencies in the United States of America have linked animal cruelty to domestic violence, child abuse, serial killings and the recent rash of killings by school-age children. Among the most notorious of those have been Albert DeSalvo, Theodore Bundy, Jeffrey Dahmer and Martin Bryant—all with a history of animal torture and killing in their childhood. Five of six students in America who went on shooting rampages in 1999 had histories of animal cruelty in their childhoods, according to Animal Liberation.

When women in crisis wish to leave a violent situation and take their beloved pets with them they have no real affordable option in this State. In the United States of America and Great Britain police are being urged to treat cases of animal abuse more seriously, and regard them as a sign that the perpetrator could be abused or could be abusing others. The Australian Domestic and Family Violence Clearinghouse at the University of New South Wales regard this as an important issue. It said:

... women may fear that the abuser will harm their animals if they leave. Women and children face a hard choice in gaining shelter but leaving cherished pets if they can't make arrangements for their care.

The situation with regard to homeless people with animals is no better. The Homeless Persons and Information Centre in Sydney said:

... we would on average take 1-2 calls at least a week from people with animals. The animal is usually a dog or cat although we have had a client who has had horses ... it is extremely difficult to place homeless people into accommodation if they have animals. Due to health regulations refuges cannot accommodate animals. Boarding houses and most caravan parks will also not accommodate animals. On the rare occasion we have been able to get the animal into a boarding kennel this costs money, which most cannot afford. Most homeless people will prefer to stay on the street with their pets rather than give them up.

The Homeless Persons Information Centre would love to see a service opened that could take animals for anyone who is homeless ... Most people who have a pet see their pet as being their only companion or family, so to them to give up their pet is like losing a family member.

The Woy Woy Women's Refuge says:

We believe that the care and safety of family pets is an issue for consideration for some women entering refuge; if there were services to accommodate animals like the programs operating in the US and the UK it would certainly reduce the anxiety for some of our clients.

If the woman is not in a financial position to pay for boarding kennels, we must ensure assistance is provided to her in this situation by supporting the scheme that offers refuge for her animals. That criminal acts by one person cross over from one species to the next has been confirmed by researchers and academics. When a woman wishes to leave a violent situation she may have an animal she wishes to take with her, knowing that it will invariably suffer if it stays. Social workers and animal abuse experts have made inroads in this and other countries to assist women in those circumstances. I wholeheartedly congratulate them on their efforts and I urge the Minister to offer his support. I request that he look into this very important matter at a time when the issue of companion animals is on the Government's agenda anyway.

BATTLE OF CRETE SIXTIETH ANNIVERSARY

The Hon. JOHN HATZISTERGOS [9.50 p.m.]: I speak on the occasion of the recent celebrations to mark the sixtieth anniversary of the Battle of Crete. Coming early in the Second World War, this battle, which lasted 10 days, had a significant impact on the progress and outcome of the war. Although the result was that Crete was lost to the Germans, the Battle of Crete still proved of great importance to the Allied cause. It forced the Germans to slow their progress, delaying their campaign into Russia, and it resulted in the loss of many German aircraft. Their casualties were so severe that Germany did not again mount a major airborne operation against enemy-occupied territory.

Many Australian, British and New Zealand troops fought valiantly with their Cretan allies during the battle, forging a bond between the Anzacs and the island people that exists to this day. Last week the anniversary was marked in Crete at a ceremony attended by hundreds of veterans from Australia, New Zealand, Britain and Greece. Sixty years ago Crete was the site of an invasion by thousands of German paratroopers. After Greece fell to the Germans, Crete became very important. It became Britain's last foothold in Europe, an important bastion of the Allied forces. For the Germans, the capture of Crete was essential to protect their shipping in the Aegean, and to prevent British bombers using the island as a base.

The invasion of Crete was not unexpected. By the beginning of May the Allies knew the Germans were planning an invasion. Reconnaissance reported large numbers of troop-carriers and aircraft in southern Greece. Acting on this intelligence, the Allies planned their defence of the island. On 20 May 1941 the sky over Crete was filled with German paratroopers. Thousands of troops were dropped in the air raid. The Allies had limited weapons and manpower, but undeterred Allied troops mounted a defence of the island. Australian forces, and their Ally counterparts, fought against the odds, undermanned and underequipped. Not only were they low in weapons and ammunition, the Allies lacked even a single aircraft with which to combat the Nazis' airborne assault of the island. Eventually, the Allies were obliged to retreat and to evacuate the island.

By 1 June the Battle of Crete was over. The Nazis had gained control of the island. However, it was a pyrrhic victory. The Germans had lost 7,000 troops. They were never again to attempt an airborne attack over occupied territory. Similarly, the immense cost to the Nazis of this 10-day battle forced them to delay by months their invasion of Russia, and this delay eventually cost them the war. The battle also came at great cost to the Allies: 781 Australians and New Zealanders were killed, and more than 3,000 were captured. As the Anzacs evacuated the island, they were assisted by Cretan villagers, who at great personal risk provided them with food and shelter. I had the pleasure of attending a number of events here in Sydney in commemoration of the Battle of Crete. I congratulate the Cretan Federation of New South Wales and Sydney for their organisation of those commemorative events.

RED KANGAROO CULL PROTEST

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [9.55 p.m.]: I wish to speak about the kangaroo industry in Australia. I suspect—in fact, I know—that I hold a completely different view to that which was espoused by those who conducted the ridiculous protest held outside the front gates of Parliament House this week. That protest is typical of the hysterical views held by some dishonest animal liberationists and environmental groups about kangaroos. They have done themselves no credit by dumping the carcass of a grey kangaroo on the footpath, a move that has been described to me as repugnant and disgusting in the extreme. I would like to know where the protestors got the kangaroo that they incorporated into their so-called vigil. While

they claim it was killed by a vehicle, the carcass was remarkably intact, and showed no obvious signs of being hit by a car or a truck. If the protesters did in fact take the animal and kill it without a permit, then there is the very real chance of charges being laid for that action. I would like to address tonight some of the issues raised in the material being distributed by the protesters and their supporters, including a member of this House, the Hon. Richard Jones. That member stated in the forward to a book called *The Kangaroo Betrayed*:

The kangaroo industry brings as much shame on Australia as the whale killing industry does on Japan and the clubbing of the baby harp seals does in Canada. We have to learn to love and respect our kangaroos as much as the overseas visitors do before it is too late.

I wonder whether the honourable member or the protestors who are calling for an end to the culling of kangaroos have ever driven through country areas at dawn or just on dusk and seen the mobs of kangaroos decimating crops. I wonder if they have ever taken note of how quickly a mob of kangaroos can wipe out a paddock of wheat, or noticed the damage that kangaroos can do to expensive fences. I suspect not. I have been in contact today with the Kangaroo Industries Association of Australia, the peak representative body for producers of kangaroo meat and products. That association has supplied me with some very interesting information.

Average annual growth rates for the past 15 years of 5 per cent make the kangaroo industry one of the best performing rural industries in Australia. It employs some 4,000 people and generates \$200 million each year. Those attending the vigil outside Parliament House want to decimate an important employment generator that provides an important mechanism to control kangaroo numbers. The culling of kangaroos is also a vital environmental management tool, delivering the only control tool available to manage the proportion of total grazing pressure generated by kangaroos. Given that they represent about 30 per cent of total grazing pressure in the range lands of Australia, the culling is essential to prevent destructive overgrazing.

The protesters have made some fairly spurious claims, to say the least, about the quality of kangaroo meat. I notice that it remains on the menus in the parliamentary dining rooms, as well as in restaurants across Sydney. Kangaroo meat for domestic consumption is produced under exactly the same government-controlled inspection systems as are beef and lamb. Results show that kangaroo meat is at least as healthy as domestic meats, with typical rejection rates for pathological conditions at post-mortal inspection of 0.7 per cent. This is about one-third of typical levels in sheep and cattle. Further microbiological monitoring in kangaroo meat conducted by the Australian Quarantine and Inspection Service has shown kangaroo meat to have significantly lower levels of contamination than beef, lamb or pork.

Kangaroo populations are protected by very stringent systems, which include annual surveys by State governments of the numbers. Red kangaroos have a current population in excess of 10 million. The total number of all commercially-harvested species exceeds 30 million. There are more than 10 million in New South Wales. Those numbers make kangaroos amongst the most common large land mammals on earth. The protesters would have us think that red kangaroos are endangered. They are lying. I present this information to the House this evening in an attempt to balance the hysterical and dishonest views being peddled by the participants in the vigil that was held outside the front gates of Parliament House this week. I would hope that honourable members recognise the kangaroo industry as an important contributor to the New South Wales economy and as an important player in the management of farming and grazing land across the State, and do not just get totally hoodwinked by the emotional argument about one of Australia's native species.

BULLBARS IN CITY AREAS

The Hon. MALCOLM JONES [10.00 p.m.]: I wish to report to the House the results of a poll which took place on Channel 9 on Thursday 24 May. The question asked of television viewers was: Should bullbars be banned in city areas? The result was as follows. Over 20,000 votes were tallied. Sixty-seven per cent voted no by telephone poll and a massive 87 per cent voted no on the Internet. The poll followed a debate between me and Harold Scruby from the Pedestrian Council of Australia—whatever the Pedestrian Council is. Bullbars are essential to many members of the community, particularly in country areas, and not just to recreationalists. Bullbars were developed as a major safety device for protection against hitting kangaroos, cattle, water buffalo, et cetera. The Outdoor Recreation Party would be the first to admit that some new regulations on bullbars are needed. Recently the Outdoor Recreation Party submitted a paper to the Australian Standards Association on the draft standards for vehicle frontal protection systems. It included the following suggestions:

No bullbars should be fitted to a vehicle where they could alter the deployment of airbags. Many new products facilitate airbag deployment.

Leading Australian manufacturers indeed world manufacturers like ARB and TJM build such bars.

It should have no forward-facing brackets or protrusions.

Bullbars should be allowed to protrude (at the base of the bar) from a vehicle to allow for the forward face of the bullbar to slope backwards to the edge of the bonnet. It is important in rural and arid areas to always protect the radiator. If the radiator is damaged by crumple zones "crumpling" the cooling of the vehicle can be jeopardised and the occupants put in grave danger.

Similarly the centre of the bar should be allowed to protrude out further than the outer areas of the bar to allow deflection.

Bullbars should be designed as far as is possible with a rigid safety device, to minimise injury to a pedestrian if hit.

They can easily and safely allow for the affixation of accessories such as a winch, driving lights and radio aerials. They should also provide sufficient strength to act as a jacking point.

But their primary purpose is to provide safety to the vehicle's occupants in the event of a collision.

Numerous examples exist of lives being saved when a vehicle carrying a bullbar has hit either a static or a moving object. By far the largest proportion of accidents involves people hitting kangaroos at night. One has only to drive on a country highway early in the morning and see the high number of animal carcasses to realise how frequent that event is. If a vehicle is disabled in a remote area due to hitting a kangaroo or running off the road, it might be hours or days before someone passes and raises the alarm. The biggest criticism of bullbars is that they cause more deaths to pedestrians than do vehicles that do not have such a device fitted. This criticism is completely emotive and often carried out by reputable organisations such as the NRMA. There are no reliable statistics to prove that, nor have any surveys been carried out.

It would be difficult to analyse all accidents involving pedestrians and to subjectively decide whether or not a bullbar—if one was involved—made any difference to the outcome. In any case, this ignores the fact that most accidents involving pedestrians are their own fault, therefore, a bullbar should be classed as a primary safety device for a vehicle in those circumstances. Perhaps better pedestrian education would be a better solution. If a person is hit by a Mac truck it would be hard to determine whether or not the bullbar made any difference. The Outdoor Recreation Party does not hold strong views on the material used in the construction of bullbars, provided it meets all the requirements that I referred to earlier. We do not care whether they are made of steel, aluminium or plastic.

It should be pointed out that bullbars are not fitted exclusively to four-wheel drive vehicles. They are fitted also to a large number of ordinary cars and utes, as well as most delivery vans and nearly all interstate and intrastate trucks. Proposals have been put forward in the past that different standards should apply to country and metropolitan areas. That is clearly unworkable. What defines a metropolitan area? The Blue Mountains are classified as metropolitan for the purposes of insurance and registration, yet there are any number of instances of kangaroo strikes in that area. Would places such as Tamworth, surrounded as it is by rural properties, be classified as metropolitan?

If a resident of that area wished to visit Sydney, what would he do with his country standard bullbar? Likewise, what about the genuine four-wheel drive tourist setting out from his Sydney home for a trip through the outback? The use of bullbars by the community should be allowed. They are an essential and valid accessory. Countless injuries have been avoided and lives have been saved, directly and indirectly, through their use. Australia is a huge continent. Travellers in 90 per cent of Australia who are in rural or arid areas require bullbars. If there is no way of making rigid bullbars pedestrian-friendly, that simply has to be tolerated by city dwellers as the price for belonging to such a large nation with rich, although unpredictable, wildlife. *[Time expired.]*

CAMDEN ELECTORATE ROUNDABOUTS

The Hon. PETER PRIMROSE [10.05 p.m.]: Tonight I raise the issue of roundabouts, which may seem like a minor matter but it is an issue of concern in the Camden local government area. I, like most honourable members, drive around this State quite a bit. I am sure that this matter concerns many honourable members. Roundabouts are increasingly used throughout New South Wales as traffic control devices, and justifiably so. As a result of conversations with a number of people I am aware that national road rules have recently changed, particularly as they relate to small roundabouts. That has caused real concern because of the need to flash indicators. The matter I raise tonight relates to the practice of councils to plant fairly large plants to make roundabouts look nice, which obscures the view of drivers. In the case of smaller roundabouts it leads to a significant detracting of a driver's view of oncoming traffic. Drivers are not able to see the indicators of cars that are already using roundabouts and in some cases they are not able to see the cars at all.

When I raised this matter with a number of local councils, councillors told me that the roundabouts are deliberately planted with vegetation to obscure oncoming traffic and to ensure that cars slow down. I was told

that the obscuring of traffic is a safety device that is used by local councils, presumably under the guidelines of the Roads and Traffic Authority. Other roundabouts that I have observed are purposely designed not to include vegetation. I cite the area of Narellan Vale in the electorate of Camden, which has both types of roundabout. Essentially, it has concrete roundabouts, which make it easy to see oncoming traffic, and it has roundabouts which are planted with vegetation, which make it difficult or impossible to see oncoming traffic. Councils cannot have it both ways. If it is beneficial for traffic safety—

[Time for debate expired.]

Motion agreed to.

House adjourned at 10.07 p.m.
