

LEGISLATIVE COUNCIL

Wednesday 20 June 2001

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

The President offered the Prayers.

CASINO CONTROL AMENDMENT BILL

Message received from the Legislative Assembly agreeing to the Legislative Council's amendments.

SUMMARY OFFENCES AMENDMENT (MINORS IN SEX CLUBS) AND THEATRES AND PUBLIC HALLS REPEAL BILL

Bill received and read a first time.

Motion by the Hon. Michael Egan agreed to:

That, pursuant to contingent notice, standing orders be suspended to allow the passing of the bill through all its remaining stages during the present or any one sitting of the House.

SELECT COMMITTEE ON THE INCREASE IN PRISONER POPULATION

Reporting Date

Motion by the Hon. John Jobling, on behalf of the Hon. John Ryan, agreed to:

That the reporting date for the final report of the Select Committee on the Increase in Prisoner Population be extended from 29 June 2001 to 31 August 2001.

PETITIONS

Genetic Engineering Five-year Freeze

Petition praying that the Government will legislate for a five-year freeze on the release into the environment of genetically engineered organisms, imports of genetically engineered foods and patents on living organisms, received from **Ms Lee Rhiannon**.

Cannabis Sniffer Dogs

Petition praying that the Minister for Police intervene to prevent the use of cannabis sniffer dogs in the Northern Rivers area, received from the **Hon. Richard Jones**.

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**.

Callan Park Trust Legislation

Petition stating that there is an urgent need to protect the grounds of Rozelle Hospital, known locally as Callan Park, and praying that the House pass the Callan Park Trust Bill, received from the **Hon. Richard Jones**.

CHAIRMAN OF COMMITTEES**Motion for Removal from Office**

The Hon. MICHAEL GALLACHER (Leader of the Opposition) [11.07 a.m.]: I move:

That the Honourable Tony Kelly, Chairman of Committees of the Whole House, be removed from that office.

Yesterday members of this House and the people of New South Wales witnessed a very sad event in the history of the New South Wales Parliament. I do not intend to rake over the coals of what was happening outside this Chamber. I want to deal with the conduct of honourable members of this House and the manner in which the integrity of the position of Deputy-President—the person who acts as President in your absence, Madam President—was brought into question.

I have been told on numerous occasions since I was elected to Parliament that the Legislative Council is not the lower House; that we do not do things in the same way as they are done in the other place. I have always interpreted that to mean that the integrity and independence of the Legislative Council is paramount, that, indeed, the sovereignty of the Legislative Council is paramount in the minds of members of the Legislative Council. What we witnessed yesterday was nothing short of a conspiracy between Government members of the Legislative Council and the Legislative Assembly to ensure that this House did not continue to sit, irrespective of the fact that it was a scheduled sitting day and that a quorum of honourable members was present. Responsibility for that very deliberate act can be placed at the feet of the Deputy-President, the Hon. Tony Kelly, who was acting in your place at the time. As I said, I have been told that the Legislative Council is not the lower House; that we have traditions in this Chamber and that the Legislative Council upholds its right to sit and to debate legislation.

Yesterday, all members knew that within the Government Business Orders of the Day there was a substantial list of legislation for debate, and what happened was an absolute disgrace. It was played out less than 15 minutes earlier in the Legislative Assembly when the Government members refused to attend the Chamber upon the ringing of the bell. As I said, less than 15 minutes after that, the same gutless act was played out in the Legislative Council. The partisan approach of the Deputy-President, Tony Kelly, is unacceptable to members on this side of the Chamber. All reasonably minded members of the Legislative Council have always held the view that the occupants of the positions of President, Deputy President or, indeed, Chairman of Committees must maintain complete integrity and that all members must be assured that partisan politics will not be played by those holding those positions. When we elect members to fulfil those roles, each of us does so hoping in our hearts and minds that the independent role of the judge—if you like, the arbitrator in this Council—will be upheld. What we saw yesterday was in complete contravention of that belief.

It is important to reflect briefly on the events leading up to the decision taken by the Government. In some ways I feel sorry for Tony Kelly because I believe he was put into a difficult position by his Government team and was forced to do what he did yesterday. Unfortunately, the responsibility that he bears as Deputy-President means that he is accountable for his actions yesterday. Madam President, yesterday you were in the Parliament when the House was summoned at 2.30 in the afternoon. For whatever reason—and it is a matter for your own mind and your own conscience—you declined to take the chair.

As the bells were ringing, a number of members were present in the Chamber. With a minute to go before the House commenced, the Leader of the Government, wearing a suit, dressed appropriately to conduct himself as the Leader of the Government in this Chamber, entered the Chamber and spoke to one of the Clerks briefly before leaving. Also, the Hon. Eddie Obeid was only a short distance from the Chamber as the bells were ringing but, surprise, surprise, as the Deputy-President took the chair, neither of these two Ministers had the guts to enter the Chamber as they were required to do.

It was interesting that a number of Government members refused to enter the Chamber yesterday afternoon at that important part in the day's proceedings. That gave the Opposition an indication of what was about to take place. We watched carefully the way in which the plan was orchestrated to draw to the Deputy-President's attention the lack of a Minister in the Chamber. Of course, a point of order was taken by the Hon. "Johnno" Johnson. It was extremely disappointing that at that moment the Deputy-President decided to suspend the sitting until the ringing of a long bell.

It is extremely important for all honourable members in considering the significant debate that will take place on the motion to remove Tony Kelly from his position as Chairman of Committees to understand that the Opposition asserts that it had the right to speak to the point of order to suspend the sitting, because the ringing

of a long bell is not spelt out in the standing orders of this House; it is a longstanding convention only, but that is again extremely important in considering the sovereignty and integrity of the operations of the Legislative Council.

A number of members of the Opposition endeavoured to take points of order with the Deputy-President. It will be interesting for those members who were not in the Chamber and for those who were to replay what happened. The Deputy-President for a fleeting moment appeared to be unsure of what he intended to do. He then looked at members on the Opposition side and could be seen to be considering his options. He quickly regathered himself and—ignoring and refusing to acknowledge the points of order sought rightfully to be taken by the Opposition about the ringing of the long bell and the suspension of the sitting—turned and walked away from the chair and out of the Chamber.

It was his refusal not only to accept or listen to the points of order but to acknowledge that members in this House have the right to ask questions and to speak to points of order with respect to a convention, not a standing order, that has caused the Opposition to take the drastic action of seeking his removal from the office of Deputy-President because it is quite clear that we cannot be guaranteed that he will not again take a partisan approach at any future time.

Members of this Chamber need to be assured that in the future, irrespective of what happened yesterday, whoever is presiding over this Chamber will do so with the utmost integrity, and that any decision will be taken impartially. I can assure honourable members that members on the Opposition side of the Chamber no longer hold that view with respect to the Hon. Tony Kelly's position of Chairman of Committees, and for that reason we are seeking his removal from that position today. In refusing to hear points of order, he really showed his partisan colours and we do not believe he can continue in his position as Chairman of Committees.

It is important, as I mentioned earlier, that we recognise that at the time there was a quorum in the House. Members of the Government, members of the crossbench and members of the Opposition were in the Chamber ready to proceed with the legislative program for the day. What they saw was an abuse of the forms of this House. Members of this House can no longer be assured of the impartiality of the Hon. Tony Kelly, because of the partisan way in which he conducted himself yesterday when acting as Deputy-President and they cannot, indeed, be assured of his impartiality when he sits as Chairman of Committees.

There was no opportunity yesterday for members to debate the ringing of the long bell. The Hon. Tony Kelly simply denied any opportunity for members of the Opposition to speak to points of order with respect to that decision. As I have said, it is for that reason that we have moved that he be removed from his position as Chairman of Committees.

The Hon. MICHAEL EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [11.18 a.m.]: Yesterday the Hon. Tony Kelly behaved in an entirely appropriate and proper way. It is a longstanding practice of the Legislative Council to require that a Minister be present in the House when it is sitting. I quote the advisory note that has been circulated by the Clerk, which states:

The practice of requiring a Minister to be present in the Legislative Council is of long standing. In 1931 the President [that is President Farrer] left the Chair immediately after the House met and before proceeding to the conduct of any other business, on account of the absence of the Representative of the Government. When the Minister arrived, he made his apologies to the House before business resumed.

More recently in 1981, 1982, and 1983, the President [in this case President Johnson] again left the Chair owing to the absence of a Minister, in the first instance immediately after reading the Prayer, and in the second two instances during debate on a bill. On each occasion the House did not resume until a Minister had arrived. When a point of order was taken in December 1995 that a Minister was not present the Minister immediately returned and business continued.

Quite clearly it is a requirement of this House that a Minister be in the House when it is sitting; otherwise the occupant of the Chair is required to leave it. Of course, the persons responsible for that happening yesterday were me, my ministerial colleagues and my Parliamentary Secretary, the Hon. Ian Macdonald. I shall inform the House why we did not enter the Chamber yesterday; it was simply because other members of this Parliament were prevented from attending this Parliament. That is a very good reason.

The Hon. Jennifer Gardiner: They were not prevented, it was their choice not to come through the picket. They were not prevented.

The Hon. MICHAEL EGAN: They were prevented.

The Hon. Jennifer Gardiner: Rubbish.

The Hon. MICHAEL EGAN: They were prevented.

The Hon. Dr Brian Pezzutti: You were here.

The Hon. MICHAEL EGAN: Yes, I was here and I am explaining why I did not enter the Chamber. I did not enter the Chamber because members of the Parliament were outside because they could not gain entry to the Parliament. It was as simple as that.

The Hon. Rick Colless: You had entered.

The Hon. MICHAEL EGAN: And the Hon. Rick Colless had entry to the Parliament.

The Hon. Rick Colless: You weren't in the House.

The Hon. MICHAEL EGAN: Can the Hon. Rick Colless not hear? Of course I was here, and I am explaining why I did not come into the Chamber. I will never come into the Chamber, and none of my ministerial colleagues will ever come into the Chamber, if even one member of this Parliament is prevented from attending the Chamber. If a mad mob blockading the Parliament prevents even one member from attending the Parliament I will not attend the Chamber, because it would be a complete and utter farce for the Chamber to continue its business when an elected member of Parliament is prevented from attending.

I state that as a matter of principle, which the Government upheld yesterday and which the Government will always uphold. The notion that a Parliament can continue with its business when some or all of its members are precluded from attending the Chamber is, of course, an absolute travesty. I am absolutely disgusted that some members of the House, who bargained their way in, who traded their way in, actually took advantage of the blockade to attend the Parliament.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [11.22 a.m.]: I support the motion moved by the Leader of the Opposition. I do not do that eagerly, because as a former Deputy-President I have also presided over the Chamber. I do not support the motion because I believe that the Hon. Tony Kelly is a bad Deputy-President or a bad person; on the whole I believe he is a good person.

The Hon. Henry Tsang: He is a good Labor man.

The Hon. DUNCAN GAY: There is no such thing; that is an oxymoron. On the whole, the rulings he makes in this House are impartial; they are probably some of the better rulings that are made in this House. But what happened yesterday was a different matter, and unfortunately the Opposition cannot let it pass without comment. Yesterday, an inherently good man acted in a partial and partisan manner. What happened in this House yesterday was not by accident; it was quite obviously calculated and orchestrated from outside.

The Hon. Dr Brian Pezzutti: There was a conspiracy.

The Hon. DUNCAN GAY: The Hon. Dr Brian Pezzutti and I do not always agree, but his interjection is quite appropriate. What happened yesterday had all the appearances of a conspiracy. When the House adjourned yesterday I went to the Clerk's office to check on rulings. Some five minutes later, or less, I left that office and came into the House and the President was present. That was before 3 o'clock, the time at which the Left were allowed into the Parliament, and that indicated to me that the President had been in the Parliament for some time.

That leads me to ask: Was the President asked to do what the Hon. Tony Kelly was asked, or forced, to do yesterday, but refused? The President was certainly in the Parliament and we know that Ministers were in the Parliament. I do not believe for one moment that what happened yesterday was the idea of the Hon. Tony Kelly. I suspect he was forced to do what he did. But, as Chairman of Committees he took an oath to be impartial. A Presiding Officer has to be totally impartial.

I believe that one should be allowed to exercise one's vote and when I was Deputy-President, the Clerks continually suggested to me that I should vote according to precedent, but I always believed that as a Deputy-President I had only one vote and that I should be able to exercise it in any way I chose. I went beyond the recommendation of the Clerks.

The Hon. John Johnson: You never voted for us once.

The Hon. DUNCAN GAY: No, I did not, and I always announced that I was exercising my vote according to my beliefs. It was obvious that this matter was orchestrated, because it was no accident that the Hon. Tony Kelly took the chair, and it was no accident that only the Hon. John Johnson came into the House. The Hon. Tony Kelly sat steely-faced, trying not to look at members on the Opposition side of the House. I can understand the position his party had forced him into, but we cannot accept that an occupant of the chair, who is sworn in by the Governor, should be party to any degree of collusion and partiality.

Despite the fact that we think his past rulings were correct, and probably that his future rulings will also be correct, yesterday, when it counted, he failed to uphold the best traditions of this Parliament. I was also disappointed that the Hon. John Johnson was party to that failure and that caucus had forced him, after such a magnificent record in this House, to be part of what happened yesterday. The Opposition does not put it any higher than that. We have very few options and it is with great reluctance that we have moved for the removal of the Hon. Tony Kelly as Chairman of Committees. As I said earlier, he is not a bad Deputy-President and he is not a bad person, but yesterday's activity by the Government cannot be allowed to pass.

The Hon. JOHN JOHNSON [11.28 a.m.]: As we get older we lose the corporate memory, but it has not happened to me! If one looks at the briefing note that is available to all members one sees that when I occupied the illustrious position of President of this House I took the same action as the Hon. Tony Kelly took yesterday. In 1981, 1982 and 1983 I took action against Labor Ministers. I believed that the House was entitled to the dignity of having a Minister present.

The Hon. Duncan Gay: You are defending yourself.

The Hon. JOHN JOHNSON: No, I am not defending myself, but I am going to tell you that I took those actions—

The Hon. Dr Brian Pezzutti: How did you get in?

The Hon. JOHN JOHNSON: I walked in.

The Hon. Jennifer Gardiner: You said you were prevented.

The Hon. JOHN JOHNSON: I did not say that.

The Hon. Michael Gallacher: All the rest did. They said that Government members were prevented from coming into the Parliament.

The Hon. Jennifer Gardiner: You have just exposed the lie of Michael Egan.

The Hon. JOHN JOHNSON: At the time I took those actions I was prompted to take them by members of the Opposition.

The Hon. Dr Brian Pezzutti: That is right.

The Hon. JOHN JOHNSON: I do not need the assistance of the Hon. Dr Brian Pezzutti, but I thank him for it. On each of those occasions we saw the tardiness of some of the Ministers at the time. They would wander into the House when they wanted to. I took the action on each of those occasions. There was no Minister available yesterday in the House. The Deputy-President took the appropriate action that has been previously taken by Labor and Liberal Presidents of this Chamber. I have served in this Chamber under very illustrious Deputy-Presidents, including Thomas Sidney McKay, a member of the Liberal Party, who is still alive and is a wonderful man, and Clive Healey, of whom I have a very happy memory.

The Hon. Jennifer Gardiner: You would not have caught Sir Adrian Solomons doing it. He would not have done what you did yesterday.

The Hon. JOHN JOHNSON: Sir Adrian Solomons, I am told, would not have done it. He received his position in this House when none of you would support him and none of your compatriots supported him. We supported him because we knew he was the best man for the job. He was followed by another illustrious

Deputy-President who sits opposite me, a man of immense integrity, the Hon. Duncan Gay. He was followed by another man who is an illustrious Deputy-President, the Hon. Tony Kelly, who will prove to be an immeasurably good Deputy-President. He has proved it so far. He did nothing wrong yesterday. He defended the right of every member to get into this Parliament unimpeded.

The Hon. John Jobling: And they did.

The Hon. JOHN JOHNSON: And they did not.

The Hon. Michael Gallacher: You got in.

The Hon. JOHN JOHNSON: I got in but that does not mean that every member got in. The Deputy-President acted in the best traditions of this Parliament.

The Hon. HELEN SHAM-HO [11.34 a.m.]: Before I make my contribution to this motion to remove the Hon. Tony Kelly from his office as Chairman of Committees, I mention that we do not have a *Hansard* record of what happened at the beginning of proceedings yesterday—that is, what was said by the Hon. Tony Kelly and the Hon. John Johnson. I have tried to take party politics out of this debate and to be impartial. The matter is technical because in this House we adhere to conventions. As the Hon. Doug Moppett knows, many things are not written and the Parliament follows unwritten rules and practices. In this case convention has been followed. In my view, the wrong motion has been moved. We should not be debating a motion to remove the Hon. Tony Kelly; we should be debating a motion to censure the Ministers because a Minister was not present in the House. Therefore, the fault does not lie with the Hon. Tony Kelly or the President, but with the fact that there was no rostered Minister in the House.

As the Hon. John Johnson indicated, when there is no Minister in the House there are no proceedings in the House—and that is the correct practice. That has been the convention and many examples of it are cited in other Australian parliaments as well as in the New South Wales Legislative Council. Again, taking party politics out of this debate, the Hon. John Johnson said that in 1981, 1982 and 1983 he had to vacate the Chair and not deal with business. I was present in December 1995 when, although it is not recorded, there was no Minister in the House. However, it was recorded in the Legislative Council journal of December 1995 that President Willis was not present. The most recent occasion was in October 1998 when notice was taken of the absence of a Minister and President Chadwick left the chair until a Minister was present in the House. Therefore, Presidents from both sides of politics have properly adhered to conventions that when there is no Minister in the House they did not deal with the business of the House, and that is the correct procedure.

Technically, the Hon. Tony Kelly had to follow the correct convention. As far as I can see, technically he did the right thing because there was no Minister in the House. The Leader of the House said that the Minister did not turn up because he thought it was anti-parliamentary. Lengthy debate took place yesterday about members being prevented from entering Parliament, but that is another issue. I will not debate it—we debated the matter for two hours yesterday and I do not wish to waste the time of the House by debating it again. Yesterday I supported the motion to support unions in their action. They had to resort to that because of the Government's actions and in that sense it was the Government's fault. We should not remove the Hon. Tony Kelly. Instead, a motion should have been moved to censure those Ministers who were not present.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [11.38 a.m.]: A few facts need to be placed on the record. Mention should be made of the two-faced nature of this Government. First, it must be recorded that *Hansard* was not present in the Chamber due to the picketing of Parliament House by unionists, who were upset about the workers compensation legislation. Second, it should be recorded that there was a picket line outside Parliament House and the unionists running the picket line allowed members of Parliament through if they wished to pass.

If members chose not to cross the line in solidarity with the unionists, that was a matter for their own consciences. The unionists did not physically prevent members from entering the Parliament building. The Treasurer's suggestion that members were prevented from entering the building by some sort of anarchy is untrue. It is true that staff—including *Hansard* staff—did not enter the Parliament because of what amounted to a strike by those in the union movement who are concerned about the workers compensation legislation.

It is likely that the Government did not have the numbers in this Chamber yesterday because some members, because of their consciences and personal distress about the appalling workers compensation

legislation, chose to stay outside Parliament and thus would not have been able to vote dutifully with the Government in any division that was called. So the Government, short of numbers, deliberately interfered with the working of Parliament for its own convenience. It is a bit rich for the Government now to claim that it was defending the honour of Parliament by getting the police to help its members cross the picket line and by suspending the sitting when none of those members were present in the Chamber. In fact, Government members chose not to cross the picket line and the Government interfered with the operation of Parliament by not sending a Minister to the House. A large number of members were in the foyer of the building and chose not to enter the Chamber.

The Government of course wanted to hold a caucus meeting so that it could bully its members—by threatening to remove their preselection—into voting the way it wanted on the workers compensation legislation. I will not go into the details of that appalling legislation because it will be debated later today, or at least later this week, and enough will be said about it then. The Government deliberately sabotaged the operation of the House and then pretended, through the comments of the Hon. John Johnson, to be upholding the honour of Parliament—when of course it was not. It is true that the conventions established by former Presidents the Hon. John Johnson and the Hon. Virginia Chadwick precluded the House from sitting if no Minister was present in the Chamber. However, they are precedents rather than rules.

If the Government deliberately manipulated those precedents, one must wonder whether that is what precedents are for—particularly when a long bell is rung, which effectively means that the Government can do what it likes with the sitting of the House. The Government has complete contempt for the House. It said, "If we choose not to run the House, we will prevent it from operating and then ring the long bell so that Parliament sits whenever it suits us."

I am reminded of the story that was told to me many years ago about De Bakey, the famous American cardiac surgeon. He used to do ward rounds each day and all staff members who were not present for his rounds were sacked. One day he flew halfway across America to attend a meeting, returned 24 hours later and sacked those staff who had not been present for the start of the meeting. That interesting anecdote was told with great approval by cardiac surgeons who thought they should be gods but sought to prove they acted moderately while admiring the extreme actions of another. The Government was happy to keep honourable members waiting until the ringing of the long bell, yet Government members failed to turn up for the beginning of the sitting. The Government now claims that it was upholding the dignity of Parliament through the actions of the Deputy-President. That is nonsense.

This two-faced Government pretends that it was defending democracy through the actions of the police when its lack of consultation during the democratic process is what upset the unions in the first place. It has accused the unions of blocking access to Parliament House when it was Government members' consciences that prevented them from entering the building. It was their political convictions and opposition to the Government's legislation that prevented their presence in this Chamber, not bullyboy tactics on the part of the unions, as the Government alleges. The Government is now pretending that the Deputy-President was defending the honour of the House when it deliberately undermined the dignity of the House through its behaviour. I confess that I have a great deal of respect for the Hon. Tony Kelly personally. I think he generally does the right thing whenever he can. I am somewhat bemused as to why the President was not in the Chamber yesterday although she was in the building. I presume that she did not want to play a part in this episode—that is my speculation—because she belongs to another Australian Labor Party faction. Therefore, the Hon. Tony Kelly did what he had to do—

The Hon. Dr Brian Pezzutti: Point of order: Madam President, I think you should advise the Hon. Dr Arthur Chesterfield-Evans that if he wishes to attack you he should do so by way of substantive motion or avoid doing so altogether.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: To the point of order: The President is in the chair and she is quite capable of looking after herself. I put it to the Hon. Dr Brian Pezzutti that my comments were not disparaging in any way of the President and her integrity.

The PRESIDENT: Order! There was no imputation or implication against the President. Consequently there is no point of order.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The President has retained her dignity in this matter. I am disappointed by the actions of the Hon. Tony Kelly, who is being condemned in this motion for the actions of his Government. However, if a person can act but chooses not to do so—regardless of the pressures

applied—that person must stand condemned for his or her actions or inaction. I would prefer it if this motion were worded differently but, faced with supporting it or opposing it in its current form, I choose to support it. I would like the motion to be changed to a censure motion or amended to condemn the Government more broadly, but I do not intend to amend it.

The Hon. RICHARD JONES [11.47 a.m.]: I understand the Opposition's frustration at being unable to move a motion of no confidence yesterday when the Deputy-President left the chair. One can also understand Opposition members' fury at not having their points of order acknowledged by the Deputy-President while he was in the President's chair. The fact is that, according to precedent, the Deputy-President correctly did precisely what he was able to do—although it was extremely frustrating for the Opposition. I believe the Opposition has picked the wrong target: The real target should surely be the Leader of the House. A motion should be moved against him because he presumably orchestrated yesterday's manoeuvre.

The Hon. Duncan Gay: So there was collusion.

The Hon. RICHARD JONES: The action was obviously organised in both Houses. Because the Government was short of numbers, no confidence motions would probably have been moved in both Houses and, as a consequence, the Government may have fallen in the lower House. It would not have fallen in the upper House, but a motion of no confidence in the Leader of the House or in the Special Minister of State could have been moved and, if it had succeeded, that Minister would have had to resign. I suppose that the Leader of the House was not prepared to take that risk. If the motion were directed at the Leader of the House, I suspect that it might have more support in this place. However, I think the Opposition has the wrong target in the Hon. Tony Kelly, who did precisely what he could do according to precedent.

Reverend the Hon. FRED NILE [11.48 a.m.]: This motion was obviously prepared in haste in response to the Opposition's anger over yesterday's events. If the Hon. Tony Kelly had heard points of order after he said that he would leave the chair until the ringing of the long bell—there was no motion to adjourn the House—the House would have started to conduct its business and a debate would have ensued. As honourable members know, debate on points of order can take a long time. One wonders when debate on the matter would have come to a conclusion. Having been a member of Parliament for almost 20 years, I try—although it is not easy—to ask myself the question: If the situation were reversed and the Coalition were in government, what would it do? The Coalition would do exactly as the Hon. Tony Kelly did.

The Hon. Charlie Lynn: How do you know?

Reverend the Hon. FRED NILE: I am a realist. I am dealing with this matter realistically. No government would allow a House of Parliament to continue to sit when its members were not present in the House and a no confidence motion, or other motion, could be agreed to against the Government. I understand from talking to unionists yesterday that they were staging a blockade and were targeting the right-wing members of the Government who were supporting the workers compensation legislation. If left-wing members decided not to enter, that is another matter. In particular, the unionists were seeking to prevent the Premier from attending Parliament. However, he was able to gain access. Having acted at times in the position of Deputy-President, I know that the presence of a Minister is essential for the conduct of business of the House. It could be argued that the House could sit without a Minister. But the Minister guides the House as to what legislation will be proceeded with and the order of business of the House.

The Hon. Jennifer Gardiner: Stop rationalising.

Reverend the Hon. FRED NILE: I am saying that that is the reason why a Minister should be present in the House. The Opposition raised the issue of a Minister deciding not to enter the House. That is another question. Legally, there was no Minister in the House and I am speaking to the motion that has been moved. The Hon. Tony Kelly carried out his duties within the conventions and precedents of the House. The Coalition is not justified in moving this most serious motion to sack the Chairman of Committees. The only motion more serious would be to call for the sacking of the President. An Opposition member said that the House will sack him and then re-elect him. I do not believe that the Hon. Tony Kelly should have the slur of being sacked as Chairman of Committees merely for political purposes.

The Hon. Duncan Gay: We are not going to reappoint him.

Reverend the Hon. FRED NILE: The statement was made by Opposition members that they had no objection to him being re-elected. In fact, I am quoting the Deputy Leader of the Opposition. He said that when we were talking about this matter.

The Hon. Duncan Gay: The next time you quote statements from crossbench meetings to the Parliament we will reconsider attending such meetings.

Reverend the Hon. FRED NILE: I was not going to quote you.

The Hon. Duncan Gay: You already have.

Reverend the Hon. FRED NILE: I was not quoting any particular member until the Deputy Leader of the Opposition denied it. It is not an edifying strategy to sack the Chairman of Committees and to re-elect him later. That is another reason why I am not happy with this approach. An issue raised by the Hon. John Jobling, which I regard as a genuine concern, is how and when the House will reassemble if the Government decides not to reassemble the House. That is a legitimate question that could be raised by either side of Parliament, depending on who is in government. When the House adjourns for a long period a motion is moved to give power to the majority of members to recall the House. Perhaps in the future if the ringing of the long bell is used, a motion could be passed that members could request the Clerk to reconvene the House. Such a motion would provide a procedure for the House to be in charge of its own destiny and would prevent any misuse of the ringing of the long bell by either side of politics.

The ringing of the long bell has been a regular practice in this House. The records show that between 1988 and 1994 the ringing of the long bell was used nine times and that occurred five times during a period when the Coalition was in government. From memory, some of those occurred when the Coalition Government was in complete disarray and needed time to sort out the situation. The House accepted the ringing of the long bell, whereas the Opposition could have been argumentative and prevented the Government proceeding. However, the Opposition agreed so that the Government could hold conferences and try to resolve a state of confusion. The ringing of the long bell may seem unusual to members who have been recently elected. But it is not unusual at all. It has occurred regularly and the House has accepted that practice to allow the government of the day to resolve a particular situation, as occurred yesterday. For those reasons I believe the motion moved by the Leader of the Opposition is heavy-handed, and therefore the Christian Democratic Party will not support it.

The Hon. MALCOLM JONES [11.56 a.m.]: I wish to contradict statements made by the Hon. Dr Arthur Chesterfield-Evans during this debate. As I have previously said in debate, yesterday I was involved in trying to obtain access to Parliament House. Clearly, it was not a question of being given an option of agreeing to the demands of the unionists in the blockade. First, the police were not prepared to guarantee my security past a specific point. I have taken issue with that matter and will continue to do so. Second, I was advised by a particular union member who was conducting traffic that I could either agree with a deferment of the debate on the workers compensation legislation or I could not pass. I was in favour of a deferment of the workers compensation legislation, and I was happy to say so. That was not an issue. However, had I not agreed to his request, I am convinced that I would not have been able to pass. That needed to be said, contrary to the remarks of the Hon. Dr Arthur Chesterfield-Evans in this House.

The second point I wish to address is that I was present when the Hon. Tony Kelly took the chair and the Hon. John Johnson took what I thought was a point of order about a Minister not being present. I was somewhat outraged at the time that debate was not allowed from the Deputy Leader of the Opposition and the Hon. John Jobling. However, I have since looked at the issue and spoken with people who are more knowledgeable than I about such matters. I now understand that having stated that a Minister is not present the Parliament hits a brick wall and further debate cannot be entered into. Irrespective of my feelings at the time—which were wrong—I find that the actions of the Hon. Tony Kelly were appropriate. Therefore I do not support this motion.

The Hon. Dr PETER WONG [11.59 a.m.]: Yesterday, as result of the absence for whatever reason of a Minister or Ministers, the presiding officer decided, according to the practice of this House, to leave the chair. Obviously, no point of order could be taken. The Hon. Tony Kelly did the right thing. There is no evidence whatsoever that he was involved in any conspiracy. I see no reason to support the motion.

The Hon. PETER BREEN [11.59 a.m.]: I was interested to hear the Hon. Malcolm Jones say that when he was in the House yesterday and the Hon. Tony Kelly was in the chair he heard the Hon. John Johnson say, "Point of order." I also heard him say, "Point of order." At the time I was surprised that other people were not heard on the point of order. I now understand that, according to convention, when no Minister is in the House the House ought to be adjourned. However, it is only a convention. This morning I was handed an advisory note detailing other instances when this convention had been used. I do not know who gave me the note. I was interested to read that there is no precedent of a Minister not being in the House technically but standing outside the door.

Pursuant to sessional orders business interrupted.

QUESTIONS WITHOUT NOTICE

PARLIAMENT HOUSE BLOCKADE

The Hon. MICHAEL GALLACHER: My question without notice is to the Minister for Industrial Relations. What action is the Government taking to ensure that a picket, like the one seen at Parliament yesterday, will not be repeated? Has the head of the Labor Council, John Robertson, stated today that the unrest in Macquarie Street was the fault of Government members of Parliament because they decided to enter Parliament without giving any notice of their intention to do so?

The Hon. Michael Egan: So you're in cahoots with that sort of attitude, are you?

The Hon. MICHAEL GALLACHER: I am asking the question.

The Hon. JOHN DELLA BOSCA: I will have to think about that question. I will come back to the honourable member with a considered answer and some detail. I think he is again breaching standing orders, because he is attributing something to John Robertson without first substantiating it.

REGIONAL OLYMPIC-RELATED BUSINESS

The Hon. TONY KELLY: My question without notice is to the Treasurer, and Minister for State Development. Will the Minister tell the House whether the Olympic Games has generated increased exports for any regional New South Wales companies?

The Hon. MICHAEL EGAN: I can inform the House that regional New South Wales businesses have so far secured Olympic-related contracts worth more than \$300 million, and many are continuing to increase their sales and exports. One notable example of a regional company capitalising on its Games involvement to improve business is Croker Oars from Oxley Island near Taree.

The Hon. Duncan Gay: They are a very good mob.

The Hon. MICHAEL EGAN: They are a very good mob. For 40 years Croker Oars has manufactured oars used for competitive and recreational rowing.

The Hon. Dr Brian Pezzutti: What about the piano maker?

The Hon. MICHAEL EGAN: Yes, in fact the Stuart concert grand piano had its European launch at the Welsh Academy of Drama and Music on the very night of my budget, 29 May. I am told that hundreds of people from music academies from all over Europe were there. His Royal Highness, the Prince of Wales, was in attendance and spoke glowingly of the Stuart concert grand piano.

The Hon. Dr Brian Pezzutti: As a result of the Olympic Games?

The Hon. MICHAEL EGAN: No, it is not as a result of the Olympic Games. But I am pleased to be able to say that the piano has received more international attention because of the Olympic Games and because of the Australian Technology Showcase, which was organised off the back of the Olympics. As I said, for 40 years Croker Oars has manufactured oars used for competitive and recreational rowing. Its oars are among the world's best brands, and its carbon fibre-composite models were chosen by Olympic rowing teams from various countries. The company won a great deal more exposure in the international rowing community when teams using Croker oars picked up five gold medals, two silver medals and one bronze medal at the Sydney Games. The firm's total sales in 2000-01 soared to more than \$2 million, including 70 per cent in exports. The company expects to double those sales in 2001-02 and to lift its percentage of exports by another 5 or 10 per cent, to around \$2.5 million. Croker is expanding rapidly to meet this increased demand, and expects to double its full-time staff from 10 to 20 in the next three years.

Croker Oars is also negotiating with potential distributors for one of its largest export markets, which is the United States of America. As well as exporting to the United States, Croker Oars also dispatches oars to Japan, the United Kingdom, Switzerland, Germany, Canada, Thailand, South Africa, Hong Kong, New Zealand

and Norway. The company has boosted sales to the point where it now supplies 25 per cent of the entire world market. That boost in business is remarkable, but the good news for Croker Oars goes on. It has now acquired state-of-the-art machinery to allow it to produce different and more lucrative products, including racing boat shells and defence equipment. Croker Oars is only one example of a progressive and ambitious New South Wales regional company that is using the Sydney Games to deliver investment and jobs in regional New South Wales.

NATIONAL COMPETITION POLICY

The Hon. DUNCAN GAY: My question is to the Treasurer. What action will the State Government take to follow the example set by the Federal Australian Labor Party, which recently stated in a document relating to the reform of national competition policy [NCP]:

A new deal is needed for Australia's local governments and only Labor can deliver it. Labor recognises the pivotal role local governments play in the implementation of NCP.

How does this statement contrast with the Treasurer's continuing refusal to allocate a portion of NCP payments received from the Commonwealth to local government in New South Wales?

The Hon. MICHAEL EGAN: I thank the Deputy Leader of the Opposition for his question, but I remind the House that I have answered the same question on a number of previous occasions.

The Hon. DUNCAN GAY: Is that another no?

The Hon. MICHAEL EGAN: I have answered it.

ILLEGAL BROTHEL CLOSURES

Reverend the Hon. FRED NILE: I wish to ask the Treasurer, representing the Attorney General, a question without notice. Is it a fact that New South Wales councils are spending up to \$100,000 each on lengthy efforts in the Land and Environment Court to close illegal brothels? Is it a fact that Hurstville City Council and Rockdale City Council spent \$100,000 and \$88,000 respectively to close five brothels and that Burwood Council spent \$70,000 to close 12 brothels? What action will the Government take to increase the powers of local councils to close brothels without lengthy court cases?

The Hon. MICHAEL EGAN: I will refer the question to my colleagues the Minister for Local Government and the Attorney General and obtain a co-ordinated response from both of those Ministers.

The Hon. Duncan Gay: It is the Department of Urban Affairs and Planning [DUAP].

The Hon. MICHAEL EGAN: DUAP, is it? I will seek some advice as to the appropriate Minister and refer the honourable member's question to that Minister.

MOUNT ARTHUR NORTH COAL PROJECT

The Hon. HENRY TSANG: My question is to the Minister for Mineral Resources. What action has been taken to ensure the final approval for the Mount Arthur North coal project near Muswellbrook?

The Hon. EDDIE OBEID: Last Friday I had the great pleasure of being part of a historic moment in the New South Wales coal industry. Standing on the windblown summit of a hill near Muswellbrook, I handed over—

[Interruption]

It was a magnificent sight. I am sure the Hon. John Jobling would agree with me.

The Hon. John Jobling: I wouldn't agree with you.

The Hon. EDDIE OBEID: Standing on the hill looking over the extensive terrain that the coalmine would cover, I thought it was a magnificent sight. I handed over a 21-year lease to Coal Operations Australia Ltd—

The PRESIDENT: Order! There is too much chatter among members. Members wishing to engage in conversation should do so outside the Chamber.

The Hon. EDDIE OBEID: And those who are not interested in regional Australia should also move out. I handed over a 21-year lease to Coal Operations Australia Ltd, the operators of the Mount Arthur North project. Coal Operations Australia is a subsidiary of Billiton. This is a very significant mining project for the community of New South Wales. Last Friday's ceremony marked the start of work by our State's newest and largest coalmine.

The company expects to be excavating within a matter of months. The issue of a lease follows the granting of a development consent by my colleague the Minister for Urban Affairs and Planning in May. When this open-cut mine is fully operational it will produce 15 million tonnes of thermal coal each year. That coal will be destined for domestic and export markets as the mine is strategically close to the Port of Newcastle, and to Bayswater and Liddell power stations. Mount Arthur will be a huge injection of funds into the Hunter region. It represents a massive gain for jobs in the region and a win for the security of Hunter Valley families.

It is anticipated that the mine will employ up to 290 people during its construction phase. A further 500 mineworkers will have jobs when the mine is fully operational. Their wages will inject up to \$60 million per year into the region's small businesses. The economic and social benefits that will flow on to our State are estimated to be \$344 million annually. The company is required to meet strict New South Wales Government environmental guidelines. We have made every effort to ensure this massive project does not have an adverse impact on the Muswellbrook community or on the environment.

The New South Wales Government will continue to ensure that the company meets the State's strict environmental guidelines, which are recognised worldwide. In addition, the community will have an important role in monitoring the company's compliance with the consent conditions at all stages of the mine's development and operation. A community consultation committee will be established, and that committee will ensure that residents are kept informed about the mine. It means the community will be able to directly communicate any concerns to Coal Operations Australia Ltd.

Environmental costs for the Mount Arthur North development will amount to \$100 million of the total \$600-\$700 million project. The company has already shown its commitment to listening to the Muswellbrook community. Its consultation with the local community identified issues of concern to the community early in the mine planning stage before the project design was too advanced. This allowed for appropriate consideration of the issues and incorporation in the mine plan. [*Time expired.*]

TEACHERS WORKERS COMPENSATION CLAIMS

The Hon. HELEN SHAM-HO: My question without notice is directed to the Special Minister of State, representing the Minister for Education and Training. Did New South Wales teachers' workers compensation claims for stress during the period 1994-99 result in an average pay-out to victims of more than \$8,000, representing a cost to taxpayers of more than \$26 million? Will the Minister advise what action the department has introduced to decrease the number of teachers in New South Wales who will develop a stress-related illness as a result of their work?

The Hon. JOHN DELLA BOSCA: The honourable member has asked a very important and serious question, one that has been exercising my mind for the last 12 weeks. Her question deserves a considered reply by the portfolio Minister. There is also an overlap with my responsibility for workers compensation. I undertake to obtain a detailed answer as quickly as possible.

SCHOOL CLOSURES

The Hon. PATRICIA FORSYTHE: My question is directed to the Special Minister of State, representing the Minister for Education and Training. In view of the number of non-English speaking parents of students at Marrickville and Dulwich high schools, and the Government's announcement that consultation with these schools about closure has been extended by three months, what action is the Department of Education and Training taking to ensure that these families are given information on the proposal in languages other than English?

The Hon. JOHN DELLA BOSCA: Consultation is my forte, of course. But in this case the honourable member's question relates to another Minister's portfolio. I will obtain a considered response from the Minister. As a matter of policy I am sure that the Minister has this particular aspect well under control.

OCCUPATIONAL RESPIRATORY DISEASE

The Hon. JOHN JOHNSON: My question is directed to the Minister for Industrial Relations. Will the Minister outline measures that have been taken to reduce occupational respiratory disease?

The Hon. JOHN DELLA BOSCA: I thank the honourable member for his question. Earlier this week the Dust Diseases Board launched a new program enlisting the support of specialist doctors in the field of respiratory medicine. The Surveillance of Australian Workplace-Based Respiratory Events [SABRE] scheme was unveiled at the Dust Diseases Board headquarters in Elizabeth Street. Respiratory and occupational physicians, health professionals, and industry and union representatives will co-operate in the program. The SABRE scheme is funded by the Dust Diseases Board and is a voluntary scheme whereby occupational and respiratory physicians agree to report any suspected cases of occupational lung disease in New South Wales.

The scheme is being implemented as an attempt to find out which occupations and industries cause lung disease and why. To assist that process, doctors will be able to report their suspected cases anonymously. If we can identify which occupations and industries are responsible for respiratory illness, we can also find ways to prevent it. The scheme has the potential to decrease the incidence of occupational respiratory disease and to be of significant public health benefit.

The project is co-ordinated by Dr Anthony Johnson and Dr Deborah Yates, two of Australia's leading researchers in the field of dust diseases. Dr Yates was involved in the original Surveillance of Work-related Occupational Respiratory Disease [SWORD] developed in the United Kingdom. The findings from the surveillance scheme will also assist the Dust Diseases Board to know whether it is compensating the majority of New South Wales workers suffering from occupational lung diseases, or whether some workers are slipping through the safety net provided by the Dust Diseases Board.

MINISTER FOR INDUSTRIAL RELATIONS UNION MEMBERSHIP

Ms LEE RHIANNON: My question is directed to the Minister for Industrial Relations. To which union does the Minister belong? What is his understanding of how that union responds to members, known as "scabs", who cross picket lines?

The Hon. JOHN DELLA BOSCA: That is an excellent question.

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

The Hon. JOHN DELLA BOSCA: I think it is an excellent question. It probably falls into the category of a personal explanation, but I will answer it. I am a member of the Australian Services Union and I have been a member for a very long time. I could not specify just how long; I would have to refer to my records. Indeed, I was formerly an official at both the national and State level of that union, as I think she probably knows. It is true that the practice of scabbing is frowned upon and eschewed by any unionist. The practice of scabbing, as I understand it, is to subvert the conditions and wages of organised labour in the course of pursuing one's own employment.

No-one here yesterday was scabbing. No-one here yesterday sought to scab. I certainly did not scab and would never scab. I do not wish to embarrass anyone, but my colleague the Hon. Ron Dyer very eloquently explained the issue on radio this morning. Anyone seriously interested in the principles involved would do well to read the transcript of his interview, which clearly explained the two principles involved that had to be resolved. On the one hand, there was an important principle involved that some honourable members respected more than others did—

The Hon. Charlie Lynn: They wouldn't have you on the rat run?

The PRESIDENT: Order! The word "rat" is unparliamentary.

The Hon. JOHN DELLA BOSCA: The principle that the Hon. Ron Dyer articulated today is that a picket line is something that is authorised by a union official. I am of the view that union officials can make mistakes. Any attempt to describe yesterday's meeting as an authorised picket line is a parody of a real picket line. A picket line is designed to protect an organised work force from scabs. What happened yesterday is that the members of a parliament were seeking to pass a blockade of a parliament, a blockade that was inappropriate

and improper and should not have happened. That blockade was disgracefully selective and sought to discriminate between honourable members on the basis of how they would vote in the course of fulfilling their obligations as members of this Parliament.

[Interruption]

Members of the Opposition, you lie. You told them that you supported them. And then a few minutes later you were in here telling us that you did not believe in journey claims. Did you tell them that when you came through the door? No. I bet you didn't say that you want a judicial inquiry so that you can chase people around and video them. You are not going to get that. We stand up for the working classes and we look after them, because you don't.

AUSTRALIAN LABOR PARTY DONATIONS

The Hon. JENNIFER GARDINER: My question is to the Minister for Fisheries. Is Antonio Rodriguez, also known as Angel Castillo or Angel Rodriguez, known to him? Is he a friend of the Minister? Did the Minister suggest to him that he give a donation to the Australian Labor Party [ALP]? Did the Minister suggest to anyone else in the ALP that he be approached for a donation? Was the \$25,000 donation given in return for assistance in getting buses off a wharf or for any other consideration, and to which members in the Mascot area did the Minister direct him?

The Hon. EDDIE OBEID: No wonder the Hon. Jennifer Gardiner has no idea about her portfolio. She has only two advisers. One is a commission agent at the fish market; the other is a disgruntled fisher from the Hawkesbury. She has no questions about her portfolio, and she should know better. She should refer any issue of funding to the State Labor Party.

The PRESIDENT: Order! Would chatter please cease.

EMPLOYMENT OPPORTUNITIES FOR THE DISABLED

The Hon. RON DYER: I direct my question without notice to the Special Minister of State, and Minister for Industrial Relations. What has the Government done within the Minister's administration to assist people with disabilities?

The Hon. JOHN DELLA BOSCA: In mid-2000, the New South Wales Office of the Director of Equal Opportunity in Public Employment and the Department of Education and Training approached the Motor Accidents Authority seeking support and funding for a program to increase employment opportunities in the New South Wales public sector for people with disabilities. The Motor Accidents Authority agreed to fund \$400,000 towards this project. The project involves the establishment of a traineeship program targeted at placing people with a disability in the New South Wales public sector. The traineeship jobs combine work and structured training and it generally lasts from one to two years. Trainees are paid a training wage and enter into a training agreement, or indenture, with their employer. Trainees undertake a training program that is delivered by a registered training organisation and leads to a nationally accredited qualification. They are released from work one or two days per week to complete formal off-the-job training.

One of the most significant issues facing people with a serious disability is vocational rehabilitation. It is often not possible for people to return to their previous occupations in the work force following an injury. This is particularly the case in people with brain injury. It is therefore important that they can access opportunities to increase their skill level and enhance their employment prospects. A number of similar programs exist already. For example, the Department of Education and Training operates a program of apprenticeships for people with disabilities. The Department of Education and Training, which already has the infrastructure, will administer this program. The program will be advertised to New South Wales public sector employers, who will be invited to apply for a fully funded trainee position. Selection is based on merit and in the first year of operation, priority placements will be given to people who have acquired a disability as a result of a car accident, specifically people with spinal cord injury or brain injury. Employers will be encouraged to consider a range of flexible employment options.

There are currently more than 400 different types of traineeship positions available, covering a wide range of entry-level jobs and occupations. For example, customer support, education support, financial services, forest products operations, hospitality operations, sport and recreation, and clerical administrations. This

program will give people with a disability the opportunity for recruitment and career development in the New South Wales public sector. It will also encourage government departments and authorities to recruit people with a disability into permanent positions. The project is considered appropriate for the Motor Accidents Authority to support, as people with serious injury are a target group for the Motor Accidents Authority. The funding for this project will enable the establishment of traineeships for 20 people over a period of two years. I look forward to updating the House on the progress and success of the program.

HOLMAN PLACE SCHOOL PROTECTED DISCLOSURES

The Hon. DAVID OLDFIELD: My question is to the Special Minister of State, and Minister for Industrial Relations, representing the Minister for Education. Would the Minister please explain why one teacher at Holman Place School at Cowra was fired and another forced to transfer after having made supposedly protected disclosures of financial corruption within the school? Will the Minister explain why those who were subsequently found guilty as a result of those disclosures have been protected, whilst those who made the disclosures have been penalised as if they themselves were guilty? Will the Minister explain how a teacher making a supposedly protected disclosure can then be put in the position of being fired by the corrupt school principal exposed by those disclosures? Will the Minister explain how the Government expects to successfully address corruption when those who come forward with information are convicted and sentenced while the guilty parties have their crimes covered up?

The Hon. MICHAEL EGAN: I know that is a question that can simply be referred to the Minister in the other place for a reply, but I think it is completely contrary to the sessional orders.

The Hon. Doug Moppett: I agree.

The Hon. MICHAEL EGAN: The Hon. Doug Moppett agrees with that by way of interjection because it contains argument from start to finish. It is possible for members to seek the information they want in a way that applies and adheres to the standing orders. Madam President, I suggest that you ask the member to rephrase his question.

WORKERS COMPENSATION INQUIRY

The Hon. GREG PEARCE: My question is to the Minister for Industrial Relations. Why has the Government appointed a former Labor Attorney General and former State President of the Labor Party to conduct an inquiry for the Government? What are the terms of reference for the inquiry by Justice Sheahan? What action has the Government taken to ensure that Justice Sheahan does not advocate any return to the elements of the failed TransCover Scheme, which was implemented by the Unsworth Labor Government, of which Justice Sheahan was one of the principal architects?

The Hon. JOHN DELLA BOSCA: I am not sure if that question breaches the standing orders. It seems to me that the member is impugning a judge's reputation. The inference in the question is one that I will leave to one side for the moment and say, first of all, that the matter is one that needs to be considered in some detail.

The Hon. Duncan Gay: You have realised.

The Hon. JOHN DELLA BOSCA: What I just realised is that the matter is a matter before the House.

The Hon. Michael Gallacher: No, it is not.

The Hon. JOHN DELLA BOSCA: I was contemplating whether it was. That is what I was hesitating about before continuing with my answer. The simple fact is that Justice Sheahan's inquiry has specific terms of reference in relation to the interrelationship between the common law and the Workers Compensation Scheme. The second part of the member's question referred to Justice Sheahan. Justice Sheahan is eminently qualified to do this job. He has a great deal of experience in administrative law and the application of the principles of arbitration and other matters that would normally be before this inquiry. Last, but not least, not only is he highly recommended by this Government to do this job but he has the absolute confidence of the stakeholders, that is, the employers and the employee representatives, who both concur with the appointment of Justice Sheahan at an informal and a formal level. I hope that I have done justice to the honourable member's question.

The Hon. GREG PEARCE: I ask a supplementary question. Will the Minister table the terms of reference of the inquiry before the conclusion of question time today?

The Hon. JOHN DELLA BOSCA: I am happy to make the terms of reference available, but I will not give a commitment to table them within the next half hour. However, I will certainly table them before the end of this parliamentary day.

AUSTRALIAN TECHNOLOGY SHOWCASE

The Hon. IAN WEST: My question without notice is to the Treasurer, and Minister for State Development. Will the Minister advise the House about the continuing success of the Australian Technology Showcase?

The Hon. Dr Arthur Chesterfield-Evans: We want to hear about the piano again.

The Hon. MICHAEL EGAN: No, I will not be saying much about the piano. Obviously, the Hon. Dr Arthur Chesterfield-Evans does not know about the piano, so I may give him a private briefing about it. Honourable members would be aware of the Australian Technology Showcase, a support and development program for technologically innovative companies. Today I am pleased to inform the House that this important New South Wales innovation has been adopted nationally. The Australian Technology Showcase, with its 274 listed technologies, has been a great success story in New South Wales.

The recent decision by other States to join the program will create new market opportunities for Australian companies to sell their smart technologies. Australian Technology Showcase [ATS] member companies in New South Wales have already notched up \$300 million in export sales and investments. The program commenced in 1997 as part of our Olympic business strategy, with 12 Olympic sponsors, and others, giving it support. The Government has organised venture capital forums for ATS companies and help in the promotion and marketing of their great ideas.

Australian innovation is having a growing impact on global markets. Last week I was proud to launch another ATS exhibition at Fox Studios in Sydney, with more than 40 new technologies on show. The strength of Australian innovations across all industry applications is providing a great base for continuing export growth. I am pleased to report that four member companies in the information technology and telecommunications sector have attracted nearly \$900 million in equity investments. The four companies are Redfern Photonics, Cards Etcetera, Bullant Technologies and Radiata Communications. I am delighted that clever companies around Australia can now tap into the promotional support, export enhancement and marketing opportunities that come with membership of the Australian Technology Showcase.

COMMUNITY RELATIONS COMMISSION REVIEW

The Hon. Dr PETER WONG: My question without notice is to the Treasurer, representing the Premier. As the Government has established an implementation committee to address issues raised in the committee on the cost and quality of the Government's program review of the Ethnic Affairs Commission, now known as the Community Relations Commission, what are the terms of reference of that implementation committee? Who are the members of that committee? What specific issues will the committee address? What is the timetable for the committee to carry out its work? Finally, who does the committee report to?

The Hon. MICHAEL EGAN: I am sure the Hon. Dr Peter Wong would not expect me to have those details at hand. Therefore, it is probably more appropriate that the question should have been put on notice. Nevertheless, I will refer the question to my colleague the Premier for a response. In future if the honourable member has a question requiring detail that a Minister would not have at hand, I suggest he put the question on notice.

PARLIAMENT HOUSE BLOCKADE

The Hon. CHARLIE LYNN: My question is to the Minister for Industrial Relations. What action will the Minister take to stop major unions from demanding that employers pay a day's pay to workers who walked off the job to picket Parliament yesterday?

The Hon. JOHN DELLA BOSCA: I believe that the honourable member means blockade Parliament. I will take the question on notice and reply in detail. I do not think that the Government is contemplating, or likely to contemplate, any action. This matter has not been considered. The question sails closely to policy.

The Hon. Eddie Obeid: And where is the authentication?

The Hon. JOHN DELLA BOSCA: I am not sure that there is any authentication. On several grounds, I take the question on notice and undertake to supply the honourable member with a written answer.

SYDNEY OLYMPIC PARK MASTER PLAN

The Hon. JOHN HATZISTERGOS: My question without notice is to the Treasurer, and Minister for State Development. Will the Minister update the House on the involvement of the private sector in the new master plan for Sydney Olympic Park?

The Hon. MICHAEL EGAN: The private sector has been invited to submit a development proposal for up to 20 sites at Sydney Olympic Park in line with the draft post-Olympic master plan for Sydney Olympic Park, which was released yesterday by the Premier. The first sites likely to be developed under the private sector participation scheme are eight vacant prime positions located around the town centre at Sydney Olympic Park. The developments could include three 20-storey residential towers and a 30-storey residential tower.

The private sector will be invited also to be key players in the further development and upgrading of some existing facilities at Sydney Olympic Park, including the Sydney Athletic Centre, the Sydney Aquatic Centre, the State Sports Centre, and specific parts of the Sydney Showground. Obviously, any development of those existing facilities will be subject to negotiation with current operators. The Government intends to initially encourage development in the town centre area before moving on to other sites at Sydney Olympic Park.

The aim is to create a critical mass of people at Sydney Olympic Park to ensure that it is self-sustaining. A growing Sydney Olympic Park will provide long-term, sustainable revenue to the New South Wales Government through development agreements and the increased use of existing facilities such as car parks. The private sector proponents would be liable for all financial risks associated with the projects.

Although the Government is willing to consider a contribution of capital and land in development projects, I emphasise that it will not contribute to any project that relies on the Government's support to make it viable. The project must be viable without government support, and then the Government will consider whether it should become an equity partner in that development. Any contribution by government is predicated on a revenue stream that is at a low or zero risk to government, with an appropriate commercial return to government.

At the end of any operating lease the land and property will revert to government ownership. Any new residential or commercial developments will also be required to observe contractual covenants in relation to noise that may emanate from existing venues during events. Obviously, it is not the Government's intention that Sydney Olympic Park be a sleepy hollow, but buildings will have to be constructed taking into consideration that it will be a busy centre and that large events will take place there. Also, residents will have to be aware that if they want to live somewhere with no activity and no noise, Sydney Olympic Park is not for them.

Interested private sector groups are invited to attend a briefing session at Sydney Olympic Park on 27 June and proposals will close on 6 August. Current development timetables indicate that negotiation of final project agreements is expected to take place by April 2002, with the first new development operating by June 2003. The Government is committed to the site that hosted the best ever Olympic Games. With input from government and the private sector, Sydney Olympic Park will be given a new lease of life, one that will bring more people, jobs, entertainment and recreational facilities to the area.

I remind honourable members that I announced not so long ago that over the next 12 months it is my intention to have a feature at Sydney Olympic Park that honours every Olympic volunteer and every Paralympic volunteer. The 60,000 names will be permanently on display at Sydney Olympic Park. [*Time expired.*]

AUSTRALIAN WORKERS UNION FRAUD ALLEGATIONS

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: My question is directed to the Treasurer, representing the Minister for Police. Why have serious allegations of financial fraud within the Australian Workers Union on 20 October 2000 not been investigated by the New South Wales Police Service? Why have assurances of internal investigations by the union been accepted when those responsible for the internal investigations are mentioned in the allegations? Why was the matter initially referred to the Federal police and why has it now been referred to the Minister for Industrial Relations? Was this to delay the matter until after the union elections? What investigations are occurring of the assault associated with the elections?

The Hon. MICHAEL EGAN: I thank the Hon. Dr Arthur Chesterfield-Evans for his question, which I will refer to the Minister for Police for a response.

WORKERS COMPENSATION LEGISLATION UNION BANS

The Hon. Dr BRIAN PEZZUTTI: My question without notice is to the Treasurer, and Vice-President of the Executive Council. What has been the estimated cost so far of the bans that have been placed on the collection of public transport fares and the issuing of fines by union members in protest at the Government's planned WorkCover changes?

The Hon. MICHAEL EGAN: I do not know but I intend to find out.

The Hon. Dr Brian Pezzutti: But you do care?

The Hon. MICHAEL EGAN: I certainly do care and when I find out I will let the honourable member know.

The Hon. John Jobling: This, of course, would be millions.

The Hon. MICHAEL EGAN: That is right. It is public money and, therefore, it is money that is not now available for improving schools, hospitals, roads, public transport or providing facilities for rural and regional New South Wales; in other words, money that should be available for all the important public facilities and services that governments are expected to provide.

AUSTRALIA'S VIRTUAL HERBARIUM

The Hon. PETER PRIMROSE: My question without notice is to the Minister Assisting the Minister for the Environment. What is Australia's virtual herbarium?

The Hon. CARMEL TEBBUTT: This is an important question because it involves how we work to ensure biodiversity, not just in New South Wales but also in Australia. Establishing Australia's virtual herbarium is yet another example of the lead that the Royal Botanic Gardens is taking in disseminating information on biodiversity to the world. Australia's virtual herbarium is a national collaboration to create a database of all Australia's botanical collections, available to all through the Internet. It is a vast undertaking that is not being taken alone by New South Wales but, rather, the Government working with other States, the Northern Territory and the Federal Government to see this project is brought to fruition.

The Royal Botanic Gardens National Herbarium of New South Wales is a major partner in this collaborative project. The virtual herbarium will provide unparalleled access to the Royal Botanic Gardens' collection of over one million plant specimens. That means information on plant collections gained over more than two centuries, from the historical collections of Joseph Banks in 1770 through to the comprehensive reference collection of today's vegetation. This is a mammoth undertaking. There are more than six million herbarium records in Australian herbaria. To date, only 40 per cent of these have been computerised. Although there is a long way to go, already the existing subset of data is proving increasingly valuable for research, education and environmental decision making.

Once the remaining 60 per cent of records have been added to the virtual herbarium, it will make available plant names, geographical distribution, colour images and associated information to all levels of government, as well as private land-holders and managers, and community groups. It will allow for further development of sophisticated early warning programs such as Weed Alert and Plants@Risk, to better manage the State's biodiversity. It provides the potential to save the New South Wales and Australian communities millions of dollars through detecting the first infestation of weeds. It will monitor the health of New South Wales biodiversity and track changes to endangered species of plant life.

Together with a complete census of plant life in New South Wales, the Royal Botanic Gardens PlantNET site will become the State's primary source of plant information. Information held in the virtual herbarium will also help in designing revegetation projects, threatened species recovery plans and other land restoration activities. The virtual herbarium is designed to be user-friendly. It will include search and interrogation facilities as well as report delivery functions. It follows on from the recent announcement in April launching the Centre for Plant Conservation at the Royal Botanic Gardens. Our funding of Australia's virtual herbarium is a further demonstration of the Government's commitment to embracing new technology in the name of improved science and better environmental planning.

BROADWATER COGENERATION FACILITY

The Hon. IAN COHEN: My question is to the Minister for Juvenile Justice, representing the Minister for Energy. Why has the Sustainable Energy Development Authority [SEDA] given the Broadwater cogeneration plant \$1 million when the plant has not met renewable energy guidelines for wood waste? Given the recent announcement that the Broadwater plant will now prepare an environmental impact statement [EIS] which will determine, among other aspects, whether SEDA criteria will be met, is the Minister prepared to insist that all cogeneration plants in New South Wales will require an EIS?

The Hon. CARMEL TEBBUTT: I thank the Hon. Ian Cohen for his question, which I will refer to the Minister in the other place for a response as soon as possible.

ST GEORGES BASIN RECREATIONAL FISHING AREA NOMINATIONS

The Hon. DON HARWIN: My question is to the Minister for Fisheries. How many nominations were received for St Georges Basin to become a region 7 recreational fishing area? Given that 154 of the 170 attendees at the consultation meeting on the recreational fishing areas issues paper for region 7 held at Sanctuary Point last night support the closure of St Georges Basin to commercial fishing, can the Minister explain to the House why none of the four proposals in the region 7 issues paper includes this as an option?

The Hon. EDDIE OBEID: I commend the Hon. Don Harwin for his interest in recreational fishing areas, but as I have stated on a number of occasions this is about the community making its own decisions and participating in the overall management of fisheries. There is an independent Chair and community consultation. Following thorough consultation, the outcomes will go to the peak body, the Fisheries Resource Conservation and Assessment Council [FRACAC], which can make recommendations to the Minister. I assure the honourable member that recreational fishing areas will not be decided purely on numbers but on many important issues, such as the economic benefit to the community, the social effects on the community, the effect it has on the quality of the resources we are trying to manage and better protect, and the effect it has on the supply of fresh seafood to our markets. All these matters have to be factored in.

It is important to have community participation in the consultation. The Minister must remain at arms-length and the Government's policies must encourage the community to take much more responsibility in the management and direction of this important natural resource. At the end of the day, if the community does not take ownership and participate, the harvesting of that resource will not be sustained for the next generation. I assure the honourable member that those matters will be decided by the community, they will go through the proper process, and when I make decisions on region 7 I will be happy to share them with the House.

YOUNG DRIVERS ADVERTISING CAMPAIGN

The Hon. AMANDA FAZIO: My question without notice is to the Special Minister of State. Can the Minister advise the House of any recent initiatives to improve the driving practices of young drivers?

The Hon. JOHN DELLA BOSCA: I am able to advise that the Motor Accidents Authority [MAA] and NRMA Insurance have contributed \$1 million each for a two-phased advertising campaign targeting parents and learner drivers called "Practise Helps your Children Survive". The campaign of television and bus-back advertising was first run for a three-week period in November 2000. A second phase of television advertising commenced on Sunday 27 May and ran for two weeks. The campaign promotes the message that learner drivers need practice in all driving conditions and portrays these scenarios—driving in the rain, at night and on a rural road. International research indicates that the number of deaths and injuries caused by young drivers could be reduced by increasing the amount of experience provided to young people while they are still in the learner driver stage.

Young driver crashes are more likely to occur within the first 12 to 24 months of obtaining a licence, which suggests that young drivers have not yet fully developed their driving skills. The campaign aims to encourage parents to support young learner drivers in gaining 50 hours logged driving experience during the learner phase. The 50 driving hours is a mandatory requirement of the graduated licensing system, which was introduced by the Roads and Traffic Authority on 1 July 2000. The campaign complements current work being undertaken by the Roads and Traffic Authority in communicating to the general public the requirements of the graduated licensing system. The involvement of green slip insurers in such road safety campaigns is to be

encouraged, and the general manager of the Motor Accidents Authority has extended an invitation to all insurers in the New South Wales market to consider possible similar joint campaigns in the future with the Motor Accidents Authority. I congratulate all those involved in the campaign.

AUSTRALIAN DEFENCE INDUSTRIES SITE SAFETY

The Hon. RICHARD JONES: My question is directed to the Special Minister of State, representing the Minister for Urban Affairs and Planning, and Minister for Housing. Did Utah and Concrete Constructions build approximately 30 fortified buildings on an Australian Defence Industries Pty Ltd [ADI] site at a 2,500 hectare complex, and were these buildings used in the 1950s and 1960s for experiments with atomic artillery shells and other equipment? Are these buildings still highly radioactive and do they pose a risk to workers dismantling them and a potential risk to any residents building homes on the 2,500 hectares?

The Hon. JOHN DELLA BOSCA: I am a great fan of the television program *The X-Files*, and the Hon. Richard Jones's question seems to go to the extreme by giving interesting facts that were previously unknown in the public arena. He has handed me a document that I am unable to study while addressing the House. I understood the ADI facilities to be conventional arms storage facilities. I am not aware—I do not think the issue has been in the public arena—of any notion that they were used at any time by any government for nuclear or atomic experimentation or storage. However, the Hon. Richard Jones is obviously concerned, so I will ask the Deputy Premier, Minister for Urban Affairs and Planning, Minister for Aboriginal Affairs, and Minister for Housing to provide an answer to satisfy the honourable member's curiosity and concern.

KANGAROO CONTROL

The Hon. DOUG MOPPETT: My question is addressed to the Minister Assisting the Minister for the Environment. What action is the Government taking to address the concerns of pastoralists and farmers expressed in the *Land* newspaper this week—which are shared by responsible environmentalists in western New South Wales—that the National Parks and Wildlife Service's cull of kangaroos in the Western Division of the State has been inadequate and has led to an explosion in kangaroo numbers?

The Hon. CARMEL TEBBUTT: I thank the Hon. Doug Moppett for his question. He takes great interest in what is happening in the whole of New South Wales, but particularly in the Western Division where he lives. The New South Wales kangaroo management program is the largest wildlife management program in New South Wales, and the House will be aware that the program and the quota require the approval of the Commonwealth Government. Kangaroo populations are monitored annually through aerial and ground surveys. Annual commercial quotas are usually set at a proportion—around 17 per cent to 20 per cent—of the total population estimate.

The quota for 2001 has been approved by the Commonwealth Government and represents an ecologically sustainable cull of the total populations of red, eastern and western grey kangaroos and wallaroos. The program includes a system of licensing, regular returns and monitoring of the kangaroo industry through reports based on these returns and through a schedule of inspections. The program is administered by a dedicated kangaroo management unit within the National Parks and Wildlife Service. As I am sure the Hon. Doug Moppett is aware, three staff are based at Dubbo. These positions and their operating expenses are fully funded from kangaroo industry fees. Fees are also used to support independent research designed to provide information on kangaroo management issues.

In late 2000 the service commenced a full review of the program, working with members of the kangaroo management advisory committee. Various community groups and agencies are represented on the committee to provide a broad spectrum of advice on kangaroo issues. I am sure the honourable member's contacts are aware of that committee and are feeding into that review process. The review of the program is due to be completed by early 2002 when it will be presented to the Commonwealth Government. During this review the public will be consulted widely, and specially commissioned research reviews have been made available on the service's web site to assist individuals and groups who wish to comment. The service has the difficult role of balancing the purpose of the program—the conservation of all species of kangaroos across their known ranges—with demands from land-holders and industry to take actions that have the potential of threatening that prime purpose. As I have said, the public will be consulted widely during the review process and obviously the Commonwealth Government will play a role as well.

CAULERPA TAXIFOLIA CONTROL

The Hon. TONY KELLY: My question is directed to the Minister Fisheries. What action has been taken to limit the spread of the noxious weed caulerpa in the State's coastal waterways?

The Hon. EDDIE OBEID: I thank the Hon. Tony Kelly, convener of the very successful Country Labor, for that important question. Last September I advised the House that the noxious weed caulerpa taxifolia had been positively identified in a number of our State's waterways. Judging from what is known about this weed and the size of our infestations, the plant has probably been growing undetected in our waters for a number of years. Research by New South Wales Fisheries scientists indicates that the weed is extremely difficult to destroy. Each section—even those as small as just one centimetre—of this attractive former aquarium plant has the ability to regrow. The weed has been found in Lake Conjola, Burrill Lake and in Narrawallee inlet in the Ulladulla area on the South Coast. It is also growing in Port Hacking, Botany Bay, Careel Bay in Pittwater and in Lake Macquarie.

An extensive community education campaign has been under way since the weed was first identified. Signposts with information about the weed have been set up in these areas and brochures about the weed have been distributed to the community. New South Wales Fisheries has held six meetings with recreational and commercial fishers in affected areas to discuss further action by the Government. Last Thursday I announced a range of new measures designed to minimise its spread. This action has been taken because fishing nets can break up the weed and pieces of it can then be spread to new areas in these nets and on boats. For this reason commercial haul netting will be banned in Lake Conjola. Mesh netting will be allowed to continue providing fishers use nets and boats that are used only in this lake. Prawn haul netting by recreational fishers is also banned in the whole of the lake. In all other affected areas netting has been banned where infestations occur. Large yellow floating markers are making sure that these areas are clearly visible to fishers so that they can avoid the infestations. Landing nets are exempt from these closures.

These bans are a serious matter. When the New South Wales Government declared this weed a noxious plant last year anyone found in possession of it or found selling it faced a maximum penalty of \$5,000 for an individual and \$11,000 for a corporation. From last week, fishers who repeatedly ignore these new measures designed to prevent the spread of the weed will face fines of up to \$22,000 for an individual and \$110,000 for a corporation for taking fish by prohibited methods from banned areas. The New South Wales Government will continue to carry out research into this plant, and New South Wales Fisheries is working with the Waterways Authority to minimise its spread through boating activities.

POKER MACHINE ADMINISTRATION

Reverend the Hon. FRED NILE: My question is directed to the Treasurer, Minister for State Development, and Vice-President of the Executive Council. What impact will the Federal legislation dealing with Internet gambling have on linked poker machine and gaming machine tax income in New South Wales? What action is the Treasurer taking to prevent the purchase of country hotel licences by city operators to expand their poker machine allocations?

The Hon. MICHAEL EGAN: The last part of the honourable member's question involves a matter of policy. As the House is aware, the Government is reviewing the current cap on poker machine numbers. I hope the Government will be in a position in the not too distant future to make known its decisions on that. As far as I am aware, the TAB's licence to operate a linked jackpot system is not affected by the Commonwealth Government legislation, but I will seek advice on that. I will also generally seek advice on the honourable member's question and come back to him with a considered reply.

STATE FINAL DEMAND FIGURES

The Hon. JOHN JOBLING: My question without notice is to the Treasurer, and Vice-President of the Executive Council. What action is the Government taking to address the decline in the State final demand figures that was experienced in the March quarter this year? What action will the Government take to ensure that the low growth rate of 0.2 per cent in New South Wales, compared with 2 per cent in Victoria and 2.3 per cent in Queensland, will be boosted?

The Hon. MICHAEL EGAN: It is true that the State final demand figure for the March quarter in New South Wales was, although a positive number, a very unsatisfactorily low number. However, in the first half of the current financial year, that is, the first half of 2000-01, the real State final demand figure in New South Wales was 1.8 per cent higher than it was for the first half of 1999-2000, although it was only 1.4 per cent higher nationally.

The Hon. Duncan Gay: The last half of 2000, not the first half. The first half is before the financial year.

The Hon. MICHAEL EGAN: I am talking about the first half of this financial year.

The Hon. Duncan Gay: You said the first half of last year.

The Hon. MICHAEL EGAN: In the first half of this financial year, 2000-01, our State final demand figure was 1.8 per cent higher than for the first half of 1999-2000. Nationally, the State's final demand figure was only 1.4 per cent higher.

The Hon. John Jobling: This March quarter was a worry.

The Hon. MICHAEL EGAN: Of course it is but, as I said in the Budget Speech, a number of adverse factors are affecting the Australian economy. One factor is the slowdown in the world economy. Another factor is the impact of the GST on the economy, which has had a devastating impact.

The Hon. John Jobling: Only in New South Wales. Well, well, well.

The Hon. MICHAEL EGAN: Only in New South Wales? The Hon. John Jobling should tell the builders in the other States of Australia that the GST has only affected New South Wales. In the other States the building industry is currently on its knees. Likewise, small business is struggling, not only under the impact of the GST but also under the impact of the change to company tax payment instalments. In one quarter of the financial year, businesses were hit with a double whammy.

When looking at the economic performance of various States, the most important economic indicator is unemployment. New South Wales proudly retains the lowest unemployment rate of all of the Australian States. Our unemployment rate of 5.7 per cent in April was clearly the lowest. By way of comparison, the unemployment rates in Victoria and Queensland were 6.3 per cent and 9 per cent respectively.

The Hon. John Jobling: A low growth rate of 0.2 per cent is very worrying.

The Hon. MICHAEL EGAN: That is a very low figure. The Opposition should have forewarned its Federal colleagues when they brought in the GST, which the Opposition supported. The GST has had a devastating impact not only on the building industry but also on small business.

The Hon. Rick Colless: The GST has put \$8 billion in the Government's coffers.

The Hon. MICHAEL EGAN: The Hon. Rick Colless is intelligent enough to understand a point that has bypassed some of his colleagues. The GST revenues that the States are receiving are no greater, in fact they are less, than the revenues the States are forgoing under the intergovernmental agreement between the Commonwealth and the States.

The Hon. Charlie Lynn: Rubbish!

The Hon. MICHAEL EGAN: Just ask your mate, Peter Costello. Peter Costello is even propping up the States—[*Time expired.*]

SCHOOLS FUNDING

Ms LEE RHIANNON: I direct my question to the Special Minister of State, representing the Minister for Education and Training. Will the Minister explain the funding mechanisms whereby Moriah College received more than \$1.14 million in interest subsidies in 1998-99 and 1999-2000, Riverview College (St Ignatius) received \$197,937, while Summer Hill received only \$0.456 million and nearby public schools are to be closed because the necessary funds are not available to refurbish them?

The Hon. JOHN DELLA BOSCA: I am confused by the question. I will have to take it on notice. I am sure the Minister for Education and Training will provide an answer.

The Hon. MICHAEL EGAN: If honourable members have any further questions, I suggest they put them on notice.

WORKERS COMPENSATION INQUIRY

The Hon. JOHN DELLA BOSCA: Earlier the Hon. Greg Pearce asked me a question about the inquiry to be conducted by Justice Sheahan and I said that the inquiry is under way. It has not been gazetted; that is not the process. It has been referred to the Executive Council and the Governor has authorised Justice Sheahan to commence the inquiry. The terms of reference are not lengthy, and I will seek leave to have them incorporated in *Hansard* for the benefit of the House. As I have said, the inquiry will be conducted by the Hon. Terrence William Sheahan with a maximum of informality.

The inquiry can inform itself in any way it sees fit and is not bound by the rules of evidence, as is the custom. The inquiry is to take submissions from stakeholders, that is, trade unions, employer associations and the Government, and may take submissions from any other interested parties, including the general public, at its discretion. The inquiry will have access to any relevant reports or research held by WorkCover that have been completed or are currently under way on common law or related matters, such as structured settlements. The inquiry will be assisted by an expert reference group made up of employer, employee and government representatives. I seek leave to have the terms of reference incorporated in *Hansard*.

Leave granted.

Terms of Reference for the Inquiry

- To recommend the appropriate threshold for "serious and permanent injury" necessary to recover damages at Common Law in the WorkCover Scheme, consistent with the available measures of impairment in the statutory workers compensation Scheme, and with maintaining access to Common Law claims under the Workers Compensation Act 1987 and the Workplace Injury Management and Workers Compensation Act 1998 for seriously injured workers.
- To examine more efficient ways to process Common Law claims under the Workers Compensation Act 1987 and the Workplace Injury Management and Workers Compensation Act 1998.
- To identify ways to reduce unnecessary costs and inefficiencies in the processing of Common Law claims under the Workers Compensation Act 1987 and the Workplace Injury Management and Workers Compensation Act 1998.
- To identify ways to reduce the incentive for pursuing Common Law claims under the Workers Compensation Act 1987 and the Workplace Injury Management and Workers Compensation Act 1998.

Questions without notice concluded.

CHAIRMAN OF COMMITTEES

Motion for Removal from Office: Personal Explanation

Reverend the Hon. FRED NILE, by leave: I wish to make a personal explanation. I may have given a false impression when I spoke earlier on the motion moved by the Leader of the Opposition about the position of the Chairman of Committees. I did not wish to give the impression that I thought the Opposition would renominate the Hon. Tony Kelly if he were removed from the office of Chairman. I understood that if the Hon. Tony Kelly were removed and renominated by the Government, the Opposition would not oppose his re-election as Chairman of Committees. I apologise to the Deputy Leader of the Opposition if his comments regarding the Hon. Tony Kelly were meant to be confidential.

[The President left the chair at 1.08 p.m. The House resumed at 2.30 p.m.]

BETTING TAX BILL

PASSENGER TRANSPORT AMENDMENT (TRANSITWAYS) BILL

Bills received.

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

Motion by the Hon. Michael Egan agreed to:

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

Bills read a first time.

NATIONAL PARKS AND WILDLIFE (ADJUSTMENT OF AREAS) BILL

Message

The PRESIDENT: I report the receipt of the following message from the Legislative Assembly:

MADAM PRESIDENT

The Legislative Assembly has considered the Legislative Council's message and schedule dated 10 April 2001 requesting the concurrence of the Legislative Assembly with their amendments to the National Parks and Wildlife (Adjustment of Areas) Bill and informs the Legislative Council that the Legislative Assembly disagrees with the proposed amendments for the following reasons:

The Legislative Council amendments have rendered the bill entirely unworkable. When read as a package, the amendments have the effect of requiring the Government to hold an inquiry into nothing.

The Legislative Council's first amendment seeks to establish a formal inquiry, with Royal-Commission like powers, to review all the proposals in the bill except those involving Brunswick Heads and Karuah Nature Reserves, and Morton and Myall Lakes National Parks.

The Government opposes these amendments because the holding of such an inquiry is likely to be extremely costly to implement.

An inquiry is also now unnecessary because the National Parks and Wildlife Service has already completed a review of its revocation processes. New procedures will now be adopted to improve the administrative and consultative processes where it may be necessary for future revocations to occur in the public interest.

The document describing these new procedures has been provided to the Member for Southern Highlands.

The service will implement these new procedures upon enactment and commencement of this bill.

The Government also moved an amendment in the Legislative Council to codify its commitment to ensure that, in cases where compensatory land is being sought, such land should have equivalent or better conservation values than the land which is to be revoked. Unfortunately, this amendment was caught up by the other amendments and has as a result been similarly rendered unworkable. An almost identical amendment is proposed as a further amendment.

The third set of Legislative Council amendments deleted from the Schedules to the bill all of the proposed revocations excepting those in Brunswick Heads and Karuah Nature Reserves, and Morton and Myall Lakes National Parks. In adopting these amendments, the Legislative Council resolved to hold an inquiry into nothing, an untenable proposition.

The Government also opposes the policy behind the amendments. They ignore the practical reality facing the National Parks and Wildlife Service. Should it become law, it would ensure that the service continues to own land over which it has no management responsibility, thereby exposing the Service to continued legal liability over these areas.

Accordingly, the Legislative Assembly proposes the following further amendment:

No. 1 Page 2, clause 5. Insert after line 29:

- (5) This subsection applies to any excised land that is part of Myall Lakes National Park, Brunswick Heads Nature Reserve or Karuah Nature Reserve. The Minister is not to transfer under this section any such excised land, or an interest in any such excised land, for the purposes of upgrading the Pacific Highway unless the Minister first enters into an agreement with the Minister for Roads for the transfer of other land into the national park estate as compensation for the excision of that land (being other land that the first mentioned Minister is satisfied is of equal or greater conservation value in terms of natural and cultural heritage).
- (6) This subsection applies to any excised land that is part of Barren Grounds Nature Reserve. The Minister is not to transfer under this section any such excised land, or an interest in any such excised land, to or for the benefit of an owner of adjoining land unless the Minister first enters into an agreement with that owner for the transfer of other land into the national park estate as compensation for the excision of that land (being other land the Minister is satisfied is of equal or greater conservation value in terms of natural and cultural heritage).
- (7) This subsection applies to any excised land:
 - (a) that is part of Blue Mountains National Park, Brisbane Water National Park, Georges River National Park or Mount Warning National Park, or
 - (b) that is part of Kororo Nature Reserve, Munghorn Gap Nature Reserve, Wamberal Lagoon Nature Reserve or Wee Jasper Nature Reserve. The Minister is not to transfer under this section any such excised land, or an interest in any such excised land, unless other land is first transferred into the national park estate as compensation for the excision of that land (being other land the Minister is satisfied is of equal or greater conservation value in terms of natural and cultural heritage).
- (8) For the purposes of this section, the national park estate comprises land reserved or dedicated under the *National Parks and Wildlife Act 1974* or land acquired by the Minister under Part 11 of that Act for the purposes of its reservation or dedication under that Act.

The Assembly requests the concurrence of the Legislative Council in its proposed further amendment.

Legislative Assembly
20 June 2001

JOHN MURRAY
SPEAKER

Consideration of message deferred.

STANDING COMMITTEE ON SOCIAL ISSUES**Reports**

The Hon. Michael Egan, on behalf of the Chairman, tabled Government's responses to the following reports:

Releasing the Past—Adoption Practices 1950-1998: Final Report
A Matter of Priority—Report on Disability Services: Second Report

CHAIRMAN OF COMMITTEES**Motion for Removal from Office**

Debate resumed from an earlier hour.

The Hon. PETER BREEN [2.35 p.m.]: Before question time I was asking whether a precedent exists for a decision by the Deputy-President to adjourn the House when a Minister is standing right outside the door. The convention that a Minister should be present in the Chamber at all times is a longstanding one, and it is fair to say that it is one of the conventions that underpins the honour and authority of this House. That convention is set out chapter and verse in the advisory note referred to earlier in the debate which members received as they were coming into the Chamber today. However, the advisory note fails to tell us whether a convention or tradition exists for a decision by the Deputy Chair to adjourn the House when there is no Minister technically in the House but standing outside the door.

The Hon. Michael Egan: It has happened on a number of occasions.

The Hon. PETER BREEN: There was certainly nothing referred to in the advisory note about that.

The Hon. John Johnson: It is within the precincts of the House but not in the Chamber. The Chamber is where the bars are.

The Hon. PETER BREEN: I accept that, but the point I am making is that in the advisory note we received there was no precedent for a Minister being in the vicinity of the Chamber and the House being adjourned on that basis, and that was the only point I wished to make.

The Hon. Michael Egan: Sometimes a Minister has been in the gallery and the objection has been taken.

The Hon. PETER BREEN: It certainly has not happened in my time. I can only speak from my own experience, and my own experience is that there has never been an occasion since I have been here that the House was adjourned because the Minister was not technically in the House but was outside the door, and there was nothing in the advisory note. I do not wish to make any other issue about that. In case there is any doubt, the Minister I am referring to is obviously the Hon. Michael Egan, who was standing outside as members came in, nodding to them, and when we arrived in the House there was no Minister.

The Hon. John Johnson: The Usher of the Black Rod precedes him. Unless he comes physically into the House, he is not here.

Mr PETER BREEN: I understand. The Hon. John Johnson makes a point, and I understand clearly the point that he is making, but all I am saying is that in my experience it has not happened that the House is adjourned because the Minister is not here and he is outside the door.

Reverend the Hon. Fred Nile: It is not adjourned. It is a long bell.

The Hon. PETER BREEN: That is another point. Yesterday the Minister accused me and other members of betraying the House when we gave an undertaking to defer the Workers Compensation Legislation Amendment Bill for a week. For the record, I did not betray anyone with my undertaking, and I can relate to the House what happened. I approached the picket line in my car and I was ordered by the police to take my car and park it in the hospital car park, which I did. I then walked along Hospital Road, as it happened, at the same time that the Hon. Charlie Lynn drove in. The Hon. Charlie Lynn offered me a lift in his car to drive through the

picket line, and I said, "I will have to decline that offer, Charlie." I approached Ms Lee Rhiannon, who was in the picket line—she said yesterday that she was in the picket line. I said, "What do I have to do to get through the picket line to get into Parliament?" Ms Lee Rhiannon said to me, "You have to give an undertaking to defer consideration of the bill for a week." So I gave Ms Lee Rhiannon an undertaking to defer consideration of the bill for a week and then they let me in. As a member of the crossbench, I negotiate with Ms Lee Rhiannon all the time. I did not betray anybody. Who did I betray?

The Hon. Michael Egan: You should not have had to negotiate with anybody. You have an entitlement.

The Hon. PETER BREEN: I negotiate with Ms Lee Rhiannon all the time.

The Hon. Ian Macdonald: How extraordinary!

The Hon. PETER BREEN: It is not extraordinary. I negotiate with Ms Lee Rhiannon all the time. Ms Lee Rhiannon was in the picket line, and she rightly called it a picket line. I gave Ms Lee Rhiannon an undertaking, publicly, through a microphone, and everybody clapped and cheered and I was allowed into Parliament House. I did not betray anyone.

The Hon. Michael Egan: They did not clap and cheer me.

The Hon. PETER BREEN: We do not know how you got in.

The Hon. Michael Egan: I flew.

The Hon. PETER BREEN: I am coming to that. Today I heard the Premier give the same undertaking on radio that I gave yesterday, and that is to defer consideration of the bill for a week. He must have struck Ms Lee Rhiannon in the picket line as well! The Premier has given the same undertaking to defer consideration of the bill for a week. The only difference between my undertaking and that of the Premier is that he thought that there was a blockade around Parliament House and I thought it was a picket line. That is the only difference. Yesterday the Treasurer accused me of being a traitor.

The Hon. Michael Egan: No, I didn't.

The Hon. PETER BREEN: You did, you said we betrayed. I am not sure who or what, but yesterday the Treasurer said that we betrayed either the Parliament or the traditions of the House.

The Hon. Michael Egan: Where did I say that?

The Hon. PETER BREEN: In this House.

The Hon. Michael Egan: I was referring to them.

The Hon. PETER BREEN: I was one of them in that context, I am afraid. That was yesterday. Yesterday the Treasurer said that I was a traitor, today he said that I had bargained with someone to get into Parliament House.

The Hon. Ian Macdonald: You did, you bargained with Lee.

The Hon. PETER BREEN: That is exactly right. But the question is: Who did the Treasurer bargain with? He got into the building yesterday but he has not told us who he bargained with.

The Hon. Michael Egan: I am not going to tell you how I got in, but I did not bargain with anyone.

The Hon. PETER BREEN: I cannot believe that, you must have bargained with the janitor or the library staff.

The Hon. Michael Egan: I asserted my rights.

The Hon. PETER BREEN: Did the Treasurer jump from the garden on level nine?

The Hon. Michael Egan: I am not going to tell you whether I flew or what.

The Hon. PETER BREEN: We will probably have to wait for his memoirs to find out how he got into the building, but it is an interesting question.

The Hon. Ian Macdonald: This is an extraordinary speech, Peter, but you have admitted to the House that you got in because Lee Rhiannon gave you permission.

The Hon. PETER BREEN: That is right. I am simply pointing out that I did not betray anyone. I often seek permission from Ms Lee Rhiannon for various things and the Hon. Ian Macdonald should do that too. He would be much less unpopular if he did so.

The Hon. Michael Egan: What things do you seek her permission for?

The Hon. PETER BREEN: Often we have to vote on bills and we get to consider amendments and clauses.

The Hon. Michael Egan: Be careful! All of those who joined united fronts ended up slaughtered.

The Hon. PETER BREEN: Is that right? Are you talking about the Labor Party or the Labor Council? The point is that all members of the Labor Party who came into this building yesterday, however they got in, broke the picket line. There is no denying that. Even if they bargained with police, they broke the picket line. To say that a picket line was somehow withdrawn for a caucus meeting to be held is semantics of the highest order. If members came in, assisted by police, they broke the picket line.

The Hon. Michael Egan: I agree with that.

The Hon. PETER BREEN: Good, we agree about something. The Treasurer agrees with me, he said that it is all right to break a picket line for a caucus meeting but not for a scheduled sitting of Parliament. Is he talking about Executive Government or does he think that caucus is more important than Parliament? That is another point. But I do not think so: I think that parliamentary democracy is much more important than a caucus meeting. Yet it is all right for Labor members to come in for a caucus meeting but not for a sitting of Parliament. I value my right to free speech, and that is why I wanted to speak yesterday about this issue.

The Hon. Michael Egan: But you weren't free.

The Hon. PETER BREEN: Yes, I was free of all the constraints. When Parliament convened yesterday at 2.30 p.m. I was standing beside the Hon. John Johnson and I clearly heard him say, "Point of order: Mr Deputy-President, I draw your attention to the fact that there is no Minister in the House." Unfortunately, we have no *Hansard* to confirm what was said, but the Hon. Malcolm Jones said the same thing in his contribution this morning. I have not discussed this matter with the Hon. Malcolm Jones. Both he and I clearly heard the Hon. John Johnson say, "Point of order". He then drew attention to the fact that no Minister was in the House. I am grateful to the Hon. Ian Macdonald for directing my attention to Odgers *Senate Practice*, which states on page 174:

On 12 September 1972 President Sir Magnus Cormack ruled that the question for the adjournment at 10.30 pm be not put until a point of order has been resolved. He conceded that it was proper that there should reside in the chair a discretion to delay the question for the adjournment until a point of order had been determined ... this really is supported by standing order 197(3).

For the benefit of honourable members, Senate Standing Order 197 (3) relating to the interruption of a speaker, points of order or privilege, states:

A question of order or a matter of privilege so raised suspends the consideration and decision of every other question until determined.

The standing orders of this Parliament are the same in relation to a point order: a member is entitled to have a point of order debated and argued until all speakers are finished. Standing Orders Nos 84 and 86 refer to a point of order suddenly arising and a member rising to speak upon a matter of privilege or a point of order. Yesterday the Hon. Tony Kelly failed to hear all sides of debate when the Hon. John Johnson raised a point of order. After the Hon. John Johnson concluded his point of order, the Hon. Tony Kelly stood up and said that he was leaving the chair, and adjourned the House until the ringing of a long bell. It was an Irish coup of some proportions. I was left with my mouth open, waiting to make my contribution about the Minister being outside the House. The point of order asked whether that situation was consistent with the standing orders.

As I have said before, I have never had that experience and did not know whether it was consistent. I was not able to speak, to make a contribution to the debate. The Hon. Tony Kelly had left the House. While I accept that it is a convention and tradition of this House that a Minister should be present in the Chamber at all times, it is also a convention and tradition that the Chair of the House hear all sides of the debate on a point of order before making a ruling. I was all set to exercise my right to free speech and to point out that although the Minister was not, technically, in the House he was right outside the door. I wanted to make that point in debate on the point of order, but the Hon. Tony Kelly cut me off at the pass with the premature ruling that I have referred to. For that reason he ought to be censured, and I use the word "censured" advisedly. I move:

That the question be amended by omitting the words "removed from that office" and inserting instead "censured for his action in leaving the chair of the House on Tuesday 19 June 2001".

The Hon. Dr BRIAN PEZZUTTI [2.48 p.m.]: This matter touches on the way in which this House operates. Yesterday brought some discredit to the way that the office of the Chair of this Chamber operates. Clearly, other speakers have demonstrated a conspiracy to have the Chair act in a certain way. We know that the Treasurer was present in the building, and we know that the Hon. John Johnson was the only Labor Party member in the Chamber. Yet, when I went to the lower House to see what was happening I observed Mr Speaker enter it accompanied by no Labor Party member. He walked into the Chamber and decided to adjourn the House until the ringing of a long bell, without explanation.

Clearly, it is an option for a person in the chair to observe that something is out of order and to take steps, without a point of order being taken. In other words, if the President or a Deputy-President regards something as disorderly, that matter need not be brought to the attention of the Chair for the Chair to act. Clearly, the option was open to the Hon. Tony Kelly yesterday to walk in—as did the Speaker—note that a Minister was not at the table and say, "I will adjourn the House to the ringing of a long bell." Had that option been taken by the Hon. Tony Kelly there would not be the presumption that somebody outside was pulling his string, so to speak. What has happened discredits the Chair as being someone who is unbiased. The other option open to the Hon. Tony Kelly and the Government, if it had wished to do so, was for the Minister to enter the Chamber, rise honourably and move that the House be adjourned until the ringing of the long bell. That would have allowed debate. Had the Minister then walked out, any member could have said, "We have no Minister" and then moved that House be adjourned until the ringing of a long bell.

The Hon. John Johnson: Had the Minister walked out?

The Hon. Dr BRIAN PEZZUTTI: Had the Minister walked in and the House adjourned until the ringing of a long bell, as Ministers do regularly until members are present or questions are resolved.

The Hon. Ian Macdonald: And you would have voted for that?

The Hon. Dr BRIAN PEZZUTTI: No, I did not say that I would have voted for it. If the Minister had then walked out, therefore taking responsibility for the Government adjourning the House until the ringing of a long bell, that would have been honourable. The Hon. Tony Kelly would then have noticed that a Minister was not at the table and quite appropriately could then have stood up and said, "I notice that there is not a Minister at the table. I will adjourn the House until the ringing of a long bell." Those were two honourable options that would not bring into disrepute the person in the chair. The first option was for the Government to take responsibility and the second was for the Deputy-President at the time, the Hon. Tony Kelly—because the President was not in the Chamber—to suspend the sittings off his own bat.

A Minister has to be at the table at all times because this is Parliament and Ministers are members of the Executive. It is a tradition that when Government business is being dealt with, a Minister of the Government should be present. Often a Parliamentary Secretary sits at the table and I assume that with the new arrangements the Hon. Ian Macdonald accurately and clearly identifies to the Government what has been transpiring, although I could not guarantee that.

The Hon. Michael Egan: That arrangement has been formalised.

The Hon. Dr BRIAN PEZZUTTI: In the Constitution?

The Hon. Michael Egan: No.

The Hon. Duncan Gay: It is a sessional order.

The Hon. Dr BRIAN PEZZUTTI: It is a sessional order but it is a listening brief on behalf of a Minister.

The Hon. Michael Egan: But it has been formalised.

The Hon. Dr BRIAN PEZZUTTI: Okay. That is say that the Government is aware of what is happening in the House. The same applies to private members' business, which may require a Government response. That is why a Minister is at the table. It would be like sitting in a vacuum if the Government were not present to hear what was happening in the Parliament.

The Hon. Michael Egan: The Crown is actually part of the Parliament.

The Hon. Dr BRIAN PEZZUTTI: Yes.

The Hon. Michael Egan: And the Executive represents the Crown and the Parliament.

The Hon. Dr BRIAN PEZZUTTI: So if the Crown is not present to listen, it is pointless. There were options open to the Government. There has been debate about what happened with previous Presidents. President Chadwick did, in fact, adjourn the House until the ringing of a long bell when Jeff Shaw was outside and refused to enter the Chamber. I am not aware of why that happened in 1998. That was quite proper and the House adjourned for approximately half an hour. When the Hon. Michael Egan said that he would use the long bell if one member was absent—

Reverend the Hon. Fred Nile: Absent because of the blockade.

The Hon. Dr BRIAN PEZZUTTI: No, he did not actually qualify it.

The Hon. Michael Egan: If one member is prevented by a blockade or other illicit means from attending this Parliament, I will do everything I can to make sure that the Parliament does not meet whilst that person is precluded from attending.

The Hon. Dr BRIAN PEZZUTTI: He now qualifies it. What he actually said was that he was prevented. It is important that the Minister read *Hansard* carefully because he said "was prevented from being here". Many members would be prevented from being here without leave of the Parliament by illness or through being caught in traffic.

Reverend the Hon. Fred Nile: Such as the Hon. Alan Corbett.

The Hon. Dr BRIAN PEZZUTTI: He has leave and the Minister would take that into account. Somebody may be ill and unable to be present. "Prevented from being here" he said, not by a blockade.

The Hon. Michael Egan: You know precisely what I meant. You are just trifling with the House. You know precisely what I meant and every other member of the House understood.

The Hon. Dr BRIAN PEZZUTTI: In context it may read that way but if you read this speech in isolation carefully you did not once mention the word "blockade".

The Hon. Michael Egan: Nobody takes anything to have a meaning in isolation.

The Hon. Dr BRIAN PEZZUTTI: How did I get in here yesterday? I drove up and I observed Ms Lee Rhiannon standing beside the tree of wisdom and knowledge. A very polite policeman, who identified himself as a chief inspector, asked me who I was. I told him and then someone from the union movement, I assume somebody from the crowd, came up and identified himself as being a certain person from the Labor Council.

The Hon. Michael Egan: Which person?

The Hon. Dr BRIAN PEZZUTTI: A member from the Labor Council. He identified himself but I simply do not remember his name. He said, "What is your view on delaying this bill?" I said, "I have not seen the bill but I am sure that the bill will be tabled in the lower House and the usual thing would be for the

Opposition to put it off for five days"; in other words, there would be the normal delay of a week. He said, "No, they are going to put it through in a single day." I said, "They do that a lot in this Labor Government."

The Hon. Michael Egan: Who said that we were going to put it through in a single day?

The Hon. Dr BRIAN PEZZUTTI: The person at the gate said that to me.

The Hon. Michael Egan: The Labor Council person?

The Hon. Dr BRIAN PEZZUTTI: Yes.

The Hon. Michael Egan: Whoever said that to you was lying, and you knew they were lying.

The Hon. Dr BRIAN PEZZUTTI: I did not, because quite often things get pushed straight through. The bill is first read and it is down here within an hour. That is regular and that is the abuse of the Labor Party in the lower House. They roll their numbers through and use the system by regularly gagging debate.

The Hon. Jennifer Gardiner: Whelan's wheelies.

The Hon. Dr BRIAN PEZZUTTI: Whelan's wheelies. That is a good analogy. I said to the person, "Of course, there would be necessarily a week's delay in the usual course of events." He said to me, "No, they are going to put it through and get it up to your place tonight." I said, "I have never seen this bill."

The Hon. Michael Egan: I would like to know who told you that lie.

The Hon. Dr BRIAN PEZZUTTI: It was not Michael Costa because I would recognise him. He has those strange glasses and the baldy head. And it was not Ian Macdonald.

The Hon. Michael Egan: John Robertson?

The Hon. Dr BRIAN PEZZUTTI: I do not think so.

The Hon. Michael Egan: What did he look like?

The Hon. Dr BRIAN PEZZUTTI: He was dressed in a short jacket and an open-neck shirt. He was a respectable looking person who spoke in a respectful tone; he did not shout at me or anything like that. He then invited me to make a statement. I said to the assembled group of people, through a megaphone, that I had not seen the bill at all and to my knowledge nobody in the Opposition had seen the bill. I also said it would be quite reasonable for the community of New South Wales to see it for at least a week before it was debated in our Chamber. I then explained that I was elected to Parliament in 1988 as part of the Greiner Government. My party was substantially successful in that election because Mr Greiner supported common law rights for personal injury, be it third party or workers compensation. The Unsworth Government withdrew those rights in the bastard 1987 Act.

The Hon. Michael Egan: What sort of Act?

The Hon. Dr BRIAN PEZZUTTI: Bastard Act.

The Hon. Michael Egan: What a terrible way to describe an Act of the New South Wales Parliament.

The Hon. Dr BRIAN PEZZUTTI: It was a bastard Act. It had no mother and probably no father—so I suppose it was an orphan Act.

The Hon. Michael Egan: That is a silly description. It is beneath you, Brian.

The Hon. Dr BRIAN PEZZUTTI: No, it is not; I can get a bit lower than that. That Act went with another bill that Barrie Unsworth tried to introduce at 1 o'clock one morning. I was in the House that evening in 1987 and I witnessed the most extraordinary scenes. Jack Hallam, the then Minister at the table, introduced a bill designed to absolve from prosecution unionists who were undertaking union actions. That meant that if a unionist stormed into one's house and broke some furniture in the pursuance of an industrial action, that unionist

would be absolved from criminal litigation. The Hon. John Jobling gave a famous four-hour speech on the legislation—I heard it that evening—during a very strong debate. The Opposition kept the debate going until the early morning when members of the press woke up. The public gallery began to fill with representatives of employer groups and, as a result, the Government withdrew the legislation.

I remember that evening with some horror. In that case the Government, as it wanted to do on this occasion, wanted to use its power and its numbers in both Houses to slam through legislation. I was questioned about that point. I saw 500 lawyers march up and down the streets of Armidale during the 1987 by-election campaign. Ray Chappell eventually won that contest. People were very concerned about the removal of third party rights, and I am pretty sure that Greiner's promise, given in writing in December 1987, sealed the fate of the Unsworth Government and returned sanity and justice to the people of New South Wales.

I am not here to debate the workers compensation legislation. This Government's actions yesterday in exposing the Chair to censure constitute another blot on the Carr Government. The Hon. Tony Kelly has been exposed to censure because of the actions of this Government in bringing pressure to bear on the Chair. That should not have happened and it should not have been seen to have happened.

Ms LEE RHIANNON [3.03 p.m.]: The Greens are very concerned about how business was conducted in this House yesterday. The reality is that there was great turmoil in Labor ranks yesterday and the Government was desperate to regain control—which is what it seeks constantly to do. Control is everything to the Labor Party. The Premier, the Ministers and the Parliamentary Secretaries seek to doctor the message and bring in the spin so that they present a certain line. They lost control yesterday and we witnessed their attempts to regain it. The Treasurer's comments today were part of those attempts to regain control. Despite his remarks yesterday and his speech and interjections today, members of the Australian Labor Party could have come into the Chamber. All members could have entered the Chamber if they had been willing to talk to the people who had gathered around Parliament and if the Government had been willing to agree to one week's further discussion about the workers compensation legislation.

The Hon. John Johnson: What right do you have to insist on that?

Ms LEE RHIANNON: Despite the interjection by the Hon. John Johnson, that is what the Premier said today. Why? It is because he wants to be in control. Yesterday he broadcast a message different from the line he is taking today. Why did he object to that simple demand? We negotiate with people all the time.

The Hon. Michael Egan: Not to take our place in Parliament.

Ms LEE RHIANNON: It was not a revolution or even a reform; it was a simple request for more time. The Government could not even allow more time. It was a reasonable demand.

The PRESIDENT: Order! I remind members that interjections are disorderly at all times.

Ms LEE RHIANNON: Labor could not concede that simple point. It was not a revolution or even a reform by the Government's definition; it was a simple request for more time. Yet the Government must retain control. As a consequence, we witnessed ugly scenes on Macquarie Street when the Government's control was well and truly exercised and the whip was cracked for all those right-wing members of the Australian Labor Party, who were herded up Macquarie Street and ushered into the Parliament.

The Hon. Jennifer Gardiner: Like a cattle run.

Ms LEE RHIANNON: Exactly. It was a most disgraceful sight. We must dismiss the Treasurer's comments because they clearly have no basis in fact. It was more of the same deceit and deception that we have heard from the Treasurer in the past few days as the Government has attempted to grab the upper hand. Yesterday's events in this House were orchestrated by a select few in the Labor bunker who gathered here on Monday night and on Tuesday to work out the Government's response.

The Hon. Michael Egan: I didn't; I came in yesterday.

Ms LEE RHIANNON: The Treasurer was probably communicating from Governor Macquarie Tower—he certainly had input into the two key points that exercised the Government's control. This is relevant to what happened yesterday with the Chair. The parliamentary sitting had to begin on time so that Labor

appeared to be still in control but it then had to be suspended immediately because the Government did not have the numbers in the Chamber. That is why the sitting was not allowed to continue. That is no surprise: The Special Minister of State would have worked out the tactics in his bunker. However, he was joined in that bunker by a few colleagues who came to Parliament on Monday night and bunkered down to avoid the picket line.

I am pleased to say that I have no direct knowledge about where the Hon. Ian Macdonald spent Monday night. However, I understand that he was one of those who entered the Parliament building that night to avoid the picket line the following day and to work out the Government's tactics in attempting to regain control of the situation. I am sure that it was not a pleasant sight. Much planning was needed to regain control. The people on the picket line were very angry about the actions of both the Minister for Industrial Relations and the Hon. Ian Macdonald. However, many union colleagues and former and current colleagues from the Left said that they were not surprised; they said they were used to doublespeak from the Hon. Ian Macdonald.

I must share with honourable members some pickings from the picket line. In previous speeches in this House I have shared some very interesting stories about the Hon. Ian Macdonald. I have heard him called "Squire Macdonald", and I remember the famous night when the Hon. John Johnson, who was in the chair, called on "Squire Macdonald" to speak. When the Hon. Ian Macdonald finished his speech he let fly at the then Deputy-President. It was a sight to behold. The Hon. Ian Macdonald has a new and, in my view, excellent and interesting nickname: He is now known as the Hopoate of the union movement.

I was told yesterday that is his new nickname. He has been given that nickname because his actions towards the Left and the union movement bear a similarity to the tactics used on the football field by Hopoate, which were ruled out of order. It does not have to do with the fact that Hopoate has gone over to Manly; it has to do with Hopoate's earlier tactics.

The Hon. Ian Macdonald: It is just extraordinary that you would come into this Chamber and do that!

Ms LEE RHIANNON: The Hon. Ian Macdonald interjects that it is extraordinary. It is not extraordinary.

The Hon. Ian Macdonald: You are a disgrace.

Ms LEE RHIANNON: The Hon. Ian Macdonald is a disgrace. I am sharing with the House the low tactics he has used and his double standards. He crossed a picket line and he would not even negotiate with his colleagues. These are unprecedented times. Let us remember who called the picket line yesterday. It was not a militant Municipal Employees Union or a militant Construction, Mining, Forestry and Energy Union. It was the Labor Council.

The Hon. Michael Egan: That does not excuse it.

Ms LEE RHIANNON: The Treasurer should listen to the argument for once. The Treasurer would know that for years the Labor Council and the Labor Party have been closer than Siamese twins. One could not see any difference in their tactics. Why would the New South Wales Labor Council, a traditionally conservative right-wing body, take the extraordinary position of calling a picket line against its own Labor Party? It would not have made that decision lightly or without consideration. Its decision would have been thought through, with great concern about the implications. It would have caused great pain to the people who had to take that decision against their own colleagues. That unprecedented decision shows how far things have gone. Events in this House at 2.30 p.m. on Tuesday 19 June need to be seen in the context of yesterday's events and the scramble by the Premier, the Treasurer, the Minister for Industrial Relations and the Parliamentary Secretary to regain control of this House. This debate needs to be considered in that context.

The Hon. IAN MACDONALD (Parliamentary Secretary) [3.12 p.m.]: I did not know whether to take objection to the expression used by Ms Lee Rhiannon. During my time in this House I have heard a great deal of things said about people, but I have not seen members waltz into this Chamber and repeat some of the scuttlebutt they may have heard on a picket line, or whatever one wants to call it. I have heard a number of expressions, songs and chants about people over time, but I have never sought to come into the Chamber and repeat them or any of the scuttlebutt and nasty statements that people may make in the heat of the moment.

The Hon. John Jobling: They love you out there, Macca. Not many, but some do.

The Hon. IAN MACDONALD: Some people on occasions have a misguided attitude to others and say things in the heat of battle that do not bear any relationship to reality.

Ms Lee Rhiannon: I did not say you were a real Hopoate.

The Hon. Charlie Lynn: He plays AFL. He's "Up there, Cazaly!"

The Hon. IAN MACDONALD: That would be right. I do not see how the use of such expressions influences the debate, but personally I find them extremely offensive. I will respond in kind in the future. I have a couple of things that I can use. In my contribution to this debate I was not going to concentrate on any particular person or events. The question of whether the Hon. Tony Kelly should be subject to the action in the motion is a classic case of the punishment not fitting the crime. There was no crime in this instance. The points we wish to make—

The Hon. Charlie Lynn: Who is "we"?

The Hon. IAN MACDONALD: I speak on behalf of the Government. Reverend the Hon. Fred Nile referred to a statement made in discussion between the Opposition and crossbenchers. The Opposition is engaged in a game. In effect, the Opposition said that the Hon. Tony Kelly could be sacked today, but tomorrow the Government will renominate him and the Opposition will not oppose the renomination. The Opposition is playing charades. Not one government in this country when faced with a large number of its members not being present in the Chamber would be prepared to confront the situations that could arise. The Government knew that the Leader of the Opposition in the other House proposed to walk into the other place and move a motion of no confidence in the Government. As honourable members know, in this Parliament a motion of no confidence in the Government moved and carried in the lower House would, in effect, remove the Government. As a consequence, the Government had to consider a range of issues.

The Hon. Duncan Gay: There was only one issue.

The Hon. IAN MACDONALD: Let me make it very clear that the protocol issued at 6.15 a.m. yesterday involved two aspects. One, Opposition and crossbench members could proceed into the House if they agreed to support a deferral of the bill for at least a week. Opposition and crossbench members were allowed into Parliament and thereby would be able to attend the Chamber. As the day progressed, a large number of Opposition and crossbench members were prepared to make that agreement. Early in the day the Leader of the Opposition in this House made a statement in support of deferral. When he finished speaking, the union organiser at the back entrance to the Parliament said, "He has given us a commitment, therefore he can proceed in."

The Hon. Charlie Lynn: That was before 6.15 a.m.

The Hon. IAN MACDONALD: It was around 6.00 a.m.

The Hon. Charlie Lynn: No, it was before 6.15 a.m.

The Hon. IAN MACDONALD: It might be a few minutes either way, but it was early in the morning. The honourable member does not dispute the actual facts. The announcement was made quite clearly that Labor members would not be allowed into Parliament under any circumstances; that they would be blockaded from entering. In the circumstances, the Government faced the situation of not having a large number of its members in the Chamber. I have been a member of this Parliament for 13 years and I have seen many demonstrations, although I have not seen one quite like this. If members were prevented from entering this Chamber, honourable members would be up in arms and would call it a disgrace to democracy. They would not sit back and enjoy the circumstances that confronted the Chamber yesterday.

The points I make back up what Reverend the Hon. Fred Nile revealed to this Chamber earlier. In effect, the Opposition adopted the position that they would dismiss the Hon. Tony Kelly from his position but they would not have any objection if he were re-elected. That makes an absolute mockery of this motion. The motion is overblown and goes too far. I could make a number of other points in relation to this issue.

As the Hon. John Johnson pointed out to me, and I believe him, he does not believe that he took a point of order. He drew the attention of the Deputy-President, the Hon. Tony Kelly, to the absence of a Minister and,

therefore, the proceedings in this Chamber, in line with convention, were suspended. Whether a Minister was in the corridor, upstairs, in another part of the building or at Governor Macquarie Tower is irrelevant. The Deputy-President does not look behind to see who is outside the door or in the corridor; he looks at what is happening on this side of the bar. Consequently, and in accordance with the convention, the Deputy-President suspended proceedings until a Minister was present.

There is no way of getting around convention. As has been pointed out in the document circulated to honourable members, the convention has been honoured by both Opposition and Government Presidents for a long time. If the Hon. Peter Breen really wants to change the convention, the right and proper thing to do today would be to change the standing orders relating to the presence in the Chamber of Ministers or a Parliamentary Secretary or to move a motion to refer the matter to the appropriate committee for consideration; it is certainly not the thing to do to censure or, in the case of the motion moved by the Opposition, dismiss the Deputy-President for making a clear-cut ruling according to the conventions of this House. Such rulings have been made time and time again.

What was wrong with waiting to see if the blockade/picket would be lifted, which would enable honourable members to come into this place? What was wrong with waiting a little while to see whether the tension would lift? Nothing could have been debated in this Chamber that would have impacted one way or the other on what was going on outside the Parliament. It would not have been unreasonable for members to wait and see what would happen. It is not often that such a situation evolves around the entrances of Parliament House.

Reverend the Hon. Fred Nile: It is historical. It is without precedent.

The Hon. IAN MACDONALD: I do not know whether it is without precedent, but I have never experienced it in my 13 years in this Parliament. I have seen pickets here, but they were intended to stop staff from entering the Parliament. In such cases this place becomes a meeting ground for members, who proceed with business in rather difficult, albeit tolerable, circumstances. When that has occurred every member in this place has acted courteously and considerately towards one another. But yesterday a different situation evolved. I will not say a great deal about the actual situation, but I want to make it very clear that it would have been reasonable for honourable members, and, indeed, members in the other Chamber, to hold fire for a little while to see whether a proper, effective and fair resolution could be reached. Instead the Leader of the Opposition in the other Chamber made it clear that when the bells rang at 2.15 p.m. and members of that Chamber assembled—that is, members of the Opposition and a few crossbench members—she would move a motion of no confidence in the Government.

The Hon. Duncan Gay: Where?

The Hon. IAN MACDONALD: It was on the front pages of today's papers.

The Hon. Duncan Gay: No, she didn't make it clear in the Chamber.

The Hon. IAN MACDONALD: I do not know whether she made it clear in the Chamber, but she made it clear that the Opposition was going to take action. Today she reiterated that publicly. She could have held fire and until normalcy had returned.

The Hon. Duncan Gay: And you're saying that you wouldn't have done the same?

The Hon. IAN MACDONALD: The honourable member, in suggesting that we would not have done the same thing, is putting the debate in a different order. He is suggesting that we might have done the same to the Coalition, therefore that is what the Opposition intended to do to the Government. It was clear that action was going to be taken in the other Chamber to bring down the Government. That initiative struck at the heart of the problem outside this Chamber: honourable members were not able to present for one reason or another. I am not talking about an ordinary sitting day or an ordinary issue. I am talking about yesterday, when everyone in the Labor Party, many other members, crossbenchers who have certain views on the legislation, and many of the staff of this place faced a very real and difficult situation. In the circumstances, and with the potential for a motion of no confidence in the Government in the other House, the best course of action was to adjourn until the ringing of one long bell to enable an effective resolution of the problem.

Had proceedings not been suspended, I cannot envisage how this Chamber would have been effective during that time. If the Government is not present, the business of the House would be rather limited. The best

solution was a suspension of proceedings until the ringing of one long bell to allow for further negotiations—negotiations of great intensity that had been going on since about six o'clock that morning to try to find a way around the impasse—to try to resolve the matter. As honourable members vote on these two motions I urge them to take into account the extraordinary nature of yesterday's events that led to the actions of the Hon. Tony Kelly in accordance with the conventions of the House, and which were most difficult for everyone, particularly members of the Labor Party and the Government.

The Hon. CHARLIE LYNN [3.28 p.m.]: This debate is rather incredible. The Labor mythmakers have already started. Yesterday it was a picket line. Last night on the news the Hon. Peter Primrose told the world that he would not cross a picket line. Then last night it became a blockade. If the Government wanted to run a blockade, who would it pick? It would put two of its biggest front rowers up front to run through the blockade. Where were the Government's front rowers last night?

The Hon. Duncan Gay: Where were Egan and Carr?

The Hon. CHARLIE LYNN: I would suggest the two front rowers would be Hopoate Macdonald and the Hon. John Della Bosca. But they were sleeping somewhere in this place. I remember when the truckies blockaded Federal Parliament a couple of years ago. Paul Keating, to his great credit, got out and walked right up the middle. As he walked up he gave the truckies a serve, and they gave it back to him. The truckies respected him because he had the intestinal fortitude to speak to them in truckers' language. Where was the leadership yesterday? The Premier and his little mate—the little smugglers—were smuggled in by a side door. We did not quite know where they were. The Hon. Ian Macdonald has taken the matter one step further. He said it was a blockade/picket!

The Hon. Ian Macdonald: It was a blockade.

The Hon. CHARLIE LYNN: No, a blockade/picket. Honourable members opposite obviously had a meeting outside yesterday whilst the picket—the blockade—was in full swing and made a decision that they would be escorted through the blockade into the building, that they would be given all the protection in the world. There were police horses and a full complement of police to provide all the protection they wanted. In they came, under full escort. That is how one gets through a blockade. I was down on level 6 when they all came through, and it reminded me of a mob of tunnel rats coming through, just above the sewer. They were sneaking into Parliament.

If it was a blockade, where were the members of the Left? Why were they not there? The reason is that they would not have been running a blockade under police escort; they would have been crossing a picket line. They were not going to cross that picket line because the picket line is a most important symbol to Labor and it had not been lifted at that stage. The staff of Government members were also brought in. Government members are asking the Opposition to take into account their situation and to be fair and reasonable. But our staff were unable to gain access to Parliament House. They were locked out all day while Government members were inside the building with a full complement of staff—everyone, that is, except the members of the ALP Left, who would not cross the picket line.

Yesterday was not merely a sad day for democracy, it was a sad day for Labor because honourable members opposite compromised their own values. Once a person compromises values, that person does not stand for anything. Yesterday those opposite did that. The decision they had to make was to either stand with the people who had elected them or look after their own political futures—their superannuation and their enjoyment of the parliamentary dining room. That was the decision they made yesterday. They put themselves ahead of their principles. The Government caved in and expected the Opposition to go along with them.

The Government has a problem with this legislation. Opposition members have not been shown the legislation; we know nothing about it. The Government will not provide the actuary's report so that we can look at the figures. It will not allow sufficient time to enable us to go through the 135 pages of the bill, but it wants the Opposition to be fair and reasonable! We also have a responsibility to fulfil. We are as concerned about the rights of workers injured at work as any fair-minded Australian. It is a bipartisan approach that we all take to this issue, even if our methods differ.

We need to debate the issue because we have to get the balance right between the premiums that businesses have to pay and the protection of workers rights. It is a delicate balance and we have to be careful to get it right. We have to sort out those who are roting or profiteering from the system, and it is a difficult

journey for us. If the Government produces legislation that gets that balance right, the Opposition will support it. We need to go through it in detail because there is no doubt that, in respect of a 135-page bill, the devil is in the detail.

The Opposition is entitled to a reasonable amount of time to go through the bill, to consult with its various constituencies and then to engage in reasoned debate. That is what Parliament is all about, but the Government has denied us that opportunity. It is still trying to deny us that opportunity. What happened yesterday in the Legislative Assembly and in the Legislative Council was disgraceful. I feel saddened that the Hon. Tony Kelly has to bear the brunt of this, because I think he is a thoroughly decent bloke in every sense of the word. He is certainly someone that I respect tremendously, and I mean that sincerely.

There is no joy for me in this debate. However, it was necessary to move the motion to make the point we have made. Yesterday was a sad day for democracy in New South Wales. The Government did not go about the procedures in the right way and it has to be brought to account for that. Following this debate the Government will have to provide the Opposition with the information it needs, and the time to properly consider this most important legislation. If this is what it takes to bring the Government to that realisation, this debate will have been worthwhile.

The Hon. PETER BREEN [3.35 p.m.], by leave: I wish to clarify some remarks I made during the course of the debate and to withdraw my amendment to the motion.

Amendment, by leave, withdrawn.

My recollection was that yesterday the Hon. John Johnson prefaced his statement to the Chair about there being no Minister in the House with the words "Point of order." Having discussed the matter with the Clerk, bearing in mind that there was no *Hansard* record, I am now satisfied that the Hon. John Johnson did not preface his remarks with the words "Point of order." I apologise for any misunderstanding or concern that might have arisen from my inaccurate recollection.

The Treasurer also said that I misquoted him and I may have done that. It has been a bad day all round! My recollection is that he said I had betrayed the people, but he referred me to *Hansard*, which states, "You bribed your way in." To the extent that I may have offended the Treasurer with my inaccurate recollection, I apologise. I get the quinella. Two apologies!

Question—That the motion be agreed to—put.

The House divided.

Ayes, 14

Dr Chesterfield-Evans	Mr Gay	Mr Ryan
Mr Colless	Mr Harwin	Mr Samios
Mrs Forsythe	Mr Lynn	<i>Tellers,</i>
Mr Gallacher	Mr Pearce	Mr Jobling
Miss Gardiner	Dr Pezzutti	Mr Moppett

Noes, 23

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

Question resolved in the negative.

Motion negatived.

BUSINESS OF THE HOUSE**Postponement of Business**

Committee Reports Orders of the Day Nos 1 and 2 postponed on motion by the Hon. Peter Primrose, on behalf of the Hon. Jan Burnswoods and the Hon. Tony Kelly.

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

That standing and sessional orders be suspended to allow a motion to be moved forthwith that Private Member's Business item No. 88 outside the Order of Precedence, relating to a reference to General Purpose Standing Committee No. 5 be called on forthwith.

Order of Business**Motion by the Hon. Ian Cohen agreed to:**

That Private Member's Business item No. 88 outside the Order of Precedence be called on forthwith.

NATIONAL PARKS LAND CLEARING

The Hon. IAN COHEN [3.47 p.m.]: I move:

1. That General Purpose Standing Committee No. 5 inquire into and report on the clearing and overclearing of land in the vicinity of TransGrid transmission lines in the northern Kosciuszko region, and in particular:
 - (a) the level of environmental damage caused to Kosciuszko National Park, Brindabella National Park, Namadgi National Park, Bago State Forest and Bimberi Nature Reserve,
 - (b) the measures required to effectively remediate the area to ensure the long-term viability of the area,
 - (c) the total costs associated with the remediation of the area and liability for such costs,
 - (d) the extent of communication between, and the involvement and response of, the following agencies:

State Forests,
The National Parks and Wildlife Service,
The Environment Protection Authority, and
The Department of Land and Water Conservation,
 - (e) the adequacy of the present controls on the management and use of easements for transmission lines, pipelines and roads in national parks, State forests and nature reserves,
 - (f) the use of timber, bush rock or soil removed from the cleared areas,
 - (g) measures to prevent any further inappropriate clearing and overclearing in national parks, State forests and nature reserves.
2. That in relation to any cross-border issues with the Australian Capital Territory, the committee be authorised to meet with relevant committees of the Australian Capital Territory Legislative Assembly.
3. That the committee report by Tuesday 18 September 2001.

Recently concern has been expressed and a number of issues have been raised in the media about clearing undertaken by TransGrid through a number of national parks. Many members of the community are concerned. About a week ago I moved a motion that was passed by the House calling for papers involved with the clearing process to be brought before the House, which I understand will occur today or in the very near future.

This issue has caused much concern in the conservation community, and the South East Forest Alliance has strongly congratulated members of this House, including Opposition members, on supporting an inquiry into the devastating damage caused by illegal clearing by the electricity distributor TransGrid in the northern Kosciuszko region. The Government needs to participate in a public inquiry before General Purpose Standing Committee No. 5, which is chaired by the Hon. Richard Jones. It is of great concern to me that so much devastation occurred, because many conservationists had declared that land clearing is of great importance. This land clearing was carried out in national parks by a government agency.

The Hon. Doug Moppett: Was the land originally cleared to construct powerlines?

The Hon. IAN COHEN: Yes, clearing would have been done to construct powerlines, but we are talking about overclearing. Along with other honourable members, I am concerned that the clearing was undertaken over some months. Certain agencies must have had knowledge of that clearing. Why have we not received adequate information about this? Were agencies, particularly the National Parks and Wildlife Service and the Department of Land and Water Conservation, which are in charge of protecting those areas of national park, notified? If not, why not? If they were notified, why was action not taken to protect the areas? A significant amount of devastation has occurred, and no-one denies that. Downstream the devastation will have a significant impact on water quality. It is predicted that the clearing will cause the massive extinction of native animals that should be protected in a national park environment.

The Hon. Doug Moppett: What about bushfire precautions under powerlines?

The Hon. IAN COHEN: No-one opposes proper bushfire control and mitigation but this is wholesale slaughter, way beyond appropriate bushfire mitigation. This is serious overkill, a sloppy job to say the least. It is important that we acknowledge who is responsible and why something like this got so out of hand between March and May of this year. The clearing extended across the border and between agencies. It is important that we collect information about the degree of communication, or lack of it, between the Australian Capital Territory and New South Wales authorities in this process. It is important to recognise that this should not happen on any land to that degree.

As well as clearing there are other ongoing problems that could continue, possibly for decades. A preliminary solution was for straw and other material to be taken into the area in an endeavour to stop erosion. As a result, there is a potential for weed infestation. In some areas the powerlines run close to roads but in other areas they cut through significant forests.

The Hon. Doug Moppett: They don't in this case.

The Hon. IAN COHEN: It depends on what you mean by "significant".

The Hon. Doug Moppett: There are no roads near the clearing.

The Hon. IAN COHEN: As the Hon. Doug Moppett said, clearing is being undertaken in some areas where there are no roads. It is important that we have an open, transparent inquiry into this matter. An upper House committee inquiry, in conjunction with the call for papers that I made a little over a week ago, is a positive step. TransGrid needs to be called to task on this matter and to appear before a public inquiry. The public should have an opportunity to participate in the inquiry to find out where the responsibility lies. Was it the responsibility of the Commonwealth, the Territory or the New South Wales agencies?

Serious damage has been done in the Namadgi National Park, through the Brindabellas and into the Kosciuszko National Park. It is important that we find out why this happened, and how so much destruction could have happened under the auspices of the New South Wales Government. Members of this House have extolled the virtues of the Government in its protection of forested lands and the placement of our native forest resource in national parks. How could this have occurred? I hope that honourable members take this opportunity to agree that an inquiry is the appropriate direction in which to move at this time.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [3.55 p.m.]: The Opposition supports the motion moved by the Hon. Ian Cohen and will support him in seeking documents.

The Hon. Richard Jones: We are not seeking documents.

The Hon. DUNCAN GAY: We need to find out the truth of what happened. I support the motion.

The Hon. Jan Burnswoods: You do not know what you are supporting.

The Hon. DUNCAN GAY: I know what I am supporting, unlike the Hon. Jan Burnswoods, who crosses picket lines. It is important that, having acquired the documents, we find out what happened. We have to find out whether mistakes were made by the contractors. I do not believe that it is enough, as the Minister did, to try to put blame everyone except the Minister. Many contractors in that area have operated with great expertise over a number of years. I would be concerned to think that the professional operators, the contractors in this area, would deliberately go against orders. If they did, they certainly deserve to be in trouble.

However, if it is the case that contractors did not go against orders, and proper supervision and instructions were not given by the departments involved, blame should go right to the top—to the Ministers who are trying to put the blame on others. The country communities are concerned that while this issue has become more emotional than warranted, there is genuine concern about the degree of clearing that took place. Equally there was concern by many country communities that people working as, or for, contractors from those communities appeared to be getting the blame. The Minister for Energy and the Minister for the Environment moved very quickly to shift the blame from themselves and their people to someone else.

This motion is about finding out what the problem was, and, if there was a problem at the bottom or the top, steps should be taken to make sure that these sorts of things do not happen again. I probably have different reasons from those of the Hon. Ian Cohen for supporting his motion, but it certainly needs to be passed so we can get to the truth.

The Hon. RICHARD JONES [3.58 p.m.]: I support the motion moved by the Hon. Ian Cohen for General Purpose Standing Committee No. 5 to inquire into the monumentally disastrous clearing that occurred beneath TransGrid powerlines in the Kosciuszko National Park and surrounding areas. TransGrid, the State-owned electricity supplier, has effectively cleared a 35-kilometre scar through three New South Wales national parks, the Brindabella, Namadgi and Kosciuszko, the Bimberi Nature Reserve and Bago State Forest. Nothing but dirt is left on the 60-metre-wide path; no doubt there will be grass there in the next few weeks.

TransGrid sanctioned the removal of fire fuel material beneath the 330,000 volt grid after the section automatically shut down last January during a bushfire. It shut down to prevent the power grid shorting and causing costly damage and loss of electricity along the network. Although TransGrid is entitled to ensure that its transmission lines are free from vegetation to prevent bushfires, it is not entitled to destroy every living thing in its path. Although the damage caused to flora and fauna living around the TransGrid powerline is inestimable, it is feared that tens of thousands of native animals and plants have been destroyed, or face destruction, and many waterways have been left at risk of siltation.

For example, a research fellow at the Australian Museum, Dr Hal Cogger, stated that at least 15,000 reptiles would have been killed by the operation. Similarly, the Minister for the Environment, Bob Debus, has revealed that environmentally sensitive areas that include important fish breeding streams and threatened species habitats are at real risk of major soil erosion. Environmentally sensitive areas such as the several pristine rivers in the scenic Brindabella Valley, including the Goodradigbee, are havens for wildlife. A spokesman from the Environment Protection Authority [EPA], John Dengate, has also revealed:

The first good shower will see some of the country's cleanest rivers filled with silt [and] this will have a terrible impact on tadpoles, small crustaceans and the platypus that feed on these animals.

There is no doubt then that this is one of the worst cases of unauthorised recent land clearing in the State and it is nothing short of environmental vandalism. Admittedly, TransGrid contracted out the clearing work around its cables. However, the Premier is quoted as saying:

The fact that it was committed by a contractor working for TransGrid does not make it in any way defensible.

Any clearing around power cables would, after all, normally involve pruning and lopping large trees close to the cables, but retaining all shrubbery. Licences should have been obtained to minimise harm to wildlife and vegetation. Also, extensive pollution control measures should have been used. However, the contractor, and thereby TransGrid—without seeking approval for licences from the National Parks and Wildlife Service to lop or fell trees or to clear undergrowth in the national parks and reserve—turned the entire easement into a moonscape and in doing so breached up to 13 pieces of legislation. TransGrid is culpable because it failed to effectively police its subcontractor. TransGrid is not, however, alone in its culpability. The National Parks and Wildlife Service has also been derelict in its duty by permitting what amounts to a 35-kilometre firebreak to be rammed through a number of national parks. That is not enough, despite assurances from the Premier, who in the *Sydney Morning Herald* of 28 May said:

TransGrid and/or its contractor is going to be made to pay for it.

Despite reports that the EPA had issued two notices demanding that the damaged areas be rehabilitated, a Tumut resident, along with other residents, saw fresh clearing being carried out beneath TransGrid powerlines west of Kosciuszko National Park, in Bago State Forest between Talbingo and Batlow at 3.00 p.m. on 4 June. As the

Tumut resident watched from the road, live trees were being knocked down and put into heaps on the edge of the powerline corridor, the powerline corridor being widened and vegetation scraped back to bare earth. It appears that the devastating clearing was allowed to continue beyond 28 May. This is a matter of great concern and warrants independent public investigation.

Another issue of concern is the fact that the Minister for the Environment, Bob Debus, is reported in the *Sydney Morning Herald* of 28 May to have been informed of the illegal clearing several weeks earlier. The Minister is also reported to have ordered an EPA investigation into the matter at that time. However, the question remains as to how much clearing had been undertaken at that time and how much was allowed to occur afterwards. Other questions that need to be raised include why it took so long for the clearing to be noticed and acted upon; how TransGrid contractors failed to follow basic environmental principles; who was the contractor responsible; and where did the cleared material end up? These questions need to be answered to the satisfaction not only of the Government and its regulatory bodies but also the community they represent and on whose behalf they act.

The community, through the South East Forest Alliance, has expressed outrage at the extraordinary environmental damage caused by TransGrid and its contractor. It has also demanded that the Government and its agencies—State Forests, the National Parks and Wildlife Service, the Environment Protection Authority and the Department of Land and Water Conservation—come clean about what really happened and why this environmental vandalism was not stopped far earlier. The agencies have a duty to manage and protect our wonderful national parks and other natural heritage, yet there has been an inexcusable failure of all the safeguards that are supposed to protect them.

Clearly, a lot of people were asleep at the wheel and, as a result, a high-level public inquiry is the only way to restore public confidence. This motion sets in train such an inquiry. The inquiry will enable the public to scrutinise the actions taken by the agencies in this matter and enable recommendations to be made to ensure that there will be no further bulldozing and chainsaw massacres in our forests and wilderness areas, whether for powerlines, gas pipelines, water pipelines or roads. In a couple of weeks time the Minister for Agriculture will implement the Government's no net loss of vegetation policy—and I am sure that the Hon. Doug Moppett would know about that one, at least. We hope to achieve no net loss of vegetation in this State by various means.

I point out that, in fact, we have had an enormous loss of vegetation already. Something like 35 per cent of the entire native vegetation in New South Wales has now gone and as little as the 13 per cent remains of original native vegetation in some areas such as the New South Wales south-western slopes. The central eastern parts of the State have experienced the highest rates of clearing, returning an average of only 44 per cent cover. Since we started our bulldozing 281,437 square kilometres of the State have been cleared since settlement. This vegetation clearing is a major threat to biodiversity and may cause species extinction by reducing fragmentation of the available habitat. I hope the inquiry will ascertain the reasons for this and why it has continued for so long. Hopefully, it will encourage the Government to look at other forms of clearing throughout the State, although that would not be part of this inquiry. I urge honourable members to support the inquiry.

The Hon. JAN BURNSWOODS [4.06 p.m.]: I oppose the motion. I have said before in this House that sometimes motions to set up inquiries are much more important to the proponents than the inquiry itself, and I fear that this could be another example. I do not make any adverse comment about the importance of this terrible clearing. I agree that the issue is difficult but, with legal action having started, I fear that General Purpose Standing Committee No. 5, of which I am a member, will find itself in exactly the same position as it did during the inquiry into oil spills. That inquiry was deferred for 18 months to enable legal and other action to proceed. It would be fair to say that by the time we conducted a brief inquiry and report there was little or no public interest in what we had to say.

I also point out that General Purpose Standing Committee No. 5 acquired a new inquiry two weeks ago into the Hawkesbury-Nepean Catchment Management Trust. A couple of weeks before that we acquired, by self-reference, an inquiry into feral animals and their control across the State by all forms of land tenure. The committee is also inquiring into another aspect of the M5 East and has called for submissions. It has received another major inquiry into the Sydney Water biosolid strategy. Members of the committee have agreed that time is so short that we would be unable to even think of reporting on feral animals until next February. We have not even met to consider when we might inquire into the Hawkesbury-Nepean Catchment Management Trust. To put it at its kindest, it is lacking in reality to suggest that yet another inquiry should be held by a group of people who already have such a heavy workload.

The committee comprises a hardworking group of members and an excellent staff. Therefore, I cannot understand why inquiry after inquiry is referred to General Purpose Standing Committee No. 5, which does not have the resources of the Standing Committee on State Development, the Standing Committee on Law and Justice and the Standing Committee on Social Issues. I realise that there is little point in making these remarks, but I wish to place on the record the foolishness of these motions.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [4.08 p.m.]: The issue is compliance with the law by utilities that have their own customs and ethos. When I was with the Water Board I was shocked to find that we could be fined for breaches. We said we had been following those practices for years. Indeed, a number of work practices were changed because it was considered they might not have been safe, particularly in the environmental area.

A balance must obviously be struck between environmental concerns and the safety of and access to powerlines. I am not sure where that balance lies, but it should not be determined arbitrarily by a single department that is interested only in the powerlines. Perhaps a committee inquiry is necessary to sort out these matters in a broader context. I thought initially that the matter could be examined in estimates committee hearings where we could ask the relevant Minister why this incident occurred and how similar work could be done more effectively in the future. We must sort out the relationships between departments, regulations and so on, and explore why communication has been so poor in the past. Perhaps a committee should delve into some documents to see what happened and why people were asleep at the wheel. It is unfortunate that General Purpose Standing Committee No. 5 is overloaded with work. However, I have spoken to the committee chair, the Hon. Richard Jones, who is happy to inquire into this matter if it is referred to the committee by the House.

I have spoken previously about electricity regulation in this House. I believe TransGrid needs both electrical and environmental regulators. However, I do not propose to amend beyond the scope of this motion the energy policy governing what TransGrid builds and when it does so. As I have said before in this place, I believe a committee should examine that matter also. I support this motion in line with the Australian Democrats' philosophy of encouraging accountability.

The Hon. JOHN JOBLING [4.12 p.m.]: I support the Hon. Ian Cohen's motion for General Purpose Standing Committee No. 5 to inquire into the clearing of land in the vicinity of the TransGrid transmission lines. The Deputy Leader of the Opposition covered neatly and precisely the matters that the committee must consider. It is undoubtedly necessary to clear the area underneath major transmission lines sympathetically and carefully. If such clearing is not undertaken, an entire transmission line may be lost in the event of a wildfire or bushfire—which could cause even more damage.

The Hon. Duncan Gay: Or the lines could cause a fire.

The Hon. JOHN JOBLING: Yes. It is a matter of record that fires have been caused by clashing lines, fuses and so on. My Opposition colleagues are correct: They live in the country, they have seen this sort of thing happen and they realise the effects of such incidents.

The Hon. Doug Moppett: There can be enormous damage to national parks.

The Hon. JOHN JOBLING: It is horrendous. I hope that the committee will discover who planned the clearing, what the terms of direction were under the brief issued, and who checked and approved the plan. It appears to be a reasonably wide corridor so it would be interesting to learn how its width was gauged. We want to know how this clearing occurred. Why did the four government bodies involved—State Forests of New South Wales, the National Parks and Wildlife Service, the Environment Protection Authority, and the Department of Land and Water Conservation—not notice the clearing? Was the matter referred to them by TransGrid and what was their oversight of and input in the process? Who gave directions to the contractor, and what were they? All that information should be revealed in the inquiry and we will then know the costs associated with remediating and restoring the area—costs that probably should not have been incurred in the first place. I am happy to support the motion.

The Hon. IAN MACDONALD (Parliamentary Secretary) [4.13 p.m.]: The Government shares the concerns of honourable members regarding this issue, but we believe this motion is not the way to resolve them. As we have already made clear, the Government is extremely concerned about the environmental vandalism that occurred while clearing the easements. At present the appropriate environmental regulatory agencies are investigating the matter, and we should allow them to conduct their investigations as a precursor to any

prosecutions that may occur. The chief executive officer of TransGrid has assured the Minister for Forestry that all land clearing in the area has stopped, with remediation work the only priority and activity. TransGrid is working to remediate the site as quickly and as efficiently as possible. As part of the remediation of the easements, all dead trees are being removed from waterways and bush to ensure that they do not further damage remaining vegetation. The area is being contoured to stop water running down the easements and carrying silt into the river, and silt fences and hay bales are being used to secure the site. This work is being carried out in consultation with the environmental agencies, and a long-term rehabilitation plan is being prepared.

The Minister has also spoken to TransGrid about reviewing its procedures to ensure that this sort of incident never happens again. This process will include appointing a dedicated environmental liaison officer in the southern region. The Government is very concerned about what has happened. That is why the Minister for Energy has made a report available. However, regardless of the outcomes in that report, it should be absolutely clear that the Government is keen to ensure that any prosecutions by the relevant regulatory agencies proceed as smoothly as possible. This is the Government's key focus. This Government expects all of its agencies to comply with all environmental requirements. If they do not, they can expect to be prosecuted like any other organisation or individual. We believe this process should be supported. We do not need another reference to General Purpose Standing Committee No. 5, which is already heavily cluttered with inquiries.

The Hon. IAN COHEN [4.16 p.m.], in reply: I thank all honourable members who have participated in this debate. I believe that this inquiry should be established. I accept that General Purpose Standing Committee No. 5 is somewhat overworked and that many issues of significant public interest are before it—I am pleased to see those issues being examined. However, I believe such an inquiry is appropriate at this time. I had already called in this House for the relevant papers to be produced, and there must be an immediate investigation. Although the damage done was wide ranging, the inquiry does not need to examine a great breadth of issues. I believe the inquiry can be targeted and conducted efficiently with a minimum of effort by those involved with General Purpose Standing Committee No. 5.

Clearing obviously occurred on the TransGrid powerline easement between March and June, which is of real concern to me. I have received information from some people who travelled through that area. They left Canberra late in the afternoon of Friday 30 March, travelling via Piccadilly Circus to attend the Talbingo Fire Weekend conducted by the Nature Conservation Council of New South Wales. They saw the destruction under the powerlines on both sides of Piccadilly Circus—and hence the border itself—which at that time was total and very recent. There was no evidence of any machinery or current activity. Bare clay soil—with the associated danger of serious and significant erosion—was evident everywhere, and these people were certainly appalled and disheartened by that sight.

The sections of the powerline that could be seen between the top of the mountain and Brindabella had all the timber pushed into rows, some of which were beneath the powerline. They saw no sign of contractors' machinery. They could not say for sure whether any windrows were parallel to the edge of the powerline easement in preparation for burning when the timber had dried out. There was no sign of any burning timber or smoke. They did not see any signs of the removal of timber, rocks or soil. That issue should also be investigated during the inquiry in case there is a relaxed attitude somewhere down the line to removing the timber, bush rock and soil resulting from the clearing. That matter—quite apart from the environmental degradation—is extremely serious.

It is also claimed that, potentially, a management attitude to clearing could be destructive on Nimmo Hill near the Gungahlin River. For example, the timber cleared for the power line from Munyang power station which was not taken from the windrows for firewood by the locals was pushed up again only two or three years ago and finally burnt. I note that these people saw the cleared power line easement on the western side of the Brindabella Mountains on 13 March. We do not know how many weeks were spent clearing to that point from the Canberra side of the mountain. This matter has caused significant concern within the conservation community. There have been further eyewitness accounts as recently as 4 June of the continuing clearing on the line in the Bago State Forest between Batlow and Talbingo. Complaints have been made that the EPA had failed to investigate the clearing. The National Parks Association has also expressed concern that hay bales used for remediation work will lead to the spread of weeds in the area.

This inquiry is essential to find answers to the questions about who was responsible and why the clearing was permitted to happen. Some of the issues to be addressed in the inquiry are: Why did it take so long for the clearing to be noticed? Why did TransGrid contractors fail to follow basic environmental management principles? This clearing also needs to be considered in the light of other threats to national parks, such as

clearing for roads, and the Government's appalling record on allowing land clearing in State forests and private lands throughout New South Wales. Clearly, this is a significant problem. The conservation movement has identified land clearing as a major issue, and this has rubbed salt into the wounds. Although maps show hundreds of illegal clearing breaches across New South Wales, one prosecution every three years when the crime rate is high is an abysmal level of law enforcement and not to be accepted. I thank honourable members for their contributions to this debate.

I hope that this inquiry, which is timely, gets to the bottom of these matters, which have caused a great deal of angst. I appreciate that both Government and Opposition members are interested in this inquiry proceeding. Hopefully, we will get to the bottom of this land clearing, which has been happening for too long in fragile areas that need to be protected. The Government has made a commitment to protect these areas. That commitment must be followed through and the Government should look at why this type of destruction is undertaken. The agencies responsible for this destruction should not get away without making recompense. I acknowledge that clearing needs to be done under power lines and in country areas. However, as I have seen in my home area, significant debates occur with local electricity authorities about how the clearing is done. I have seen examples where clearing has been undertaken in an extremely heavy-handed manner and in an ecologically sustainable manner. It can be done properly and in a way that maintains the integrity of the forest systems and allows the traversing of those areas by animals. In this case, that is impossible.

The Hon. Doug Moppett: How wide is the clearing that you reckon the animals cannot traverse?

The Hon. IAN COHEN: A significant number of native animals do not traverse cleared ground. It acts as a barrier, as do roads and tracks. Land clearing impacts in that way. I suggest that the Hon. Doug Moppett broaden his perspective from general land use issues, in which he may be an expert, to national parks. Lineal clearings are of great significance, particularly in terms of traversing by small marsupials. I thank the House for its indulgence.

Motion agreed to.

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

Second Reading

Debate resumed from 5 June.

The Hon. RICHARD JONES [4.24 p.m.]: I have had a couple of meetings with the payday lenders, who have been roundly abused in this House by members who very much oppose the business they conduct. I have also had advice on this bill from an experienced business person whose judgment I trust, and I am obliged to use my own judgment. My belief and the belief of my advisor Barry Davies is that payday lenders run a legitimate business. Payday lenders employ a number of people and many people in the community depend on them from time to time to assist them when they get into strife. The cost of payday borrowing is high. In an article in the magazine *Consuming Interest* headed "How to borrow at 972% p.a.", Louise Petschler said that she went to an inner-city payday lender in Sydney seeking a loan of \$200 for two weeks. She paid \$74.50 in fees, which she annualised at an interest rate of 972 per cent.

Most loans from payday lenders are small, usually in the range of \$250 to \$400. They are rarely for more than \$1,000. The average loan period is four weeks, with a maximum of eight weeks, and security is not required. Typically, charges are \$25 per \$100 borrowed in total. Full disclosure is made to people who get these loans, and the rapid approval process takes between 30 to 60 minutes. I note that approximately 30 per cent of loan applications are declined. It is not as though payday lenders approve every single loan and then go after those who are unable to pay. There is a considerable weeding out process. There is also a breathing space between loans with a minimum of 24 hours between one loan being paid off and another being granted. The lenders, who are ordinary business people trying to fill a niche in the market, ensure that loans are no more than 25 to 30 per cent of monthly net disposable income. Obviously they want to get their money back.

Generally, loans are far too small and for too short a duration to interest banks, credit unions or big lenders. Payday lenders have a customer base of 150,000 people, who use this service intermittently or sometimes regularly. As has been made clear in media articles, such as the article in *Consuming Interest*, there are some unscrupulous operators in the industry. I point out that Louise Petschler went to probably the most expensive of the lot and her article highlights one of the most extreme cases. The industry should be brought

under regulation of the Consumer Credit Act with the proviso that only the interest rate is regulated, not fees and charges. A restriction on fees would make the business uneconomic. The provision that payday lenders provide credit without security over property of any kind is designed to get rid of the unethical lenders who resort to this practice and will result in lenders having to use the small debts court process in the event of default. That process protects borrowers by way of review of contract in accordance with the Consumer Credit Act.

The payday lenders concede that regulation of the industry is appropriate, but a legitimate industry such as this should not be killed off. If this legislation were passed unamended and if the regulations as proposed by the Minister were made, many people would be forced into the jaws of real loan sharks.

Some 150,000 people who are obliged to use payday lenders would be forced to go to illegal operators if the industry were killed off. It may be that the mafia will flourish as result of the legislation. I can just see them rubbing their hands with glee at the possibility of payday lenders being destroyed by legislation. Loan sharks will still exist, regardless of what we do in this place. The real problem is the charges that are levied. In the case of Money Centre, a payday lender that is said to be typical, the charge is \$25 per \$100. That translates into 300 per cent, which is 25 per cent over 12 months if treated as pure interest, and that is where the headlines come from. The \$25 represents not only interest but an administrative charge which, because the loan amounts are typically small, results in a high percentage rate. It takes 30 to 60 minutes to process a loan, and with the attendant costs and follow-up, and bad debt experience, the charge of \$25 may not be out of line. Some 10 to 20 per cent of loans are dishonoured. Bad debts amount to something like 4 to 10 per cent of loans.

There are a number of players in the industry, therefore competition should ensure that charges do not get out of line. All financial institutions charge an up-front fee under a range of titles. They generally apply to loans in the thousands, so a proportion of the loan is relatively small. The problem for payday lenders is that their loan size is small, therefore the fee, however described, will be a high percentage. I support bringing the industry under the umbrella of the Consumer Credit Act, but I emphasise that merely applying an interest rate, including up-front charges, is inappropriate because of the small loan size and the short duration. I have dozens of letters from customers that indicate the service is needed. A number of interesting comments are made by those who have borrowed money.

I will not quote the names of the customers, although they have been supplied. One person wrote, "They have helped me buy a car, which the banks wouldn't. They make sure you can pay the loan before they give it to you. The banks won't even listen. Money Plus is helping us get a new start in life." Another wrote, "This company, unlike the banks or financial institutions, don't keep you waiting for up to seven days while they do all sorts of credit checks and invade your privacy. They help people with unforeseen expenses in the short term." Another wrote, "By no means is Money Plus capable of being classified as a loan shark. I have been using the services of the company since November 2000, and have received nothing but 100 per cent satisfaction. As a new resident migrating from Canada to Australia, it took some time for me to settle in financially." A businessperson wrote, "Please accept my appreciation for your support in my business cash flow. Without it I would not have survived this short-term problem. It helped my business coping with increasing orders from my customers. My bank is simply not interested in that without the necessary security arrangements."

Another customer stated, "Money Plus provides a niche service aside from the banks, credit unions et cetera in that people in a predicament at one stage or another are able to borrow money without waiting days and weeks for a sometimes negative reply." I have a whole book of letters from people who say that they support the industry. Another letter states, "When I needed to raise the sum of \$600 for emergency and unexpected dental work the situation with my gums was of the utmost urgency. I just didn't have time to haggle and grovel with my usual money institution, or wait for a decision. I was just not eligible for public dentistry. My invalid and disabled uncle absolutely relies on his electric wheelchair, which broke down some two months back. Being a pensioner we just could not afford the \$650 to replace the special non-acid batteries. If it wasn't for Money Plus it would have taken heaps to save up and get those batteries."

Another letter states, "For the fee I pay I still use the service as the alternatives of selling or pawning goods leaves me without those goods, and I would be paying probably the same amount of interest." Yet another letter states, "I am employed by the second largest transport company in the world and net in excess of \$700 per week, and most places are not there for me when I am in need." The letters go on and on. It is quite clear that a number of people use these money providers, and it is legitimate for them to do so. Some people say that gamblers use the service, and that may be so. But they will get their money from somewhere or another if they do not get it from these lenders; they might steal it. It may be that some drug users get their money from such

lenders. But if they do not get it from such lenders, where else will they get it? They may break into people's homes. Taking the hammer to these legitimate organisations and completely destroying them is not a good idea. We need to look at this matter much more carefully.

Reverend the Hon. Fred Nile has an amendment, which will be well worth supporting. Obviously it was organised in conjunction with the payday lenders. If we go ahead, which may happen tonight, and pass the legislation, we will put payday lender's out of business and some 150,000 people will have great difficulty from time to time raising money when they need it. We are rushing into the legislation as a result of headlines about loan sharks. We should be a lot more careful about the way in which we do business. Payday lenders have existed for some time in the United States and Canada. They may need more control and more regulation, but the legislation will put them out of business altogether. We need to be a lot more careful about the way we treat people.

The community has not been consulted about the legislation. It is extraordinary to think that this legislation, which will put a number of people out of business, has come from a Premier who is so keen to tell the Opposition that he will write to all the small businesses in New South Wales to tell them that they will pay for WorkCover costs if we delay the legislation. I support the legislation in principle, but not in practice because it will put people out of business. I will support the amendment of Reverend the Hon. Fred Nile, which will make it a lot easier for these organisations to continue in business.

The Hon. IAN COHEN [4.36 p.m.]: The Greens support the Consumer Credit (New South Wales) Amendment (Pay Day Lenders) Bill. The Minister deserves to be congratulated on bringing the legislation before the Parliament. At the end of last year and the beginning of this year the media ran a number of stories about payday lenders or loan sharks, and how they target vulnerable individuals. Payday lenders, in certain circumstances, issue loans for a short period. It has to be fewer than 62 days, otherwise they are regulated according to the Consumer Credit Code. These loans attract a service fee rather than an annual interest rate. However, if one annualises interest rates on these loans, one realises that they are astronomical. For instance, a \$100 loan that attracts a \$35 fee constitutes an annual rate of 652 per cent!

Some lenders encourage people to roll over. If one borrows \$200 for two weeks, one pays \$40 and the debt is \$240. However, if one rolls over for another couple of weeks, that person will have to pay \$288, as another 20 per cent is extracted. Some people are paying up to 1,300 per cent interest, and that is absolutely disgraceful. The bill caps the interest rate at 48 per cent, regardless of whether the loan is for fewer than 62 days. The 48 per cent includes all fees and charges. Payday lenders have opened up their businesses almost exclusively in lower socioeconomic and disadvantaged suburbs so that they can target honourable people in desperate need of cash. In April this year consumer groups and victims of payday lenders staged sit-in protests in Sydney and Melbourne to demand tighter regulation.

At the Melbourne sit-in an unemployed single mother from St Albans in Melbourne's outer west said that she borrowed \$400 from payday lender Australian Money Exchange when she ran out of money at Christmas. She paid \$33 for each \$100, a \$25 joining fee and extra fees when she was unable to repay the money within the two-week period. A Sydney man borrowed \$300 and had to pay back \$366 the next payday. There are countless horror stories like this. However, the bill will finally put a stop to those unscrupulous loan sharks. There is a move by the payday lending industry to try to have an amendment passed in this House that will effectively gut the bill. The Greens do not support any amendment that will water down the bill. I certainly commend the bill to the House. It is a timely protection for those most vulnerable in the community, particularly those in low socioeconomic circumstances and those who are vulnerable to gambling in this society.

The Hon. HELEN SHAM-HO [4.40 p.m.]: I am pleased to speak to the Consumer Credit (New South Wales) Amendment (Pay Day Lenders) Bill. This bill will protect consumers from the practices of unscrupulous payday lenders, often called "loan sharks". I welcome the bill because it will regulate the industry and will provide much-needed protection of consumers. This bill will ensure that lenders come under the Consumer Credit (New South Wales) Code. They are exempted at the moment because a legal loophole means that loans that are shorter than 62 days are not subject to the code. The bill will put an end to the dishonest and unprincipled practices of certain lenders who have taken great advantage of customers because of this loophole.

In my view lenders in this industry really prey on the most vulnerable people in our society. Many people use payday lenders when they need a little more money to make ends meet. This is usually just to get them through until the next payday. Payday lenders lend small amounts for a short period of time. The service provided by payday lenders is useful to people who need money quickly, and who do not want to—or cannot—

approach banks or other lending institutions. In fact, banks and financial institutions do not provide similar services. However, the danger is that consumers who borrow money often fall into further debt by taking out these loans because lenders make it very easy to borrow money.

Many lenders forgo credit checks of customers, and lenders are often conveniently situated next to clubs that have poker machines. Added to this is the fact that the charges are not given to consumers as interest rates, but as flat fees, and the terms of the contract are often not disclosed. This bill will make it compulsory for payday lenders to tell consumers what annual percentage rate they are being charged. Payday lenders charge a fee for the loan service. Someone borrowing \$100 would pay between \$20 and \$25 as a fee to a lender. This may not seem like much as a one-off loan, but when calculated as an interest rate on an annual scale, these fees are quite extraordinary—frequently more than 1,000 per cent.

This can be seen in the experiment undertaken by the Finance Policy Officer of the Consumers Association, Louise Petchler. She took out her own payday loan as research for the summer 2001 issue of the consumer publication *Consuming Interest*. She borrowed \$200 for two weeks and paid \$74.50 in fees. This included a joining fee of \$25 and \$22 each week for each \$100 borrowed. According to her report, she was told her loan was interest-free when in reality the fees she was charged amounted to an annual interest rate of 972 per cent.

This bill also caps the interest rate that payday lenders can charge at 48 per cent. The cap will include fees and charges. The capping has the support of consumer groups who have been publicising the exploitative practices of payday lenders in both hiding fees and charging excessive amounts. The Australian Consumers Association has been calling on State governments to regulate the industry and to stop the unsavoury practices of payday lenders. In April this year consumer groups gathered to protest outside the shopfronts of payday lenders in Sydney and Melbourne. It was very well-publicised. Honourable members may have seen television news reports about it, as I certainly did.

Members of the crossbench attended a briefing on 5 June of some members of the payday lenders industry. They also had a meeting with the Minister for Fair Trading a day later, on 6 June. I received a fax on 11 June from an industry representative who stated that the meeting with the Minister was most useful. I am pleased that the bill was delayed so that that meeting was able to take place, because they are also affected. It is only fair that those directly affected by the bill should have a chance to put their views to the Minister. I am aware, from the fax I received, that the payday lending industry is not happy with the 48 per cent cap on interest rates, including all fees and charges. In the industry's view it will make the industry unviable.

While I appreciate the concerns of the industry, I support the bill because it will stop the practice of payday lenders exploiting consumers. The 48 per cent cap is necessary in order to stop the current high interest rates that payday lenders charge. It has come to my attention that Reverend the Hon. Fred Nile proposes to move some amendments to the bill. I have not studied those amendments and am not able to say whether I will support them. Changing the cap might be a bit dangerous.

The need for regulation of payday lenders is a national issue. In his second reading speech the Minister for Fair Trading said that later this year there will be an amendment to the uniform consumer credit code by the Queensland Government, and that code will then apply in New South Wales. We will have to wait to see what the national approach is. It may be that we will have to make some amendments to this bill later in any case. Finally, I congratulate Minister Watkins on taking this initiative to regulate the industry and to protect New South Wales consumers.

The Hon. Dr PETER WONG [4.46 p.m.]: The Unity party supports the Government's Consumer Credit (New South Wales) Amendment (Pay Day Lenders) Bill, which is necessary to bring payday lenders under the consumer credit code in order to control unethical behaviour by some payday lenders. Interest rates of up to 1,300 per cent cannot be justified by any argument about providing a service to low-income earners. The ministry cannot argue against regulation, given the opportunity for usury and exploitation by those who are willing to profit from the misfortune of others.

It is extremely sad that payday lending has expanded in New South Wales. This is evidenced by increased hardship, caused by a range of factors including the proliferation of gaming machines and harsher measures being taken against social security recipients. I would be interested to see the results of any study into payday lending and its long-term impact on borrowers. I suspect that the most disadvantaged people are being tempted by offers of immediate cash to borrow money that they cannot afford to repay. Combined with a gambling or drug habit this could have a fairly predictable result—that is, greater debt over time.

Certainly the information I have seen from the Australian Consumers Association indicates that payday lenders are preying on the vulnerable and creating hardship, rather than providing a service. The term "loan shark" comes to mind. It is also disturbing that these businesses appear to be moving into the area of lending money using mortgages as security. This means that people could be forced to sell their houses to repay what started out as a fairly small debt. I believe we need some regulation and consumer protection in this area. I will be supporting the bill.

The Hon. JAN BURNSWOODS [4.48 p.m.]: I am pleased to support this bill and to congratulate the Minister and the Government on taking this action to deal with loan sharks and others who prey on the poorest, and in many cases less well-informed, people in our community. I was slightly amused to receive a submission from a former Liberal member, Phillip Smiles, on behalf of the so-called legitimate payday lenders in New South Wales. Perhaps they could have chosen a slightly better advocate. Because some people have been influenced by this submission, I want to refer to a few of the points raised in it. First is the statement that banks do not include in their calculation of published interest rates their own fees and charges. In fact, the majority of bank products are now captured by the Consumer Credit Code, which obliges banks to operate within the Act. When the foreshadowed bill to amend the credit code relating to comparison rates is passed on at a national level financial institutions will be obliged to show all fees and charges on credit products that are for a fixed term. At the moment the payday lending industry is exploiting this loophole to promote unconscionable lending practices and to charge higher fees in relation to the amount lent.

The submission from payday lenders states that banks are given preferential treatment in the bill by being specifically excluded. In fact, the specific exclusion in the bill nearly maintains the status quo in allowing authorised overdrawn cheques. This is necessary because of a provision in the code. It is not related to payday lending; it simply clarifies the purposes of the exemptions. As I stated before, the majority of bank products are covered by the code. The submission also tries to argue that for a poor person credit is a "necessity". Payday lenders have exploited this need by charging exorbitant interest to people who may not be able to access mainstream credit and who simply do not have the capacity to repay. Rather than saying that poor people in our community need credit, it could equally be said that giving credit to people who do not have the capacity to repay it is totally unconscionable and puts people already in debt further in debt. Financial counsellors have provided details of a number of cases in which consumer hardship has increased because of this type of lending. I refer briefly to a couple of case studies from the Consumer Credit Legal Centre.

A couple of the case studies may be of interest to Reverend the Hon. Fred Nile, because they provide frequent examples of people who have gambling problems and who approach payday lenders in their desperation to borrow money in order to fund their gambling habit. Two of the case studies that I have seen refer specifically to gamblers. One person eventually asked the lenders not to lend him any more money if he approached them. In another case a woman who was a habitual gambler was unable to pay the fees on the loans she acquired to fund her habit. The fees were rolled over into her loan so that the loan came to five times the original amount borrowed before it could be repaid.

Another example was very worrying. It dealt with a woman who approached a fringe lender for a loan of approximately \$1,000. The loan was for 252 days at 43 per cent interest and a bill of sale was taken over her household furniture. The lender not only agreed to lend the money; he kindly walked the woman down to the bank so that she could sign a direct debit authority on her account. The payments were to come out of social security payments she received as sole carer for her children and grandchildren. Describing the action of the payday lender in walking the woman down to the bank and standing by her while she filled out an authorisation for periodic payment as the action of a loan shark would be kind. While signing the documents the woman was not given time to consider the implications of a bill of sale over her essential household goods. She now has a loan that she cannot afford and a bill of sale over all her household furniture. Nevertheless, the repayments are a priority despite her financial situation. To argue that poor people are in some way advantaged by these loans is to distort the truth.

The Smiles submission attempts to suggest that the approval process of 30 to 60 minutes in the payday lending industry is good in comparison with the two to three days taken by the banks. Everyone will understand that the issue is not instant credit; it is whether proper checks are done to ensure a capacity to repay. In the Money Plus information sheets it is stated as a virtue that these types of lenders do not carry out credit checks and will lend to pensioners. All that is happening is that people are being placed in a debt trap. The payday lending submission further states that the lenders do not hide their fees and charges or the cost of payday loans. Contrary to that, the information I have is that no payday lender clients who have approached the Department of Fair Trading and other financial counselling organisations have been able to produce any documentation except a direct debit authorisation of the kind I referred to. The clients have not seen anything in writing which sets out fees and charges.

Similarly, financial counsellors have stated that when they have presented the fees that clients have been paying as an annual interest rate the consumers have always been surprised by the high cost of this avenue of credit. Payday lenders have different fees and charges but I suggest that the lowest interest rate that we can work out is 350 per cent, and it can go as high as 1,300 per cent in some cases. This bill is desperately needed to give consumers information about the real costs of this form of credit. An interesting part of the Smiles submission on behalf of the payday lenders states:

The National Australia Bank's Community Consultation Form, chaired by the Reverend Tim Costello, called on banks to make a one-off capital grant to a loan scheme, for struggling low-income earners who find it difficult to obtain small emergency loans. This challenge has not been answered by the banks. The pay day lenders have provided an answer.

I was interested in this claim so I obtained a copy of the report from the banking forum. It is true that Reverend Tim Costello was the convener of the forum that released the report entitled, "You Can Bank On It: An Action Plan for Delivering Financial Services to Low Income and Vulnerable Consumers". However, on page 50 the report states:

Lack of small loans (less than \$5000) has resulted in individuals being unable to access credit or using and being exploited by Pay Day Lenders.

The forum was actually advocating funding for a no-interest loan scheme; it was not spruiking for payday lenders. So the quote in the submission is quite misleading. The Government has acknowledged—along the lines of the recommendations of the forum—that people on low incomes at times require access to credit. Indeed, in March this year the Government announced that \$80,000 will be given to the Council of Social Service of New South Wales to assist community groups to set up no-interest loan schemes to provide loans of up to \$1,000 to families on low incomes who cannot qualify for other affordable loans. Usually such loans are for essential household items such as fridges, washing machines, furniture or medical equipment. The loans are usually for between 12 and 18 months. The schemes also provide financial counselling and budgeting advice to prevent people falling into debts they are not able to repay. Currently, 14 schemes of this kind are active throughout the State. They are run through church and community groups.

An issue has also been made about what sources of credit will be available to payday lender clients if payday lenders cease to operate. It should be noted, firstly, that these lenders have been operating for only a short period. Secondly, the typical lenders who serviced the clients previously are still functioning. They include small financiers, pawnbrokers and the like. It is also probable—payday lenders claim this is the case—that most of their clients could get credit elsewhere if they wished. The fact that the cost of a payday loan is disguised almost certainly means that some consumers simply do not realise what the payday loan costs compared with loans from other lenders.

Undoubtedly, some payday lender clients might not get credit elsewhere simply because they do not have the capacity to repay. These are people who finish up deeply indebted because they keep rolling over their loans. While that fact should be acknowledged, it is not an argument for an open slather policy of payday lending to people who are clearly unable to repay. I congratulate Minister John Watkins and the Government on the strong stance they have taken on this issue to prevent unconscionable practices in the area and to create increased justice and transparency in the consumer credit industry.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [4.59 p.m.]: I speak for the Australian Democrats on the Consumer Credit (New South Wales) Amendment (Pay Day Lenders) Bill. The bill amends the Consumer Credit (New South Wales) Act 1995 by applying the consumer credit code to short-term credit lenders, known as payday lenders. In the other place, the Minister said in his second reading speech:

This bill not only applies the same rules to them that other credit providers abide by, but also caps the costs to consumers at a rate far below the usurious rates currently charged by pay-day lenders.

The code will be applied if credit is provided for a period of less than 62 days and the fee is greater than 5 per cent of the loan, or the interest rate is greater than 24 per cent. New section 10B provides for the disclosure of the cost of credit as the annual percentage rate on contract documents of a class described in new section 10A or any other contract prescribed by regulation. That provision will enable consumers to be better informed about the terms of a contract. The bill contains similar provisions to those in legislation in some jurisdictions of the United States of America [USA]. One needs only to look at the USA to see why there is a need for tough regulation of this developing industry in New South Wales.

An American web site, www.stateandlocal.org/loanshar.html, provides an eye-opening insight into the payday loan and cheque cashing industry in the USA. A report entitled "The Growth of Legal Loan Sharking: A

Report on the Payday Loan Industry" by Jean Ann Fox, Director of Consumer Protection at the Consumer Federation of America [CFA], published in November 1998, discussed this issue at length. At the time of writing, 19 USA States had legislation in place regulating the operations of payday lenders. Ms Fox wrote:

The market for payday loans is made up of consumers who have personal checking accounts, but who are stretched to the limit financially. These consumers are not even living paycheck to paycheck, but are borrowing against their next paycheck to meet living expenses. Ace Cash Express' Vice President says payday loan customers "tend to be people at the bottom of the middle-class structure in this country". Stephens Inc., an Arkansas investment company, estimates that the potential market for individuals utilising store front financial service companies, such as rent to own, check cashing or small loans services, is roughly equivalent to those without an unsecured credit card, or approximately 35 million households.

A Washington regulator said that payday loans are a symptom of a whopping credit card debt, as some people who are higher leveraged need cash to pay bills. A CFA report on the burden of credit card debt reveals that 55 to 60 million households carry credit card balances and that those balances average more than \$7,000. A CFA report shows that the typical household with debt repayment problems has a moderate income and credit card debt of more than \$10,000. Lenders claim that their customers prefer to borrow from them rather than hock their appliances at a pawn shop, or ask their employers for pay advances. Pawn shop loans are always for a fraction of the present value of the used pawned item, making a pawn transaction a poor comparison.

The industry argues that consumers use payday loans to cover emergencies or unexpected medical bills. The West Coast Vice President for Check Into Cash claims that 30 per cent of its customers need money to get their cars repaired. If it is true that payday loan customers have no savings to cover an emergency prescription or repair job, they are the classic necessitous borrowers who perceive that they have no choice but to borrow at triple-digit rates. Jean Fox also argues that payday loans place borrowers on a debt treadmill. She said:

It is not unusual for borrowers to become mired in debt and renew cash advance loans every week or two. Payday loans are structured to make it difficult for consumers to pay in full at the end of the loan period without needing to borrow again before the next payday. A consumer paying off a loan of \$100 to \$300 plus the \$15 to \$45 fee within a few days often finds it difficult to make it to the next payday without having to borrow again.

A class action lawsuit filed in Tennessee described borrowers who renewed cash of those loans 20 to 29 times, paying fees of \$19 to \$24 per \$100 loan. One plaintiff who rolled over loans 24 times in 15 months, borrowing a total of \$400 and paying \$1,364, was still owing \$248. Bank Rate Monitor Online described a Kentucky consumer who had borrowed \$150 and paid over \$1,000 in fees over a six-month period without paying down the principal. Her solution was to declare herself bankrupt. A Wisconsin news article described a consumer who borrowed more than \$1,200 from all five payday lenders in her town and who was paying \$200 every two weeks just to cover fees without reducing the principal. Although the circumstances in the USA are different, there is still a need for regulation in Australia. In a memo dated 5 June, Louise Petschler, Finance Policy Officer of the Australian Consumers Association, stated:

The Australian Consumers Association is strongly of the view that a cap on charges must be established if consumers are to have effective and consistent protection in credit ... the regulation of payday lenders is not only a matter about substantial consumer and community protection, it is also a matter of social justice.

I confess that I am influenced by the Australian Consumers Association, because I am a long-term member of it and for a number of years I was a member of its board. It is a worthwhile body. As can be seen from the USA experience, the most vulnerable in society need to be protected from unscrupulous operators in this industry. A briefing paper from the Money Centre indicated that many small businesses are consumers of such a service because of the inflexible loan policies of the major retail banks. It is not a satisfying arrangement, but that is an issue for another day. Lobbying by payday lenders has been impressive. The document from Phillip Smiles contains interesting quotes, including one entitled "Just Credit—Should Access to Credit be a Citizenship Right?", published in March 1997 under the auspices of the Good Shepherd Youth and Family Service. It stated:

Access to some form of credit is a prerequisite in enabling many individuals to exercise their right to basic household goods and other necessities. The use of credit for the low income earner is governed by need rather than choice.

In defence of certain payday lenders, paragraph 3(j) states:

Destroying the opportunity for legitimate pay day lenders to exist, by imposing the uneconomic cap of 48%, will create a most unattractive alternative for consumers, with a dramatic expansion of opportunity for the criminals. As the "Fringe Credit Provider—A Report and Issues Paper noted, at 4.3, page 9, "Loan sharks were reported as operating as individuals, under business names, and as companies. Callers (to a Government hotline) often reported a reluctance by some individual loan sharks to identify themselves other than by a first name. Loan sharks were commonly reported as not operating from traditional office premises, but operating either from residential premises which doubled as offices or by attending the homes of the borrower ... Many of the loan sharks were reported as being of a physically very large build.

One group of payday lenders says that if store fronts were not legitimised, large people would visit their homes. Effectively they are saying, "Get rid of the thugs and have us instead," whereas the legitimisation of their activities may well do more harm than good. That is the position that we must address in this House. The question is: What is the bottom line? In days gone by if a person did not have any money, that was the bottom line. Now, with credit, a person can go lower than that and get into deeper debt, presumably by going to different lenders and different types of lenders.

If a person becomes bankrupt, and has increasing debts with increasing interest rates and charges, any attempt to get the person out of debt requires more money than was previously required. If someone asks "How much money do you get each week, and how can you last?" and puts themselves at the head of the queue of creditors, it becomes more difficult to unravel the other creditors. While it may be accepted that occasionally a small business is helped, anecdotally and from the overall assessments made by consumer organisations it seems more likely that more trouble is created by debt traps. People were helped out of a small crisis to maintain their otherwise highly viable businesses, or their one-off expenses, by that good Samaritan-type loan to save the day and lead to no problems.

The mixture of gambling and the availability of this type of loan is a problem of horrendous proportions. Huge debts can result, often before family or relatives realise what is going on. The banks, for all their faults, assess assets, income and liability in a systematic way and according to a formula. They basically lend only to those who can afford it. However, they should be criticised for not putting in the time and effort to give loans to people on low incomes. Certainly, it has been said that banks lend only to people who really do not need money and that they act as a siphon, using the money that people on lower incomes put into low interest bank accounts to lend to rich people at higher interest rates in order to make a profit.

Debtors whose financial planning consists of compounding debt in a systematic way is a dangerous approach. It is done by small businesses, which will go broke if this legislation is passed. However, that may be a lesser evil than sending people into further debt in order to sustain those businesses. I put this problem to Emma Ashton, who is the minder of the Minister for Fair Trading, and she provided me with information from the department entitled "Help with Credit Problems". There is also a web site. It is a sad reality that financial counsellors are not well known or understood by the average person.

My own experience is somewhat limited but when I was an after-hours doctor, I made a house call to a family that lived less than 100 yards from my home, although I had not previously known the family. It was the Thursday night of the Easter long weekend and the woman and her three children were well-fed, well-dressed and orderly. I said to her, "What is the problem?" She said, "We haven't any money." I said, "Everything looks fine." She said, "We have just eaten our last meal and I have no money." I said, "Why did you call a doctor?" She said, "I didn't know who else to call." I said, "Okay," and because I lived locally I was aware of the neighbourhood centre. I found the number in the phone book and when I rang I got the message, "Newtown Neighbourhood Centre. The office will be open at 10 o'clock on Wednesday."

For all the criticism levelled at the medical profession, there is a lack of crisis counsellors. I have since learned that many people live an almost normal life until they hit the wall and have absolutely no money. They are frightened to face the truth and put the problem out of their minds until they literally cannot feed their children. Something needs to be done to address this problem—perhaps a 24-hour service is required. The market will always find a solution much more quickly than bureaucracy or the industry which offers help. Some people find themselves in terrible financial trouble. Gambling, which is so ubiquitous, has worsened the problem. Indeed, gambling advertising suggests that problems can be solved through a miracle or a red ball coming through the floor of your house.

If we want to encourage prudent planning, we should make financial planning counsellors available, rather than hope for a miracle through gambling or overstretching one's credit, which is a short-term solution. On balance the Australian Democrats support the legislation in the interests of consumers. Parliament must always go beyond anecdotal evidence and endeavour to find the truth. Often we make decisions without information and statistics; we act on anecdotal evidence, and that is unfortunate. On the basis of information provided by consumer groups we support the bill because there must be a better solution than the debt trap for credit shortage.

The Hon. PATRICIA FORSYTHE [5.15 p.m.]: The Leader of the Opposition in this House said in support of the bill that the Parliament had a moral obligation to ensure that the most vulnerable people in our community are protected and evidence of that is compelling. The Opposition has little criticism of the bill,

although I am moved to speak because the Minister in his second reading speech made an extraordinary attack on the Federal Minister for Financial Services and Regulation. He appeared to suggest that the only person taking action in Australia was the New South Wales Minister and that the New South Wales Government was a hero in this matter. Indeed, the Hon. Jan Burnswoods was effusive in praise of the Minister as if he, alone, had taken action and was the saviour of the community.

The legislation is significant and will apply the provisions of the Consumer Credit Code of New South Wales to certain providers of short-term credit—those who have been termed in the bill as payday lenders. Currently, that area has been unregulated, principally because most credit lent by this group relates to loans of less than 62 days, which is outside the uniform consumer credit code. A number of other provisions are also included. Reference was made to so-called reputable providers of credit and loan sharks. Reputable people do not need legislation or codes because they act honourably and within acceptable guidelines. But, sadly, in every profession and walk of life there are those who, without regulation or legislation, are open to abuse. That often means that vulnerable people pay a very high price.

The comments of the Minister were extraordinary and entirely unwarranted. The history of this legislation goes back to Queensland. The Queensland Minister established a working party to look at the issue early last year and reported to the Ministerial Council on Consumer Affairs out of session in August last year. That led the Minister for Financial Services and Regulation in November to write to members of the ministerial council urging States and Territories to take prompt action because the necessary provisions to effect the change must be carried out under State legislation, not Federal legislation. It is hoped that this will be done through the uniform credit code.

The letter of the Federal Minister was dated 8 November 2000 and on 3 April this year he put out a press release stating that action was needed on payday lending. My colleague stated that the New South Wales Minister said last October that he was going to move quickly. Federal Minister Joe Hockey said in April that the pace was very slow and that action was taken only following the press release. He further made the point that payday lending is a form of finance in which consumers borrow small amounts of cash that they repay on their next pay day at grossly inflated rates of interest.

He used the example of a payday lenders fee of \$20 per \$100 advanced. If the loan was for one week, the effective interest rate would be 1,043 per cent a year. That is an extraordinary amount, well above the sorts of levels that most families would be able to pay. For that reason, it is necessary to extend the regulations to include that group of people. I understand from the Federal Minister that there are currently about 80 payday lenders in Australia—about one-third of whom are in New South Wales. The Minister pointed to one study that showed that that figure could increase up to 10 times in as little as five years. Therefore it is absolutely essential that we put in place some regulations to ensure that everybody understands the game. Consumers must understand that, under the legislation, they will be able to obtain credit only if there is an express prior arrangement. The rules must be clear to both borrowers and lenders. In the absence of rules, people will abuse the system and, although some may continue to break any rules that are put in place, penalties will now apply.

I take this opportunity to thank the various industry representatives—including those who have travelled from interstate—who have advised the Opposition about this legislation. As this matter is not within my shadow portfolio area, I have not received much of the relevant correspondence. However, my colleagues tell me that there is great interest in the issue. The Opposition is prepared to monitor the impact of the legislation. The Government makes a compelling argument that any amendments at this stage will work against the interests of the bill. We have studied both the potential impact of the legislation and the proposed amendments and we do not intend to support the latter at this stage. However, if the shadow Minister receives more up-to-date advice, I am sure he will enlighten members in the Committee of the Whole.

Ms LEE RHIANNON [5.22 p.m.]: The Greens support the Consumer Credit (New South Wales) Amendment (Pay Day Lenders) Bill. As the Hon. Ian Cohen said, it is an important and urgently needed extension of the regulation of financial transactions for some of the most vulnerable members of our society. It extends the consumer credit code to cover short-term loans, including precontractual disclosure of effective interest rates. It should severely curtail the usurious practices commonly associated with short-term loans, with outrageous interest rates and absurd security requirements.

The Greens reject the proposition that this legislation will reduce the provision of a useful social function. Interest rates of 24 per cent, as allowed under this legislation, should provide sufficient margins to keep some lenders in operation. Certainly the exorbitant profits that are made in the unregulated market at the

moment will disappear and some of the current operators may seek to leave the industry. That would certainly be a good thing. When interest rates exceed 1,300 per cent, when vehicles, furniture and other essential personal possessions taken as security are repossessed and sold at a fraction of their real value, and when lenders prey on addicted gamblers, there is no social benefit. There is only usury, exploitation and personal and social tragedy.

The evidence of financial counsellors strongly suggests that many payday borrowers are already carrying large debt burdens on credit cards and with banks. The provision of additional credit to these people is, in many cases, exacerbating the cycle of debt-driven poverty, further trapping households and individuals in a web of credit from which there is little or no hope of escape. However, we accept that there is a need for short-term, small lines of credit delivered in a form that suits the needs of low income earners. Should the regulated interest rates provided in this bill prove to be intolerable to payday lenders—we doubt this will be the case—there would be a strong argument for expanding the government and community-operated no-interest loan schemes. By carefully assessing the needs and repayment capabilities of potential borrowers, these schemes ensure that the cycle of debt is not perpetuated. By removing the profit motive from the relationship between lender and borrower, the incentive for exploitation and the consequent personal and social costs are eliminated.

Payday lending is an outstanding example of the level of exploitation that can result from unregulated greed. This legislation demonstrates the important role of government intervention in the economy, albeit on a micro scale. It shows that, when there is interaction between the weak and the powerful, the Government can play a constructive role by stepping in to regulate transactions to avoid exploitation and to enhance the position of the disadvantaged. This is an important form of economic justice—one that has been made unpopular in some circles by the neoclassical economic orthodoxy of the past 20 years.

The blind reliance on the forces of competitive free markets has desperately disadvantaged so many members of our society, as evidenced by the growing spread in income and wealth distribution. This legislation is a welcome relief from the dreary agenda of deregulation and privatisation that has characterised the past 20 years. It is a pleasure to debate a piece of legislation that is based on the idea that socially beneficial outcomes can be obtained from government intervention and regulation in the financial marketplace. The Greens support the bill, and it has been a pleasure to work with the Government on it. I commend the bill to the House.

The Hon. DAVID OLDFIELD [5.26 p.m.]: There are aspects of the Consumer Credit (New South Wales) Amendment (Pay Day Lenders) Bill that relate to the old, often-used adage about the chicken and the egg. That is: What comes first? Do we address the issues of those who unscrupulously take advantage of the desperate or do we address the causes of such desperation? Some might argue that the money lenders that this bill attempts to limit are merely providing a service and that their existence is made possible only by social circumstances not of their making. It might be said that payday lenders are a necessary component of what society has been allowed to become—indeed, throughout history, their ilk have been instruments of misery. However, in theory, we live in different times and we must consider the issue of the hard-pressed paying what equates to nearly 1,000 per cent interest per annum.

I am a great believer that people are largely responsible for their own actions, but at the same time there are those who are apparently incapable of looking after themselves. Therefore, it is appropriate in certain circumstances that protection mechanisms be built into the system. At this point I find myself returning to the adage of the chicken and the egg as this type of legislation is very much a band-aid treatment for issues with much broader social implications, such as gambling. This bill will not remove the need of the desperate to find fast money, so we must ask: If this bill impacts on lenders to the point where it is no longer worth conducting business, where will those people in short-term need go? In attempting to protect people, will we simply be forcing them to take even more desperate measures?

It is fair to say that payday lenders feel somewhat singled out by this legislation, and it could be reasonably argued that banks should also be subject to the capping of fees and charges. One might view this as a form of experimental legislation—indeed, many laws are experimental if one is always cognisant of the need to change that which does not have the intended effect. If this bill is to be successful it will need to have an outcome that consolidates the short-term money lenders industry so that those remaining in the industry will be of a size great enough to sustain their related overheads and make a profit under the ceiling of a capped interest rate—and, hence, in their case, fees and charges. With the aforementioned reservations, I support the bill.

Reverend the Hon. FRED NILE [5.29 p.m.]: The Christian Democratic Party supports the bill. I foreshadow that I will move the following amendment during the Committee stage:

Page 5, schedule 1 [2], line 2 omit "and all credit fees and charges".

I will give reasons for that amendment when we continue debate tomorrow.

Debate adjourned on motion by Reverend the Hon. Fred Nile.

ASSENT TO BILLS

Assent to the following bills reported:

Gas Supply Amendment (Retail Competition) Bill
Local Government Amendment (Graffiti Removal) Bill
Crimes Amendment (Computer Offences) Bill
Industrial Relations Amendment (Leave for Victims of Crime) Bill
State Revenue Legislation Amendment Bill
Companion Animals Amendment Bill
Firearms Amendment (Trafficking) Bill
First Home Owner Grant Amendment Bill

NATIONAL PARKS LAND CLEARING

Return to Order

The Clerk, in accordance with the resolution of the House of Wednesday 6 June 2001, tabled the following documents:

- (1) Documents relating to land clearing by TransGrid 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.
- (2) A return identifying documents received by him today from the Director-General of the Premier's Department and referred to in paragraph 4 of the resolution of the House, which are considered privileged and should not be made public or tabled. In accordance with a resolution of the House the Clerk advised that these documents are available for inspection by members of the Legislative Council only.

ADJOURNMENT

The Hon. IAN MACDONALD (Parliamentary Secretary) [5.32 p.m.]: I move:

That this House do now adjourn.

FREE VIETNAM ALLIANCE

The Hon. JAMES SAMIOS [5.32 p.m.]: I will speak about issues concerning the Vietnamese community in Sydney. Whilst the Vietnamese community plays an important role in the social and cultural development of our multicultural society in Australia, it continues to maintain an interest in the political and cultural development of Vietnam since members of its community departed Vietnam as refugees. In this regard, the Free Vietnam Alliance in Australia has expressed concerns about human rights abuses in Vietnam. Those concerns have been endorsed by the President of the Vietnamese Community in Australia, New South Wales Chapter, Mr Tan Nguyen, and the Chairman of its Advisory Council, Mr Joahim Nguyen. More recently, these structures have been concerned at the arrest on 1 June of the Unified Buddhist Church of Vietnam monk Thich Quang Do at his pagoda in Ho Chi Minh City.

I note that Richard Boucher, a spokesman in Washington, on Fortune also spoke on this issue when dealing with religious freedom in Vietnam. I am informed that our ambassador in Hanoi has conveyed our strong concern to the Vietnamese Government on this issue. Equally, the United States of America has called on the Government of Vietnam to respect the autonomy of all religions and to allow people to practise their religious faith freely. The American Government also calls for the release of the Venerable Thich Quang Do, the Venerable Thich Huyen Quang, Father Nguyen Va Ly and other religious leaders from detention. The Free Vietnam Alliance in Australia states that the reality is that although the right to worship is guaranteed in Vietnam by both the Constitution and the laws of the Socialist Republic of Vietnam, the right is severely curtailed.

I note also that on 2 June Vietnamese Communist authorities put a prominent Buddhist dissident under arrest for two years and arrested three other monks after they vowed a showdown on rights. Penelope Faulkner, spokesperson for the Paris-based international Buddhist Information Bureau, told Reuters that Thich Quang Do had been heard on the telephone to say that the detention order confining him to his monastery at Ho Chi Minh City was effective from 31 May. She maintains he stated that there were now 100 security police outside the pagoda and 10 more inside. Freedom of religion in Vietnam is of great concern not only to the Vietnamese community but to all Australians. I commend the Free Vietnam Alliance in Australia, the Vietnamese

Community in Australia, New South Wales Chapter, and the chairman of its advisory council for drawing these issues to my attention so that I have been able to relate them to the Parliament. The price of democracy is eternal vigilance, which is reflected in the initiative taken by the vigilant community groups in our society.

HEROIN ADDICTION

The Hon. HELEN SHAM-HO [5.36 p.m.]: I raise the issue of heroin addiction in Australia and the need to try new approaches and innovative solutions to deal with this problem. Obviously, the current policies and strategies to reduce heroin supply in this country are not really working. Heroin remains generally available in Australia, and law enforcement efforts are having only a limited effect on the amount of heroin that is offered at street level. In March the Australian Bureau of Criminal Intelligence reported that heroin is now cheaper, purer and more readily available than ever before. Since roughly half of the 700 drug overdose deaths that occur in Australia each year take place in New South Wales, there is a strong case for the State to seriously consider trying new and bolder solutions to reduce heroin dependence.

Both the Federal and New South Wales governments have introduced recent initiatives in an attempt to curb Australia's rapidly escalating drug problem. As honourable members are aware, the \$20 million anti-drug media campaign by the Federal Government is directed at encouraging parents to talk to their children about drugs. The Carr Government has taken a different tack, introducing a package of reforms specifically in relation to Cabramatta. These policies, which contain the conventional components of law enforcement, education and treatment have been the standard fare of drug policy in Australia for many years, and undoubtedly should remain so. However, I believe they should form only a part of a broader, more innovative approach to dealing with heroin addiction.

As long as the conventional approaches constitute the extent and scope of drug policy nothing much will change. There will still be heroin addicts, deaths from overdoses, drug-related crime and the black market in illicit drugs will continue to thrive. For significant change to occur, something has to change in the way that governments respond to the perceived drug crisis. Simply reinforcing and repeating past policies is not enough. We need to critically examine the shortfalls in our present policies and, where appropriate, introduce more insightful measures to achieve better outcomes. All government approaches are vitally important since the drug issue is so complex. We need to be brave to try new ways to combat this critical issue. I believe that one innovative solution lies in the introduction of a government-regulated system of making heroin available.

Without going into specifics at this stage, that scheme could consist of patients receiving heroin at a particular site and self-administering it under medical supervision. They would not be allowed to take away doses. Within this treatment facility, heroin addicts could receive regular medical care and social support. Patients could also be required to make a small but symbolically significant financial contribution to the cost of the treatment. Such a facility would essentially form another treatment option for heroin addicts, along with detoxification, counselling and methadone. I emphasise that what I am suggesting does not involve the decriminalisation of heroin alone or any other illegal substance. Rather, the system I propose is merely taking the idea of safe injecting rooms to the next level. I also make the point that when properly administered in known quantities and dosages, heroin has been shown to have no long-term physical or psychological effects. As I have said, I do not propose that we legalise heroin. However, I believe that the total prohibition of the drug in New South Wales has imposed an unnecessarily high cost on individual users and society.

Far from eradicating heroin addiction, banning the drug has effectively created a completely unregulated market for illegal heroin. There is no control over the quality or purity of the product and no control over the price. There is no information for users about dosage, the mode of use or the hazards involved in taking the drug. While the uncertainty of the dose and any impurity in the product inevitably lead to accidental overdoses, the high price of heroin contributes significantly to increasing levels of property crime and robbery. This in turn increases the cost of policing, the criminal administration system and imprisonment, all of which must be borne by the State.

A policy of regulated usage or controlled availability of heroin would remove most of those costs. Above all else, such a scheme would save the lives of the dependent users and enable them to lead more stable lives. The extent of property crime is also likely to be reduced under this treatment system, as are the costs associated with law enforcement and the criminal justice system. Although the Federal Government has rejected the idea of a heroin trial, other nations, notably Switzerland and the Netherlands, have gone ahead. The results from the Netherlands trial are not yet available. However, the outcomes of the Swiss trial are very encouraging. Between 1994 and 1996 the Swiss Government began heroin trials for severely dependent heroin addicts in a manner very similar to the one I have just outlined.

By the end of the trial the patient's illicit heroin use was substantially reduced, their health, psychological well being and social functioning had greatly improved, and their involvement in property crimes had substantially declined. It may be that the controlled availability of heroin will not solve the problem of heroin dependence in this State. However, there are indications that making heroin available in a controlled manner would have beneficial outcomes for both individual users and the community as a whole. A controlled heroin availability trial would be an important test of these claims. I hope that the Government will look into this new, bold approach. I am not suggesting decriminalising or legalising the supply of heroin.

PARLIAMENT HOUSE BLOCKADE

The Hon. AMANDA FAZIO [5.41 p.m.]: I wish to bring to the attention of the House my concerns about what occurred yesterday when Australian Labor Party members of the New South Wales Parliament were denied entry to Parliament House. When I was sworn in as a member of this Chamber I took an affirmation and accepted certain responsibilities as a member of the Legislative Council. One of these was to be faithful and bear true allegiance to the Legislature. Part 2 of the Constitution of New South Wales states:

The Legislature shall have power to make laws for the peace, welfare and good government of New South Wales in all cases whatsoever.

The code of conduct that applies to members of the Legislative Council states:

Members of Parliament recognise that they are in a unique position of being responsible to the electorate. The electorate is the final arbiter of the conduct of members of Parliament and has the right to dismiss them from office at regular elections.

Members of Parliament accordingly acknowledge their responsibility to maintain the public trust placed in them by performing their duties with honesty and integrity, respecting the law and institution of Parliament, and using their influence to advance the common good of the people of New South Wales.

For me to carry out these duties and responsibilities it is necessary for me and for other members of Parliament, regardless of what party they are from, to have free and unfettered access to the Parliament. The actions yesterday of a number of trade union members at the behest of the Labor Council to deny members access to Parliament was an unnecessary attack on the basic principles of parliamentary democracy and, if not challenged, would have created a dangerous precedent for the present and future governments of New South Wales.

I agree with the comments by the Premier that the issue yesterday was much larger than union dissatisfaction with the Government's proposed reforms to the workers compensation legislation. It was about the ability of the Parliament to function; the ability of all members of Parliament to represent their constituents without the fear of being stood over and without having to answer questions when they attempt to enter Parliament House; and without one group in the community saying that members of Parliament of a particular political party are not allowed to enter the Parliament.

Yesterday was a shameful day. The idea of only some members of Parliament being allowed into the Parliament and others being turned away on the presumption of how they would vote in Caucus is not something I expected to see in Australia, which has a very strong history of parliamentary democracy. To have some people, including members of this House such as Ms Lee Rhiannon, determining who could gain access on the basis of some sort of kangaroo court out the back, where people were asked how they would vote on a particular bill, was very shameful indeed.

What was the intention of those actions yesterday? If it was to oppose the reforms the Government had foreshadowed, were the methods appropriate? The upshot of the tactics used yesterday was an attempt to bring down a Labor Government, which is very unusual for the industrial wing of the labour movement. I have no qualms at all about having crossed a blockade; I do not accept that it was a picket line.

It was unfortunate that negotiating tactics used yesterday were such that the blockaders were not prepared to allow people to come into the Parliament to debate the matter. The attitude was that certain people would be locked out. But I honestly never thought that this day would happen. I have been a union member since I first entered the work force nearly 30 years ago. I have had a very strong record of backing the industrial action of unions to which I have belonged.

I have been stood down and gone without pay for weeks on end for refusing to break work bans that have been imposed as part of legitimate industrial action, action that had been before the industrial courts that resulted in orders to stand us down. I take pride in having such a record of supporting union action. But when

union action goes too far and the upshot could be chaos in the Government of New South Wales and an affront to parliamentary democracy, I draw the line. I am more than happy to talk to union representatives about their concerns. To date I have not been approached by any of them in relation to this matter, but I would welcome the discussion.

RESERVE FORCES DAY PARADE

The Hon. Dr BRIAN PEZZUTTI [5.46 p.m.]: I bring to the attention of honourable members the one hundredth birthday parade of the reserves of the Australian Army on 1 July. The parade will start at Hyde Park and end at Victoria Barracks, where there will be a series of ceremonies. The Minister for Veteran's Affairs, and Assistant Minister for Defence, who is responsible for the reserves, has encouraged the parade, and the committee organising the parade has met with the Minister. One of the initiatives this year is Reserve Forces Uniform Day, which will be held on Monday 25th June, when all reservists will be asked to wear their uniforms to their place of employment or study. This will raise the profile of reservists in the community and give the public an opportunity to see reservists in the wide range of occupations and study from which they come.

It is also a reminder to all of us of the vast civilian experience the reservists bring to the defence force—and, of course, the skills they learn from their military training are returned to their employers. The Reserve Forces Uniform Day has operated in Canada for three years, and each year more and more reservists are wearing their uniforms, which is a very economic way to promote the Reserves.

The Minister has recognised the reserve forces day march as an ideal vehicle to promote the reserves and raise its profile in the community. He has the support of the Government. He has appointed a senior officer to assist with reserve forces day activities. The format of the parade is that each service or unit will parade with their band, then their colours, followed by uniformed serving troops, if they have bands and colours. The Unit Associations with their association banners that are linked to that service or unit will follow. Some unit vehicles will be on display.

This year the parade will be joined by 22 reserves from the United Kingdom, 10 from Canada, 10 from New Zealand and 85 from the United States of America, representing all the services, including the United States Reserve Air Force Pipes and Drums. It is important that the community see the reservists marching proudly behind their bands and colours, together with past reservists who served in those units and colours. They will march behind the colours of the units they served in, and behind their association banners, displaying the battle colours of that service or unit. In many cases former commanding officers who rose to the rank of brigadier or general, or the equivalent in other services, will lead the troops.

It is important to note that the Governor of New South Wales, Her Excellency Professor Marie Bashir, AC, Patron of the Reserve Forces Day Council, will receive the "Eyes right" as the parade passes the official dais at Taylor Square. A number of official guests will be on the dais, including Brendan Nelson, the Federal Parliamentary Secretary, representing the Federal Government; Lieutenant-General Peter Cosgrove, AC, MC, Chief of the Army; and Vice Admiral John B. Totushek, Chief of the United States Naval Reserve.

I seek the support of members of this House in promoting Reserve Forces Day and encouraging people they know have served in the Reserves to march. Once again this year General Cosgrove is featured in the current to-air television advertisements appealing to the public. I congratulate the media outlets on providing those community service announcements free of charge. Last year the various media outlets donated approximately \$1 million worth of free advertising to promote Reserve Forces Day. I look forward to similar co-operation this year.

On arrival at Victoria Barracks there will be a series of celebrations, followed by a luncheon. Food will be available for purchase at that time. Once again I ask honourable members to come to watch the parade and to show their support for reservists, both past and present. I urge the Hon. Henry Tsang to encourage his brother, who is a very important part of the reservists, to join us on the day.

PRISON CENSUS

The Hon. PETER PRIMROSE [5.51 p.m.]: I would like to briefly refer the House to some research work related to Corrective Services that has been undertaken by Professor Tony Vinson and Dr Eileen Baldry of the School of Social Work at the University of New South Wales. In the midst of the rhetoric surrounding these issues, it is enlightening to be able to examine quantitative research rather than theoretical models. With the co-operation of the New South Wales Department of Corrective Services they examined information for male remand detainees and male prisoners, a total of 6,876, who were included in a prison census on 30 June 2000.

To make sense of such information the researchers sought a way of organising the material to ensure that it revealed its significance. The research uses an operational procedure for identifying the most serious and least serious offences that was developed for an earlier research project. It takes the form of a simple threefold rating of the relative seriousness of different categories of offences that was done by a group of six New South Wales magistrates. The magistrates rated the sentencing of indigenous and non-indigenous prisoners. The exercise carried no implication that any of the offences were unimportant, but acknowledged that it was possible to arrive at a simple division of offences. This simple division was (i) serious, (ii) middling serious and (iii) relatively less serious.

Applying the magistrates' ratings to the concrete data concerning "what they are in for" provided the researchers with an objective basis for considering which groups currently imprisoned could be removed by substituting other means of control or punishment, to the mutual advantage of the individuals, their families and society generally. The information was available for 6,876 male detainees and prisoners in the June 2000 prison census. Of that number, 19.8 per cent were on remand, comprising 17.2 per cent of the 1,068 Aboriginal men included in the census and 20.2 per cent of the 5,808 non-indigenous men. Of the 1,360 remandees, 734 were being held for main offences that fell below the most serious grade of the three-tier classification of seriousness developed by the magistrates.

Of the 734 classified as having middling or relatively less serious charges, 238 had no history of previous imprisonment. A further 127 had previously been in prison, but for offences other than the one with which they were currently charged. This means that there was a pool of 734 detainees that might have been considered for some form of remand other than prison detention, and that, of that number, 238 had particular claims for such consideration while another 127 also warranted close consideration. Of the 5,517 sentenced prisoners, 50.6 per cent had been convicted of main offences that fell below the most serious grade of the magistrates' three-tier classification.

Of the 2,794 classified as having committed middling and relatively less serious offences, 717 had no history of previous full-time imprisonment; a further 525 had previously served a prison sentence for an offence other than the current one. That means that there was a pool of 2,794 prisoners that might be considered for some form of punishment other than imprisonment. Of that number, 717 had particular claims for such consideration while another 525 warranted close consideration. Application of the more stringent standard of no previous imprisonment to both the remand and imprisoned sections of the total population indicated the existence of upwards of 1,000 people in custody in New South Wales who may not need to be there. These research findings are worthy of consideration in light of the current debates regarding corrections policy.

NEWCASTLE BIOMASS PLANT

Ms LEE RHIANNON [5.55 p.m.]: Tonight I wish to speak about the Greens' work with the labour movement. Like all relationships, there are bumps and upsets along the way and I understand that there has been one of those disturbances today. In an earlier contribution about events that occurred around and in this building yesterday, I repeated comments that had been relayed to me, some of them on the picket line, to highlight contradictions that appeared to exist between some of the members in this place and the objectives of the parties to which those members belong. I repeated those comments that were relayed to me as a measure of how upset some people were. I did not do it to offend any members.

At one stage, referring to the work of the Hon. Ian Macdonald, I repeated a nickname that I had heard used yesterday. The nickname was that of a footballer who will play for Manly, Mr Hopoate. In using that term I did not mean to cause offence. If I caused any offence I regret it and I would now like to put on the record that I withdraw that remark.

As I said, the Greens have always worked with a variety of organisations, and with various arms of the labour movement. One area—in addition to workers compensation that we are doing quite a bit of work on at the present time—is forestry. Tonight in this building the Greens are hosting a meeting of a new organisation in this State, although it has had a long history in Victoria, called "Earthworker". Senator Bob Brown launched that organisation in Victoria. It has held a couple of meetings in New South Wales and tonight I will speak at that meeting. Other speakers will include representatives from the Wilderness Society and the Forestry Division of the Construction, Forestry, Mining and Energy Union [CFMEU].

As many honourable members would be aware, there have been differences at various times between the Greens and sections of the CFMEU, but we are very keen about tonight's meeting. We hope to explore those

areas in respect of which we have common ground. The issue to be discussed is biomass, an area where we have already undertaken quite a bit of work in the Hunter region, in conjunction with the Newcastle Trades Hall Council. The Wilderness Society and the Greens have issued a joint statement in opposition to the Raymond Terrace biomass plant.

We congratulate Gary Kennedy, Secretary of the Newcastle Trades Hall Council, on the stand he has taken, which has resulted in all unions saying they will not allow the biomass plant to go ahead. They realise that it means doing over the environment and doing over the local community, and that it will not lead to a great surge in the number of jobs. They realise it is merely a con job. We are very excited about this work because we believe that the environment movement and the labour movement should lay to rest this whole idea of a division between jobs and the environment. That it is very destructive to all of us and we clearly need to get past this aspect.

The reason we are so definitely opposed to the plant in Newcastle is that it would take hundreds of thousands of tonnes of wood from native forests. This is the point at which we parted company with the Federal Labor Party last year, when it did a deal with the Coalition and redefined the definition of biomass so that it now allows the burning of fuel source from forests in wood-fired power plants. That, believe it or not, can now be called renewable energy! That is a farce, something the Greens deeply regret. We are pleased to be able to work with sections of the union movement in opposing this bit of craziness. I am sure we will get sense out of it one day.

The Hon. IAN MACDONALD (Parliamentary Secretary) [6.00 p.m.], in reply: I thank Ms Lee Rhiannon for withdrawing the comment she made. I know that in the heat of battle in this place members often say some tough and extreme things about others in this Chamber, but we always try our best to keep within the bounds of decency and honour. Having had a discussion with Ms Lee Rhiannon this afternoon, I withdraw a comment I made last year that has been a source of aggravation and hurt to her. I do not know whether I should repeat the comment but I referred to her as a "clapped-out old Stalinist". I totally withdraw that comment and apologise for any hurt I may have caused in making that statement. I thank the honourable member for her statement and her contribution.

Motion agreed to.

House adjourned at 6.02 p.m.
