LEGISLATIVE COUNCIL

Wednesday 8 December 2004

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

The Clerk of the Parliaments offered the Prayers.

BUSINESS OF THE HOUSE

Precedence of Business

Motion by the Hon. Tony Kelly agreed to:

That on Wednesday 8 December 2004 Government Business take precedence of:

(a) debate on committee reports, and

(b) debate on Budget Estimates 2004-2005.

Motion by the Hon. Tony Kelly agreed to:

That on Thursday 9 December 2004 Government Business take precedence of General Business.

PUBLIC SCHOOL YEAR 2004

Motion by the Hon. Duncan Gay agreed to:

That this House:

(a) calls on the Government to alter the last day of school for the New South Wales public school year for 2004 from Tuesday 21 December to Friday 17 December 2004,

(b) recognises that the proximity of the final day of term 4 to Christmas Day creates enormous road safety problems as families get away for the Christmas break, and

(c) recognises that public schools in Victoria and the Australian Capital Territory would have already broken up by the week beginning Monday 20 December 2004.

ROAD TRANSPORT (GENERAL) AMENDMENT (DRIVER LICENCE APPEALS) REGULATION 2004

Motion by the Hon. Duncan Gay agreed to:

That, under standing order 52, there be laid upon the table of the House within 14 days of the date of the passing of this resolution all documents in the possession, custody or control of the Roads and Traffic Authority (RTA), the Cabinet Office and the Parliamentary Counsel's Office relating to the Road Transport (General) Amendment (Driver Licence Appeals) Regulation 2004 published in *Government Gazette No. 77*, dated 30 April 2004, page 2241, and tabled in this House on 4 May 2004, including:

(a) any document, including any legal advice, concerning the justification for the making of the regulation,

(b) any document, including any legal advice, concerning the effect of the disallowance of the regulation by this House, on 29 June 2004, upon a person's right of appeal against the suspension of a drivers licence,

(c) any document which records or refers to the production of documents as a result of this order of the House.

REDFERN-WATERLOO AUTHORITY

Motion by Ms Sylvia Hale agreed to:

That, under standing order 52, there be laid upon the table of the House within 14 days of the date of the passing of this resolution all documents in the possession, custody or control of the Minister for Infrastructure and Planning, and Minister for

Natural Resources, the Department of Infrastructure, Planning and Natural Resources, Minister for Energy and Utilities and Minister for Science and Medical Research, the Minister for Housing, the Department of Housing, the Minister for Transport Services, the Department of Transport, the Premier's Department and the Cabinet Office relating to the proposed Redfern-Waterloo Authority including:

(a) all documents relating to the establishment of the Redfern-Waterloo Authority,

(b) all documents relating to the preparation of any Redfern-Waterloo Plan,

(c) all documents produced by Cox Richardson on the Redfern-Waterloo area redevelopment,

(d) any legal opinion in relation to the redevelopment of areas within the proposed boundary of the Redfern-Waterloo Authority, and

(e) any document which records or refers to the production of documents as a result of this order of the House.

CALLAN PARK DEVELOPMENT

Motion by Ms Sylvia Hale agreed to:

That, under standing order 52, there be laid upon the table of the House within 14 days of the date of the passing of this resolution the following documents in the possession, custody or control of the Minister for Infrastructure and Planning, and Minister for Natural Resources, the Department of Infrastructure, Planning and Natural Resources (DIPNR), the Minister for Health, the Department of Health, the Minister for Housing, the Department of Housing, Landcom, and the Premier's Department relating to the development of lands at Callan Park:

(a) all documents created by the Department of Health, DIPNR, Department of Housing, and the Premier's Department since 1 January 2003,

(b) all documents created by Landcom since 1 January 2003,

(c) any legal opinion provided since 1 January 2003, and

(d) any document which records or refers to the production of documents as a result of this order of the House.

STANDING COMMITTEE ON SOCIAL ISSUES

Government Response to Report

The Hon. Henry Tsang tabled the Government's Response to report No. 29, entitled "Care and Support—Final Report on Child Protection Services", dated 10 December 2002.

Ordered to be printed.

PETITIONS

Oath of Allegiance

Petition praying that the oath of allegiance to Her Majesty the Queen be retained in the pledge of loyalty by members of the Parliament of New South Wales and by Ministers of the Crown, received from **Reverend the Hon. Fred Nile**.

BUSINESS OF THE HOUSE

Postponement of Business

Government Business Notices of Motions Nos 1 and 2 postponed on motion by the Hon. Tony Kelly.

REDFERN-WATERLOO AUTHORITY BILL

Second Reading

Debated resumed from 7 December.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [11.12 a.m.]: On 30 November Amanda Hodge wrote an article in the *Australian* entitled "Vow to fight Block evictions" which demonstrates the Carr Government's method of consultation. She wrote:

ABORIGINES have threatened a legal battle and even riots if plans to redevelop Sydney's notorious Block lead to evictions from the four Redfern streets considered their urban capital.

> Aboriginal Metropolitan Land Council manager Paul Coe said the Carr Government would face a strong and united opposition if it tried to redevelop the precinct without consultation.
>
> But AHC manager Michael Mundine warned that any attempt to compulsorily acquire the land or remove Aboriginal housing would be vigorously resisted. "You'd have the biggest riot in history," he said.

That is consultation, Carr Government style. I note that the Christian Democratic Party amendment enshrines the Aboriginal Housing Company in the process. In my meetings with Mick Mundine he said "We are a housing company. We are not responsible for all other aspects of Aboriginal society." That is probably a sensible definition of his role and the capabilities of his organisation. However, if the relatively small area of the Block becomes a standard piece of housing let to what one might call selected and good tenants, what will happen to the transient population who go to the Block in its iconic role as the Sydney land owned by Aboriginal people? Presumably a percentage of those who go to that favoured development of the Block have cousins or relatives, but those who do not may have difficulty finding somewhere else to stay.

If the area around the Block is gentrified and contains less Aboriginal housing, Aboriginal people will be confined to a very small area, and that will create huge problems. If Aboriginal people are selected by either gentrification or family ties there could well be a problem in regard to the changing role of the Block. I am not sure that the Government has addressed, or even thought of, that very serious issue. If the Aboriginal Housing Company defines its role as being responsible for housing, and it is the sole developer and determiner of land use of the Block, longer term problems may need to be addressed. Michael Ramsey, Project Director of the Redfern-Waterloo Partnership Project, elaborated on the Redfern-Eveleigh-Darlington [RED] strategy in evidence to the Standing Committee on Social Issues on Tuesday 18 May. He said:

> In May 2003 the then Planning New South Wales but now the Department of Infrastructure, Planning and Natural Resources, engaged Elton Consulting to conduct community consultation around the RED strategy. They also brought on board Cox Richardson to develop some principles that we could actually then look to to form the development of the RED strategy. Those principles were built around creating a sustainable town center to serve the Redfern and Waterloo areas, to capitalize on the Redfern stations new support and revitalization of the station and town precincts, providing a safe and activating public domain, optimizing social and economic opportunities of government landholds ensuring the safety of public life, fostering community identity and strengthening community cohesion.
>
> Those principles were to be used to develop a series of options that we could then take back to the community. We had intended that that would be in February/March this year. Some of the issues, in looking at the options, are more complex than were initially thought and so it has actually taken us longer to develop those options because what we do not want to do is go back to the community with options that are not implementable, so we only want to go back with real options that can be implemented.
>
> I guess our intention is that sometime within the next couple of months the Government will review the options that it can take back to the community that are implementable and the community will absolutely have a say in those options and what they think about those options. Flowing out from that, once the actual RED strategy as such is actually developed, it will also go back to the community for consultation. So this is not just one bite of the cherry, there are a number of processes in place to ensure the community actually owns the outcome over time.

With no disrespect to Mr Ramsey, that is quite extraordinary. Obviously the Government has worked on this legislation for quite a long time and it would seem that the Committee has been misled. It is possible that Mr Ramsey was also in the dark, and the spin doctors have come in very quickly. But it may well be that he had a fair idea what was going on behind the scenes in Cabinet or within the Premier's Department but that he had to tell the committee that not much was known. If that is the case it is a very poor precedent to mislead parliamentary committees that are established for the citizens of New South Wales.

It is true that the Carr Government has no time for upper House committees and their deliberations, and regards them as an aberration that interferes with its right to govern. As I have said many times in this House, this Government believes that, even with a gerrymandered and skewed electoral system that encourages people to just vote 1 for major parties, the 40 or 41 per cent that it gets in the primary vote, and the few additional primary votes it gets in the upper House—giving it approximately 43 per cent of the primary vote—gives it 56 per cent of the seats and 100 per cent of the power. The Government regards that 100 per cent of power as its right; it is part of its arrogance. It is sad that the Opposition, which is looking forward to the day when it will be in the same position, with just over 43 per cent of the primary vote and 100 per cent of the power, does not see fit to do anything about it.

The bottom line is the cavalier manner in which the Government deals with the issue of its accountability to the citizens of New South Wales and to the committees of this Parliament that act to achieve accountability of the Government to the people of this State. I will read more details of the Redfern-Waterloo plan—which, of course, come to us thanks to the *Sydney Morning Herald*, not thanks to the Government. This was a huge leak to the press of government documents. We might ask why there was such a huge leak. The

interesting thing about the leak, looked at in historical terms, is how little the Carr Government has leaked and how tightly it has controlled its media.

Boilermaker Bill, who writes for *Crikey*, wondered who leaked the documents. Obviously, it is someone pretty high up in the Government. He wondered whether it was by Craig Knowles, the Minister for Infrastructure and Planning, out to nobble Minister Frank Sartor, to ensure that the pecking order for successor to Bob Carr is maintained as is. Of course, that is a matter on which we can only speculate. I return to the *Sydney Morning Herald* articles of 29 November by Debra Jopson and Gerard Ryle. What is revealed by the articles is really an insult to parliamentary democracy and the committee system. The fact that this sort of information comes from documents leaked to the *Sydney Morning Herald* says a lot about the way the Government works. I quote first from the front-page article of that newspaper:

> … the Government has not revealed that the authority will take effective control of the Aboriginal Housing Company, which owns the Block and other homes in the area, and that help to refurbish the Block will come at a price.
>
> According to the papers, the Aboriginal Housing Company, a registered charity, will be required to give the Government a 10-year lease over its land and impose stricter rent agreements. Tenants could be required for instance, to be drug free. The papers warn that some members of the Aboriginal Housing Company may challenge the plan as "inequitable and oppressive".
>
> The Government has secretly audited the company and found it is in financial trouble, with debts of more than $1 million.
>
> So sensitive is this audit that the October 2004 papers state it should be withheld from the parliamentary committee that investigated the death of the Redfern Aboriginal teenager Thomas "T. J." Hickey, which caused riots in the suburb in February.

As a member of that parliamentary committee, I find it absolutely insulting to the committee and to the people of New South Wales that persons in the Premier's Department who are making plans would deliberately withhold information from a parliamentary committee charged with ensuring public accountability of the Executive to the Australian people. The people of New South Wales should reasonably expect accountability from a government that it elected—a government that is basically dealing with their assets. And people wonder why I do not trust the Government! Again, according to the *Sydney Morning Herald* article headed "Towers demolished as aid to social levelling":

> The distinctive high-rise public housing towers of Redfern and Waterloo could be pulled down under a $540 million plan that allows private developers to profit from government land.
>
> The Department of Housing is the largest single landholder in a 340-hectare area earmarked for massive redevelopment.
>
> About two-thirds of the department's 23.4-hectare Redfern-Waterloo estate would be handed to private developers, say confidential government documents dated October [2004].
>
> The developers would be allowed to build 6300 apartments on 15.8 hectares of the department's land, bringing in 12,500 new private tenants and owners to change the social mix.
>
> The aim is to redevelop the estate, which contains 3519 apartments, at no cost to the Government, the papers reveal.
>
> Limits on floor space in the area should be scrapped and developers given the go-ahead to build more than the amount now allowed, the documents say.
>
> The new Redfern-Waterloo Authority could use the money from the private development to build new houses, refurbish existing stock and temporarily move 200 families to other accommodation during the reconstruction phase, the papers say.
>
> But the documents reveal that the Government has wider goals than just making money out of public land. It also plans to completely change the face of the two suburbs by reducing the proportion of public tenants and attracting more affluent residents to the area.
>
> The 7000 public tenants would be allowed to stay. They make up about 35 per cent of the population, which stands at about 20,000.
>
> The plan is to add 20,000 new private renters and owners, doubling the area's population. This will reduce the overall percentage of public housing to 17.5 per cent.
>
> The goal is to "integrate" the wealthier newcomers to "break down any stigma associated with concentrated public housing", the documents say.
>
> But the papers also show the Government has a tougher option. If it wants to move public tenants out permanently and get a quicker result, it could sell a bigger part of the site to private developers and use the money to buy public housing elsewhere.
>
> The overhaul would include a $297 million demolition and rebuilding plan that is likely to see the end of the 30-storey Turanga tower where the Aboriginal youth Thomas "T. J." Hickey died in February when he crashed his bike, sparking the Redfern riot. Its twin, Matavai, is also likely to go, along with seven 17-storey buildings.

"It is likely that the majority of the high-rise buildings (which represent two-thirds of the stock) will need to be demolished because they will be the hardest to refurbish to meet current standards and to allow the mingling of different types of occupier," the documents say.

Private sector development could extend over 10 years "depending on the rate of take-up of the new apartments", they said. This would mean "a lower ultimate proportion of public housing tenants in this area."

The papers reveal that the average age of tenants on the Redfern-Waterloo estate is 59 years. Almost one in three public housing tenants in the area receives a disability support pension.

I revert to the front-page article:

Under the 10-year plan, the Government will tear down the residential towers in Waterloo and privatise $540 million worth of public assets in a bid to double the area's population to 40,000, create 20,000 new jobs and give the central business district room to expand.

… 20,000 new private renters and owners will be brought in to balance out the 7000 public housing tenants in the area, many of whom are poor, old and disabled.

The *Herald*'s investigation team has sighted details of the plans in cabinet documents dated October 2004.

Note the date—October 2004! I doubt that such a comprehensive strategy could have been drafted between May and October. So they have been working on this for a long time, with the intention of keeping it out of public scrutiny for as long as possible. I return to the article:

The southerly expansion of the CBD into 340 hectares of Redfern, Eveleigh, Darlington and Waterloo will be overseen by the Redfern-Waterloo Authority, the establishment of which [according to the papers] the Premier, Bob Carr, announced last month.

According to the papers, consultants have told the Government, which owns almost one-third of the land in the area, that the redevelopment of the notorious Block would increase certain property values by 30 per cent.

"The NSW Government is the largest landholder in the … area. The estimated market value of developments in the area is approximately $5 billion," the papers say.

"In order to maximise social and economic returns, the Government must be able to offer planning certainty to the market within a strategic planning framework."

The papers contain masses of comprehensive costings from government departments advising on specific aspects of the project, right down to details on the possible political and legal risks. The papers describe the plan as a "radical departure" from previous initiatives.

The authority will have powers to override local councils and heritage laws, to grant concessions to private developers, including the $34.5 million makeover of Redfern railway station, and to acquire land compulsorily.

Some of the sites earmarked for sale are Redfern police station, Redfern Public School and the Rachel Forster Hospital site.

Residents who now have only half the open space of other inner-city suburbs will have only a quarter of the space once the population is doubled, the papers reveal. The Government has been advised to provide additional transport to take these overcrowded residents to places like Bondi Beach.

The papers say that in the absolute worst case, the Redfern-Waterloo Authority could compulsorily buy the Aboriginal Housing Company's land and "then implement the long-term arrangements on that land for affordable housing for Aboriginal people."

The papers even include a draft memorandum of understanding to be signed by Mr Carr and the chief executive officer of the Aboriginal Housing Company, Michael Mundine—although it is not known whether he is aware of all the details.

I think the editorial in the *Sydney Morning Herald* dated 30 November titled "Redfern and social engineering" summed up the situation very well:

For reasons best known to itself, the Government has decided the public is not to be trusted in discussing the issues involved with such an ambitious plan, which will feed concerns, possibly ill-founded, that the Government does in fact have a secret agenda—to force out many of the socially disadvantaged living in the area.

On 6 December I joined residents who are fed up with the arrogance of the Carr Government in a protest in Redfern. About 300 people, reflecting the broad economic and ethnic diversity of the community, attended the protest. So many people of Russian origin attended the protest that the speeches were translated into Russian. They were angry and rightly so. I have received a large number of representations about this matter, of which I will read a tiny sample. A fax that I received from the Inner City Legal Centre today stated:

We are writing to you to express concern about the Redfern-Waterloo Authority Bill. ("The Bill").

The Inner City Legal Centre is located in Darlinghurst, and provides legal services to residents in the Redfern-Waterloo area where Redfern Legal Centre is unable to assist.

> We acknowledge that there are problems that need to be addressed in these areas, and the residents support the need for the Governments to take action.
>
> However, we are concerned about the following aspects of the Bill:
>
> - There is no restriction on how the Minister may amend or replace the Redfern-Waterloo Plan. ("The Plan")
> - There is no requirement for public participation in development of the Plan, other than to have regard to any public submissions from time to time.
>
> We urge you to propose the following amendments to the bill when it comes to Parliament:
>
> 1. A process for public participation in the making, reviewing and amending of the plan, and
>
> 2. A requirement that any changes to the geographic area proposed by the Bill be made by amending legislation, rather than by regulation.

This bill is yet another example of the extension of Executive power in New South Wales by the Carr Government. More and more legislation is being introduced to extend ministerial dominance over the respective portfolios of Ministers. We witnessed this with natural resource legislation that dealt with the genetic modification of foods, native vegetation and catchment management. The Environmental Defender's Office assessed the bill and raised several concerns of note. I will summarise those concerns and refer to its recommendations. The role and functions of the authority, in particular the relationship to other Government agencies and the position to planning laws, are unclear, largely untrammelled and possibly conflicting. The Minister is given enormous and unqualified discretions under the Act, for example, regarding appointment to the board, expanding the operational area, trumping planning laws and so on. The bill overrides other State laws, including heritage and planning laws, with potentially significant consequences for public participation and buy-in of any solutions flowing from the work of the authority in the plan.

The Environmental Defender's Office recommended that an objects clause be introduced to the bill setting out clearly the aims of the Act, that the functions of the authority be clarified, that the clause expressly requiring the principles of ecologically sustainable development be adopted for the carrying out of the functions of the authority, that the bill identify with more particularity the categories of persons who may be appointed to the board, that a clear indication of the intention, scope and contents of the Redfern-Waterloo Plan be provided and that its legal status be identified, that there be a process for public consultation in relation to the preparation of the Redfern-Waterloo Plan, that the bill expressly clarify how the authority and the bill interact with legislation relating to local government and environmental planning, that the circumstances in which the authority can acquire land be clearly identified, that the requirements for public consultation around any environmental planning instrument required by the Environmental Planning and Assessment Act 1979 be maintained, that the Minister for Infrastructure and Planning retain his functions as the consent authority for State significant development, and that the operation of the Heritage Act not be excluded under the bill.

Further recommendations included that the provisions of the bill relating to affordable housing and development contributions should remain consistent with the requirements for such matters set out in the Environmental Planning and Assessment Act, that the role of authorised officers be identified and clarified along with their functions, that the process for amending the operational area of the bill by amending the scheduled to the bill be changed—this is wholly inappropriate as it gives the Minister complete discretion to acquire additional territory, that the provisions enabling certain categories of documents held by the authority to be made publicly available should be introduced, that the ability of the Land and Environment Court to deal with certain planning environmental decisions of the authority be fairly stated, and that third party review of decisions of the authority be provided for. A number of those recommendations have been addressed partially in the Government amendments, although they have not been addressed satisfactorily. The Opposition has foreshadowed a rather silly amendment about being able to increase the size of the area by 5 per cent. I presume that means 5 per cent each time an increased is introduced. That remains to be debated.

The Hon. Don Harwin: That is not so. Obviously, the Hon. Dr Arthur Chesterfield-Evans has not read the amendment, otherwise he would not make such a silly comment. It is 105 per cent; it is 5 per cent of the operational area outlined in the schedule, as I made clear in my contribution to the second reading debate. It can go up to only 105 per cent of the original.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I am pleased to hear that it can go up only 5 per cent. But it is still 5 per cent arbitrarily. I stick to my point that it is an extraordinary amendment. The Environment Liaison Office [ELO] believes that the normal provisions of heritage protection that apply to other areas of the State should apply to Redfern and Waterloo. The bill needs to address future plans and regulations.

For example, it is not clear what role the authorised officers will play. A number of important matters have been left to the regulations. The relationship between the authority and local councils is unclear from the terms of the bill. The concern is that local government will be totally shut out. The bill does not provide for public input into the preparation of the Redfern-Waterloo Plan. The Minister and the board are free to develop any plan they like, using any process with no public accountability, except for lip-service. The board does not have any membership criteria other than a requirement that one board member be of Aboriginal descent. Nothing will stop the membership of the board from consisting entirely of government bureaucrats, Labor Party members or property developers. Members of the ELO are concerned about this lack of accountability to the community.

The authority variously may play the role of developer, plan maker, consent authority, service provider and benefactor of land. These functions as identified in the bill are extremely wide ranging and are generally carried out by a number of government departments under comprehensive legislation and statutory regimes. Further, as identified earlier, it is unclear what the role and relationship of the authority will be with other government departments and local government. There is no geographic constraint on the ability of the Minister to expand the area of jurisdiction of the authority. The Government is saying, "Trust us." They have adopted the usual tactic of emphasising how terrible the problem is and stating that a dramatic solution is required. It then claims that the only possible solution is to give the Government more unfettered power. It is the classic scenario: Panic; radical action required; give me the power. In this hothouse atmosphere of panic the Government takes powers that it really should not have.

The Honeysuckle development at Newcastle, for which the Government has planning authority consent and for which it is the consent authority, is another example of poor planning. This ghastly development along the river blocks access to the city. The road into the development is poor and there is little parking available. An historical wharf is in danger. The Government is thinking of removing the railway from the site. This is what happens when the Government has unfettered power. The Quarantine Station at North Head is another example. The Government did not want to submit a plan for, nor did it want to manage, the area. It wanted to give away the land to a single contractor on a long lease that more or less guaranteed profits. Autocratic discretion was afforded the Sydney Harbour Foreshore Authority, which has been called the Sydney Harbour Development Authority.

With regard to the development of Walsh Bay the Government chose its preferred tenderer from expressions of interest, it negotiated in secret and it ended up with quite a bad deal. When the National Trust protested that Walsh Bay was one historic wharf precinct and not five separate wharfs and wished to test its claim in the courts, this House introduced legislation at about 3 o'clock one morning to prevent that action being taken. They are just a few examples of the Government's arrogance when it is given absolute power. My recent comments about the sale of Sydney Markets at what appears to be well below the market valuation highlights on any commonsense basis how close the Government is to developers and how willing it is to give a deal to developers against the long-term public interest of having good assets in public hands. There are many grateful developers who donate money to the Government during election campaigns. It is a sorry saga.

The Hon. Tony Kelly: Your comment about Sydney Markets is just untrue.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I acknowledge the interjection about Sydney Markets. It is interesting to note that the Government fought like a tiger to avoid the freedom of information provisions to produce documents relating to Sydney Markets. When it was beaten by a persistent individual, Robert Cianfrano, in the Administrative Decisions Tribunal the Government reserved its right to appeal to the Supreme Court to try to keep the documents secret. We will know more about this on 10 December. It is yet another example of this Government's commitment to open government, transparency and accountability. But this Government says, "Trust us.", this bill says, "Trust us.", and, sadly, this Opposition says, "Okay, mate."

The Carr Government is not doing anything to preserve the Cumberland Plains and the Australian Defence Industries [ADI] site in the Sydney metropolitan basin. The Federal Government wanted to sell the ADI land and the Carr Government could have prevented that sale by rezoning the land as open space. Indeed it was suggested that the development of the land could have included a park for the enjoyment of the people of Western Sydney and tourism facilities at the former Dunheved railhead site. But that would have required imagination and some thoughtful input, whereas this Government is much better at selling assets than it is at making long-term plans. I reiterate the point that there is nothing wrong with borrowing money if there is asset backing for the loan and a return on investment that covers the interest, but this Government is reluctant to undertake that type of investment. It prefers to sell land to developers and receive their gratitude. Among the many letters and email messages I have received about this bill is a letter from St Saviour's church at Redfern, which states:

> We the undersigned are members of the Anglican Congregation at St Saviour's Redfern. We write to express our concerns about The Redfern-Waterloo Authority Bill 2004.
>
> Our fundamental concern is about consultation and accountability. In the first place, we believe that if such an authority is to exist, there must be full and open consultation with the local community. We believe that this will only be possible if the Bill for the Authority makes provision for a Community Advisory Council, for which we understand there are precedents in other acts of the NSW Parliament.
>
> Secondly, we believe it is critical to ensure the same public consultation provisions are in place in this Bill as exist under a Local Environment Plan.
>
> Without these provisions enshrined in law, it is hard to see that there would be real accountability for you as the minister responsible. The result will be the disenfranchising of local people from processes that will impact massively on their lives in this community.
>
> We remind you that after the forced amalgamation of Sydney and South Sydney Councils, your government can ill afford to further disenchant members of this community with another imposition that does not guarantee their rights to participate in the democratic process.
>
> Yours sincerely,

That letter was sent to Minister Sartor. A letter from the Organisation of Aboriginal Unity states:

> 1. There has been a total lack of consultation with the community, not only the Aboriginal community but the wider Redfern Waterloo community regarding the Governments proposed Redevelopment of the area.
>
> 2. The Aboriginal community is concerned that the Redfern Water Authority (RWA) could undermine the work that is currently being carried out by the community controlled organisations.
>
> 3. Of major concern to the Aboriginal community is the Government has not ruled out the possibility of forcibly acquiring land currently owned by the Aboriginal Housing Company. The community is united in its belief that this would be viewed as the dispossession of our people and occupation of our land.
>
> 4. The Aboriginal Housing Company has the full support of the Aboriginal community in its plan to redevelop the Block and we urge the Government to embrace it.
>
> 5. The Aboriginal community and wider community are not against the Governments willingness to find solutions for the improvement of the Redfern Waterloo area including employment growth. We hope to find these solutions through working together with Government.
>
> 6. We are hopeful that the Government will work towards resolving our concerns through an ongoing process of consultation. We are committed to working in partnership with local resident groups, other concerned stakeholders and the Government in achieving outcomes that are beneficial to all.

The Planning Institute of Australia, usually a very conservative group not given to making extreme statements, believes that this bill represents appalling planning and sets a dangerous precedent without proper process. The institute is concerned to ensure that the process is correct so that a proper decision can be made. That point is important because the bill creates a dangerous precedent. As I said earlier, despite Minister Sartor's relatively good personal track record, legislation should not be tailored to the style of one person. This legislation is very much about power for an individual. It is not about good process. The bill has been inflicted upon the Parliament in the dying days of this session during the usual mad rush of legislation. The bill is counterproductive and must be opposed.

Mr IAN COHEN [11.44 a.m.]: I support many of the comments made by Ms Lee Rhiannon and Ms Sylvia Hale, who led for the Greens in this debate. I support also arguments advanced by other members, such as the Hon. Dr Arthur Chesterfield-Evans. I will not deal with this important bill in great detail but I make the point that it reflects disgusting treatment by the Government and Minister Sartor, and that deserves appropriate comment by all members of this House. It is a sad state of affairs when extraordinary powers are given to a Minister. By virtue of this bill, the Minister will be the landowner, developer and consent authority for both public and private land. Ministerial powers will include the ability to override existing heritage protection, annex or extend the boundaries of an area without reference to Parliament, appoint special officers with unspecified powers, and take development contributions from sites outside the designated area, such as the Carlton and United Breweries site.

The bill sets a very dangerous precedent, particularly as it has been presented as an attempt to address the social needs of Redfern-Waterloo. The reality is that the bill is a grab for cash and has nothing to do with community renewal of Redfern-Waterloo. Sadly, the Government and the Opposition are working hand in hand for very powerful elements in our society and consequently are sidelining the indigenous people who live in the

area by making their position increasingly vulnerable. When I consider the housing plan and the eligibility criterion that people must remain drug-free, I wonder what other conditions will have to be met by people, particularly indigenous people, before they will be allowed to settle back into the area after redevelopment. Where will these people be housed in the redevelopment period? Will they be housed in the western areas of Sydney, such as at Mount Druitt, and will they be able to return to an area that means so much to them because it is part of their identity and their history—an area that is woven into the social fabric of the urban indigenous community over many generations?

I hold grave fears for the resettlement of the area's current inhabitants after redevelopment. The bill represents a serious case of dispossession of the area's inhabitants and is akin to an ethnic cleansing resolution by authorities of what they perceive to be a problematic urban area. The bill is part of a big clean-up and it will have significant negative impacts on the human rights of individuals in our society. It is even more galling that legislation such as this has been presented by a Labor Government. The Minister for Energy and Utilities, Frank Sartor, has taken a great interest in this redevelopment. He is a former Lord Mayor of Sydney and no doubt, as a Minister in a Labor Government, he sees this bill as another opportunity for redevelopment. At least in Clover Moore, the present Lord Mayor of Sydney, we have a great representative on the Council of the City of Sydney who has fought very hard to control the excesses of the New South Wales Government.

While I acknowledge the printed material that has been part of the debate on this issue so far, it is important to point out that there has been a total lack of consultation with not only the Aboriginal community but also the wider Redfern-Waterloo community regarding the Government's proposed redevelopment of the area. The Aboriginal community is concerned that the Redfern-Waterloo Authority could undermine the work that has been carried out by community-controlled organisations.

Of major concern to the Aboriginal community is that the Government has not ruled out the possibility of forcibly acquiring land currently owned by the Aboriginal Housing Company. The community is united in the belief that such action would be viewed as the dispossession of Aboriginal people and the occupation of their land. The plan by the Aboriginal Housing Company to redevelop the Block has the full support of the Aboriginal community, and the company urges the Government to embrace its plan. The Aboriginal community and the wider community are not against the Government's willingness to improve the Redfern-Waterloo area, including programs to generate employment growth. The Organisation of Aboriginal Unity hopes to resolve its concerns through an ongoing process of consultation. It is committed to working in partnership with local residents, other concerned stakeholders and the Government to achieve outcomes that are beneficial to everyone.

Aboriginal representatives place hope and trust in the Government for an ongoing process of consultation, but I fear that that hope will not be fulfilled. Quite often the Government's consultation is nothing more than notification, whereby people are led by the nose and, when it comes to the crunch, get very little in return. The Organisation of Aboriginal Unity represents the various Aboriginal organisations in the Redfern area. Clearly the organisation comprises key stakeholders in the development of Redfern, and it is a shameful reflection on the Government that such a body has not been consulted. The Australian Heritage Commission expressed similar concerns, particularly in relation to the important role that the area plays with regard to modern Aboriginal heritage and early railway heritage.

The Block at Redfern lies within the lands of the Gadigal people, part of the Dharug nation, and falls within the larger Darlington Conservation Area, which has historical significance as an area of late nineteenth century housing. In the 1880s housing in the area was constructed largely to provide for people employed at the Eveleigh railway workshops, which provided a unique and powerful influence in the development of the surrounding area. Since the 1940s Redfern and the Block have been seen by many as important bases for Aboriginal people in Sydney. The area was one of the first pieces of land in urban Australia owned by indigenous people when it was purchased for indigenous housing in 1973. The Whitlam Government did a great deal for indigenous people, and this was perhaps one of those opportunities that gave recognition to the urban base of Aboriginal people and of their right to live in that area in perpetuity. I am sure that that would have been the original intent of moves to support indigenous people residing in the area in 1973.

For indigenous people moving to Sydney the Block has provided an opportunity to live in a community environment with their extended family, to live together with a support network. The sense of community is maintained partially as a result of the time residents spend in public spaces and on verandas in Eveleigh Street. The layout of the houses and streets facilitates that community atmosphere. The Block community is important for indigenous people who stay in Redfern for short periods while visiting relatives in prison or in hospital.

Several generations of indigenous people have been brought up in the Block. That the area is of social and cultural significance is evidenced by the efforts of long-term residents to remain in the area and by the return of many who had moved away. Media attention and visibility of the Block have helped the nation to acknowledge that it is a significant indigenous place. The Block is an important symbol to all of the ability of indigenous people to maintain their identity in an urban situation.

In the 1970s the struggle to gain ownership and control of the Block by the indigenous community was part of its movement towards self-determination. Indigenous control of indigenous affairs was a major achievement, and it was for the indigenous residents of Redfern and the Block that many of the first indigenous-controlled services in Australia were developed. Many famous indigenous people have been residents of or associated with the Block. Shirley Smith, or Mum Shirl as she was known, a resident of the Block, was one of the founding members of the Aboriginal Medical Service, the Black Theatre Group, the Aboriginal Breakfast Program and the Detoxification Unit at Wiseman's Ferry. Kevin Gilbert, an Aboriginal poet and activist, was one of the founding members of the Redfern Legal Service, the Black Theatre Group, and the land rights movement. Kevin also developed many of the original plans for the Aboriginal Housing Committee, outlining its initial ideals and intentions.

The Redfern Block lies within Gadigal land that extends from South Head to the Bay of Gadi and out to Petersham, taking in the suburbs now known as Redfern, Erskineville, Surry Hills, Darlinghurst and Paddington. With the arrival of Europeans, smallpox devastated the Gadigal population, and those who survived moved out of their traditional area and joined neighbouring groups. It is clear that indigenous people have had a difficult but productive history in the area. I have had the pleasure and honour to stand with indigenous people at many demonstrations. From memory, during the bicentenary celebrations the catchcry of indigenous people was "We have survived". Certainly they are still here, as a community, intact. They have their representatives and they are growing in stature. They constantly apply themselves, despite some of the terrible things that have happened to them, despite community impacts, and despite the pressures that come with events such as the iconic loss of life of TJ Hickey.

The Redfern Block community often has difficulty dealing with authority. The community is now in a potential ethnic cleansing situation, whereby life will be much more difficult. That is a sad indictment of the consideration that governments of all persuasions in New South Wales have directed at indigenous people, despite their obvious need of support and help. They should not be made to feel that in their fragile existence they may be turfed out, and turfed out for good. It is disgusting that the Government is ignoring the plight of people who have the least opportunity for representation. The Redfern Organisation of Aboriginal Unity issued this statement about the proposed Redfern-Waterloo redevelopment:

> Aboriginal people are appalled that detailed plans about the future of our community have been developed without any attempt to consult with the organizations that represent us.
>
> We are concerned that a new all powerful Authority has been created that could ride roughshod over our needs and aspirations … the Government has to take a coordinated approach but this must occur in partnership with Aboriginal people.
>
> We are particularly concerned about suggestions that the land currently owned by the Aboriginal Housing Company could be forcibly acquired by the Government. Aboriginal people would regard any forced acquisition as once again the dispossession of our people and occupation of our land. We would fiercely resist this in a unified, determined by peaceful manner.
>
> We would be joined in this by Aboriginal and non Aboriginal families from throughout Australia and indigenous people from around the world …
>
> We hope that the Minister's understanding of consultation is the same as our own. Consultation in our sense of the word means sharing ideas with an open mind to come up with a joint agreement on the best way forward. It means listening as well as speaking. It does not mean telling our people what is happening after decisions have already been made.

The Government, and indeed the Parliament, could do well to consider the philosophical position of Aboriginal people, who, in many circumstances, practice true consultation by sitting around, as equals, to achieve joint agreement. That is certainly the indigenous way, and we have seen many examples of that. However, that is certainly not the way that the Government is dealing with the Aboriginal community in Redfern and Waterloo. The Redfern Organisation of Aboriginal Unity stated:

> We want Redfern Waterloo to become secure and prosperous, but Aboriginal people have to share in that security and prosperity.
>
> When new homes are built, Aboriginal families who currently suffer a housing crisis should have access to a fair share of these...
>
> If 20,000 new jobs are to be created in our community, Aboriginal people should be given the opportunity to participate in this growth.

> We also want to ensure that a growing, multicultural Redfern Waterloo retains its Aboriginal identity... It is recognised by many as the hearth of the Aboriginal struggle for land, justice coexistence and recognition.
>
> Aboriginal people will not be forced out of Redfern Waterloo by governments, developers or anyone. But we want to transform Redfern so that it is once again a site of Aboriginal hope and achievement.

Crossbench members were given a briefing note dated 30 November by REDwatch, which has serious concerns about many aspects of the Redfern-Waterloo Authority Bill. These include—

Pursuant to sessional orders business interrupted.

QUESTIONS WITHOUT NOTICE

TRAIN DRIVERS SHORTAGE

The Hon. MICHAEL GALLACHER: My question without notice is directed to the Minister for Transport Services. Are approximately 30 train drivers retiring or resigning from CityRail each month? Did at least five drivers resign from CityRail's central depot to take up positions with freight rail companies in the past two months? Are other experienced and trainee CityRail drivers being poached by private rail companies that pay higher wages? Is this loss of drivers further exacerbating the shortage of drivers? Given this situation, can the Minister explain why CityRail recently cancelled a trainee driver class intake?

The Hon. Catherine Cusack: A good question.

The Hon. MICHAEL COSTA: What was it—a 19 per cent swing at a certain booth? We have not forgotten about that. I have said on many occasions—

[*Interruption*]

But Opposition members are the product of that. I have said on many occasions that this driver shortage issue, which is a national problem, is serious. I have spoken to freight operators and to other State operational railways and they have told me that they also have problems with driver shortages. I know that the privately managed rail system in Victoria is experiencing similar problems to ours.

The Hon. Duncan Gay: So why did you cancel the intake?

The Hon. MICHAEL COSTA: If Opposition members let me finish answering the question they might well be enlightened.

The Hon. Duncan Gay: That will be a change.

The Hon. MICHAEL COSTA: It would be better than the performance of The Nationals at that booth in Dubbo during the by-election, which resulted in a swing of minus 22 per cent.

The Hon. Duncan Gay: I could use 28 per cent from the Labor Party.

The Hon. MICHAEL COSTA: It resulted in a swing of minus 22 per cent. The Nationals worked all day but they went backwards by 22 per cent.

[*Interruption*]

The driver shortage is being experienced nationally. This Government is training a record numbers of train drivers and it is factoring in attrition rates. I have asked RailCorp management to continue to recruit until driver numbers stabilise. So there will be further recruitment as we go through to next year.

ROOTS OF EMPATHY PROGRAM

The Hon. AMANDA FAZIO: My question is directed to the Minister for Community Services. Will the Minister advise the House of the importance and the benefit of the innovative early intervention trial program Roots of Empathy to reduce children's aggression?

The Hon. CARMEL TEBBUTT: This particularly interesting program is being funded through the Families First initiative. Through that initiative the Department of Community Services has provided funding of nearly $170,000 for the Canadian program Roots of Empathy to be trialled in three districts and 15 primary schools across the Hunter region. The program, which was developed by the well-respected educator Mary Gordon, helps children to learn to respect the opinions of others and it decreases bullying. Earlier this year I had the opportunity to meet with Mary Gordon and to hear first-hand about some of the outcomes of this program in Canada and just how it has changed the views and attitudes of young school students in particular.

Research has found that when children understand how others feel they are less likely to hurt each other through bullying, exclusion and violence. It also clearly shows that early intervention works. The pilot program will involve monthly classroom visits to year 1 students by a local parent, a baby and a certified instructor. The year 1 students will be coached to observe the baby's development, celebrate milestones, interact with the baby and learn about the infant's needs and unique temperament. The instructor will also work with the class the week before and the week after each family visit to prepare and reinforce the teachings. Through this interaction students learn about good parenting behaviour and they see positive expressions of emotion, which encourages them to identify, label and discuss their own feelings. They are encouraged to do that in the classroom and also in their everyday lives.

The program is currently being offered to more than 25,000 Canadian students in over 1,000 classrooms. A Canadian evaluation of the program showed across-the-board improvements in students' emotional knowledge and social understanding, and a decrease in aggression levels and bullying. In the classroom children become aware of the risk factors to babies and they are sensitised to sudden infant death syndrome, shaken baby syndrome and other issues that can impact on babies. Children also learn to think about the cause and effect of accidents in their own lives. The program has a strong focus on the prevention of child abuse by helping students understand the stresses of parenting and the potential for child abuse and neglect. Students learn about the importance of the attachment of the infant to his or her primary care giver and that forms a template for subsequent relationships in life.

As students cultivate empathy, and as boys in particular expand their emotional literacy, there is every hope that domestic violence and other incidents will be reduced and that they will learn new skills. Fifteen people, including several Department of Community Services staff, took part in a four-day training course in Newcastle last month with the founder, Mary Gordon. The newly qualified instructors will head into Hunter region classrooms at the start of the 2005 year and, with the help of teachers, local parents and their babies, will teach students the program. This might sound like a somewhat unusual approach. If I did not have an opportunity to sit down with Mary Gordon and view a video showing the way in which the program works in Canadian classrooms, I would probably be somewhat sceptical of the sorts of outcomes that could be achieved.

In reality most people have positive reactions to babies. This interesting program which is being piloted by the Government is aimed at getting young school students, through their interaction and relationship with babies that visit their classrooms over the period of a year, to become much more aware of their emotions and to discuss and deal with their feelings. We will be able to determine the outcomes of this program, at which we will be looking with interest, as it might have a wider application in areas other than the Hunter region.

DEPARTMENT OF PRIMARY INDUSTRIES STAFF RECRUITMENT

The Hon. DUNCAN GAY: My question without notice is directed to the Minister for Primary Industries. Is the Minister aware of recent comments by the leader of horticultural research, Dr Phil Wright, who highlighted the fact that the shortage of post-graduate agricultural students is forcing the Department of Primary Industries to abandon some farm research projects despite industry funds being available? Does the department have a long-term need to recruit highly trained scientists in horticulture, particularly in order to respond quickly to any future exotic disease outbreaks? What action will the Minister take to ensure that properly trained staff are able be recruited, given the current decline in, and commitment to, agricultural education in New South Wales?

The Hon. IAN MACDONALD: The Deputy Leader of the Opposition has finally asked a sensible question, which is a credit to him. An issue of concern is what people are studying in our universities and colleges these days. It is difficult to take into account the sorts of topics that people want to study. We have to examine the subjects that students across the State want to study. Honourable members might recall that Hawkesbury recently closed some of its agricultural activities at the University of Western Sydney. So there is a bit of a problem in establishing the study orientation of students.

We believe we are covering horticulture needs quite adequately, as demonstrated by our recent assistance for citrus growers and the Queensland Department of Primary Industries and Fisheries in response to the first citrus canker outbreak on a property near Emerald and then the subsequent outbreak. We participated adequately in that program, and the Queensland department was most grateful for our endeavours. At a Primary Industries Ministerial Council level we are working out an arrangement for dealing with future canker outbreaks. I do not believe the problem is as extreme as the Deputy Leader of the Opposition implied in his question. We are considering options in other parts of the State. For instance, I recently announced a new citrus project in Narromine, which is very exciting—except for one of my close colleagues. It will provide fresh orange juice for New South Wales all year round. The people of Bourke are also participating in the program. Growers in the north of the State around Moree are producing citrus fruit as part of our research program.

The Hon. Michael Egan: How are we going with blood oranges?

The Hon. IAN MACDONALD: Just one second, Leader. We are looking at the needs of the horticultural industry in the north of the State. We will be assessing our resources to ensure that extension is provided for that industry as part of this very good citrus expansion program. In fact, if the Treasurer has any offers to make I will be happy to listen to how he can assist the program in the future. There is a problem with what students are studying these days, and obviously agriculture is not regarded as a popular topic in some areas. There is a lot of competition. The Government is addressing these issues very effectively and I believe we will be able to meet the needs of the horticultural industry into the future.

CAMERON BRAE PTY LTD CROWN LAND LICENCE APPLICATION

Ms SYLVIA HALE: My question is directed to the Minister for Local Government, and Minister for Lands. Is the Minister's office currently considering a request made by Cameron Brae Pty Ltd for a lease or licence of Crown land known as Dusthole Bay car park at Berowra Waters to enable the applicant to obtain additional car parking? Given that the granting of this licence would facilitate the expansion of the adjoining Berowra Waters Marina and represent overdevelopment of a sensitive environmental site, will the Minister reject the application?

The Hon. Amanda Fazio: That question is out of order. It was full of argument.

The Hon. TONY KELLY: I acknowledge the interjection. Despite the fact that the question contains a lot of argument, I shall make some comments on it. Cameron Brae Pty Ltd leases Crown land at Berowra Waters in respect of the Berowra Waters Marina, the cruise craft marina and the Berowra Waters boat shed. Hornsby shire council has granted development consent to Cameron Brae to carry out various works within these sites. The condition of the council's consent is that additional car parking be provided for Berowra Waters Marina. The possible solutions to the problem of providing additional car parking spaces are limited by the physical constraints of the locality. The Department of Lands is currently reviewing the available long-term strategies for car parking at Berowra Waters, and I expect to receive the report and recommendations from the department shortly on the best way to resolve this most complex matter and provide an acceptable outcome for both the lessee and the community.

OFFENDER REHABILITATION

The Hon. KAYEE GRIFFIN: My question is addressed to the Minister for Justice. Can the Minister indicate to the House whether the New South Wales Government has made any efforts to share information with other States or sought to implement the findings in international literature on what is the most effective methodology in offender rehabilitation, and hence the most successful means of reducing recidivism?

The Hon. JOHN HATZISTERGOS: Honourable members will be aware that the challenge for any correctional administration is to turn around offending behaviour and bear down on reoffending. This is not as easy and straightforward as it sometimes appears, particularly because the Department of Corrective Services must operate within the confines of a sentence that represents punishment for an offence but does not always reflect what is required in rehabilitation terms to address offending behaviour.

However, I am pleased to inform the House that in the past couple of days a conference has been held at the Brush Farm Academy at the Department of Corrective Services in Eastwood. New South Wales is hosting the conference—which will be held on a bi-annual basis—entitled, "What Works in Offender Rehabilitation". Last night—I thank the Opposition for arranging a pair for me—I addressed delegates at the conference dinner

held at the Eastwood academy. The conference boasted a core group of representatives from all Australian jurisdictions and New Zealand. As honourable members will be aware, the department's mission is to reduce reoffending through the safe, secure and humane management of offenders. As part of that mission, the Government is committed to an evidence-based approach in establishing workable standards and to quality assurance mechanisms that will ensure that government-funded activities produce results and are cost effective.

The collaborative efforts between jurisdictions have already had some productive outcomes. For example, Victoria has borrowed the manuals pertaining to the Violent Offender Therapeutic Program—which was repackaged and commenced at the Long Bay Correctional Centre—and is implementing the program in that State. The overarching theme of the conference is, of course, successful offender rehabilitation, specifically within the context of a national approach to standards and accreditation. The program includes various opportunities for analysis of and debate on the latest empirical research, the collation and sharing of information between jurisdictions, and extensive discussion on forward planning issues that are pivotal to combating recidivism. Coming together to bring our national experience to bear on international research is crucial to ensuring that we give due consideration to the unique characteristics of offending in Australia and New Zealand. This will benefit Corrections immensely in the design and implementation of appropriate and accredited programs.

Today's conference program will see nominated representatives from each jurisdiction giving presentations on what is required to establish and enhance interventions that effectively target the criminogenic needs of offenders. The conference will benefit New South Wales in enhancing and improving the programs available in correctional facilities that target specific characteristics, addictions and problems that can be changed in treatment and that are predictive of an individual's future criminal activities. The Department of Corrective Services already employs sophisticated case management methodology to assess, plan, implement, monitor and evaluate the programs and services that are designed to meet each individual inmate's assessed criminogenic and risk needs.

[*Interruption*]

If Opposition members are so against the conference they should not have allowed me to attend last night—but they did.

The Hon. Michael Gallacher: We didn't expect to be enjoying it here today.

The Hon. JOHN HATZISTERGOS: This is the price you have to pay. I am being distracted. The conference will invariably assist the department to continue to develop its through-care strategies, and thus assist inmates throughout their imprisonment and, more specifically, at the time of their release. The delegates from other jurisdictions to whom I spoke were most appreciative of the opportunity that the conference presented to exchange views. I will have more to say about the content of the conference as time goes on. I congratulate the department on pioneering this inaugural conference—I understand that the next conference is likely to be held in South Australia in two years—and I am optimistic that it will play an important role in creating a national approach to reducing reoffending and engender national co-operation in progressing the effectiveness of evidence-based interventions.

CAPE BYRON MARINE PARK

The Hon. JON JENKINS: My question is directed to the Minister for Primary Industries. Is the Minister aware of the overwhelming community opposition to the Cape Byron Marine Park? Is he aware that in excess of 5,000 submissions completely rejecting the park were delivered to the park's office a short time ago? What percentage of the total submissions received would they constitute—85 per cent or 90 per cent? Is the Minister aware of any research about the effects of recreational fishing on fish stocks? Is the Minister further aware of research both from overseas and by the CSIRO that indicates that recreational fishing is not damaging fish stocks? In view of the overwhelming community opposition to the park, scientific evidence against the stated reasons for the park and the effect that the bans will have on the local business community—without compensation—will the Minister scrap this politically inspired and unscientific plan and start the process again?

The Hon. Michael Egan: I think that question was out of order.

The Hon. IAN MACDONALD: Yes, that was a remarkable performance of turning a speech into a question. In relation to the last point, the answer is simply no. In relation to some of the other questions from the

evidence I have seen the park will be of use, particularly with some sanctuary zones, to the fish stocks in the area. Although I have not read them I am aware that there were more than 5,000 submissions or letters handed in on the last day, last Monday week when I was in Wollombi. The Marine Parks Authority is assessing—

The Hon. Jennifer Gardiner: They weren't Christmas cards?

The Hon. IAN MACDONALD: They were not, that is right. I am happy to receive submissions. Christmas cards are welcome though.

The Hon. Michael Egan: I am sending—

The Hon. IAN MACDONALD: You're sending Christmas cards? I am sending Duncan a Christmas card. Christmas is important to me and I will be sending out cards that I am signing at the moment.

The Hon. Michael Egan: I am sending Duncan one that I bought in Dubbo.

The Hon. IAN MACDONALD: Yes, that is very good. Are you sending 22 to him or perhaps 25 to Andrew Fraser? I think there are more than 7,000 letters, notes or submissions, some of which are quite weighty and substantial and others not, but nevertheless they are all important in relation to the park and will be considered by the Marine Parks Authority. The authority will make recommendations to me and my colleague, the Hon. Bob Debus, the Minister for the Environment, in the not too distant future and we will make a considered decision in relation to the park. Everyone can rest assured that his or her views will be taken into account.

BANKSTOWN HANDICAPPED CHILDREN'S CENTRE

The Hon. JOHN RYAN: My question is directed to the Minister for Community Services. Did the Department of Ageing, Disability and Home Care recommend in August that this year no new clients should be referred to the Bankstown Handicapped Children's Centre until a six-month review of its ongoing performance was completed? Why has the Minister now awarded that very organisation an out-of-home care tender to provide support services for children with very high needs? Given that the service review report of the centre identified significant and ongoing problems with that organisation, why is the centre one of only eight of a total of 53 separate organisations that originally applied to the expressions of interest process that were awarded contracts?

The Hon. Patricia Forsythe: Good question.

The Hon. CARMEL TEBBUTT: It is a good question, but it would help if the honourable member got his facts correct because it might influence the way it might ask the question. The expressions of interest process which the Department of Community Services went through for children and young people with high support needs has been one that many who are knowledgeable in this area have seen as being an important process. The reality is that because we do not have significant capacity in our out-of-home care system for those young people who have high support needs and challenging behaviour, in the past the department has tended to basically have individual agreements with providers to provide support to certain young people. While that has a place in the overall system of out-of-home care, there is no doubt that program funding is likely to have far better outcomes because it means that the department has an ongoing relationship with the service provider.

The Hon. John Ryan: This service provider was already overcommitted.

The Hon. CARMEL TEBBUTT: I will get to your issue. It means that the department is able to monitor far more effectively the types of services provided by a service provider. It also means that the department can ensure that the types of services that this group of young people need—a group who on the whole demonstrate very challenging behaviour, usually with a background of significant abuse and trauma—need quite specialised and skilled staff to work with them. The department has got a far better chance for that to happen when it has a program relationship with particular organisations. The department has been through an expression of interest process and, as the honourable member indicated, eight service providers were successful in that process. The department has made it very clear to the centre concerned that any contract it would enter into with it would only occur after the centre has demonstrated that it has satisfactorily participated in the changes that were required as part of the review that the Department of Ageing, Disability and Home Care undertook. It is all very well for the Opposition and for the Hon. John Ryan—

[*Interruption*]

The Hon. Michael Egan: Point of order: Madam President, would you throw him out? He asked a question. The Minister is giving a very good answer but I cannot hear it. Throw him out of the House.

The PRESIDENT: Order! I remind all members that interjections are disorderly at all times. I ask members not to engage in audible conversations.

The Hon. CARMEL TEBBUTT: At the time the Hon. John Ryan raised his concerns about this organisation both myself and the department were upfront in the way we dealt with the issues. The department undertook a comprehensive review and I reported its outcomes to Parliament. The centre was obliged to make particular changes. The organisation was to be reviewed in six months time, and that time frame has almost come to an end.

The Hon. John Ryan: It hasn't ended yet.

The Hon. CARMEL TEBBUTT: No, but it is almost coming to an end. At the end of the six months the organisation would be reviewed to ensure that it is actually implementing its various commitments. I am concerned about the way the honourable member continues to go after this organisation.

The Hon. John Ryan: You have been putting kids on mattresses——

The Hon. Michael Egan: Point of order: Madam President, the Hon. John Ryan continues to misbehave in the House. He ignores your calls to order and rulings. It really is time that he should be thrown out on this ear.

The PRESIDENT: Order! I call the Hon. John Ryan to order.

The Hon. JOHN RYAN: I ask a supplementary question. Which fact did I get wrong?

The Hon. CARMEL TEBBUTT: That the department has not entered into a contract with the centre.

The Hon. John Ryan: I didn't say it did.

The Hon. CARMEL TEBBUTT: The department has made it quite clear that it will not enter into a contract with the centre unless the centre successfully undertakes the various changes it committed itself to do at the time the review of the centre was undertaken earlier this year. As I said, the centre was given six months to implement those changes and we will be reviewing it. The Department of Community Services will have to give consideration to that process as it finalises the expressions of interest process. I also point out that successful agencies under this expression of interest process have to provide evidence that they meet the accreditation requirements of the Office of the Children's Guardian.

The Hon. John Ryan: And this organisation hasn't.

The Hon. CARMEL TEBBUTT: Well then, it will not be successful because that is one of the selection criteria. There are appropriate checks and balances built into this process. Just because a non-government organisation has some flaws and struggles with a particularly difficult form of service delivery does not mean that it should never be given a chance to get it right in the future. The majority of non-government organisations do an incredibly hard job, and it is a partnership for which the Government is grateful because without them a whole range of services would not be able to be provided by the Government. The centre has been upfront about its problems and has given a commitment to address them. If they do not address them it will not be able to get accreditation and funding from the Department of Community Services. It is reasonable if the Hon. John Ryan allows the six months, which this House was informed of some time ago, to allow the further review process to take place.

SPORTING CLUBS AND ALCOHOL ABUSE

The Hon. CHRISTINE ROBERTSON: My question is addressed to the Special Minister of State. Can the Minister outline the latest research into alcohol abuse in sporting clubs?

The Hon. JOHN DELLA BOSCA: The New South Wales Summit on Alcohol Abuse noted the problems caused by excessive alcohol consumption and emphasised the need to work towards a change in the

culture of excessive drinking. The New South Wales Motor Accidents Authority has contributed funding to a new research report into alcohol use in community sporting clubs. The national study, which involved 213 sporting clubs and 1,742 respondents, analysed alcohol consumption within clubs and encourages members to adopt a more responsible attitude to the consumption and management of alcohol.

Sporting clubs are part of everyday life for Australian children. Generally speaking, they also have a great following among parents and amateur sportspeople. Sporting clubs are an important part of our culture, often affecting the loyalties of generations within families. Alcohol too has a significant and, as we well know, historic place in our folklore stretching back at least to the arrival of the First Fleet. That is why it is important that we understand and consider the social cost of our tradition of combining sport and alcohol, especially excessive alcohol use. This survey, "The Culture and Context of Alcohol Use in Community Sporting Clubs in Australia", has found that alcohol misuse is very common within many sporting clubs. An overwhelming number of sporting club members—79 per cent—thought drinking was "an important part of club camaraderie" and club activities.

The report found also that almost one-third of males and more than half of all women surveyed were drinking at their sporting clubs at levels that may otherwise be harmful to their long-term health. Of great concern is that the majority of men and women drive home after training or sporting events at their sports clubs; 30 per cent of them claimed, or admitted, they were over the legal alcohol limits to drive. The study highlights the value and cost of alcohol and sporting activity at the community level. It found widespread prevalence of the excessive consumption of alcohol within sporting clubs, and it urges the development of strategies to reduce the harms associated with alcohol. Alcohol sponsorship of community sporting clubs, like their counterparts at the professional level, has become increasingly common. While sponsorship on its own is not the issue, we are all too familiar with the image of consumption of alcohol to toast sporting success, or indeed drown our sorrows in defeat.

The Hon. Michael Egan: Like Dubbo.

The Hon. JOHN DELLA BOSCA: I thought we were not allowed to speak that word.

The Hon. Michael Egan: No, not formally.

The Hon. JOHN DELLA BOSCA: Well, I am not saying it. There is a growing recognition in our community that we must address the abuse of alcohol since it leads to health problems, injury, road trauma, loss of income and, on occasions, violence and family breakdown. Similar research has already led to the implementation of the Good Sports Accreditation program across rural and metropolitan Victorian. That program helps sporting clubs implement alcohol policies that foster more responsible attitudes to the consumption and management of alcohol among club members during and after training and attending sporting events. It is important that we all work together and make informed choices about the future direction of targeted education, health promotion and prevention programs within sporting clubs. The range of sporting clubs surveyed included cricket, tennis, rugby union, rugby league, surf-lifesaving and Australian Rules. I thank those clubs for their participation in this program.

The Hon. Catherine Cusack: What about the girls' sports?

The Hon. JOHN DELLA BOSCA: Yes, soccer and surf-lifesaving.

The Hon. CHRISTINE ROBERTSON: I ask a supplementary question. Will the Minister elucidate his answer?

The Hon. JOHN DELLA BOSCA: I thank the honourable member for her courtesy and commend her interest in eliciting further matters. I would like to add that the survey and research were assisted by a grant of $100,000 from the Alcohol Education and Rehabilitation Foundation. The Australian Drug Foundation undertook the study on a national basis, with the Motor Accidents Authority contributing $25,000 towards the New South Wales research component. This is yet another example of the valuable co-operation that is possible between Commonwealth and State governments in the management of drug and alcohol problems.

MONA VALE HOSPITAL INTENSIVE CARE WARD

Reverend the Hon. FRED NILE: I ask the Special Minister of State, representing the Minister for Health, a question without notice. Is it the fact that the Government is planning to close the intensive care ward at Mona Vale Hospital—a matter of life and death? Is it a fact that Mona Vale doctors have said they will have to withdraw their services owing to safety factors and dangers to the health of their patients? Will the Minister

give a firm assurance that the intensive care ward will not close, and that Mona Vale Hospital will continue to be fully funded and supported by the Government to ensure its successful functioning for the people of the Pittwater and neighbouring regions?

The Hon. JOHN DELLA BOSCA: I welcome the honourable member's question, which obviously deals with the important issue of access to intensive care services within the public health system on the Northern Beaches. I will ask the Minister to give the honourable member a detailed reply as soon as practicable.

MS LORRAE THOMAS DISABLED SUPPORTED ACCOMMODATION

The Hon. JOHN RYAN: My question is to the Minister for Disability Services. Could the Minister update the House about Lorrae Thomas of Greystanes, who has an acquired brain injury and has been living in a hospital ward since September this year because her ageing mother is no longer able to care for her? On 21 October, in answer to a question in this House, the Minister said that she would look into Lorrae's situation. Has the Department of Ageing, Disability and Home Care made any plans to assist Lorrae Thomas to move into community-based permanent accommodation? Why is Lorrae still in a hospital bed, and how many other people with disabilities are living inappropriately in the State's hospitals?

The Hon. CARMEL TEBBUTT: I do recall that the honourable member asked a question about this matter, and that I undertook to respond with further information—which, to the best of my recollection, I have done. If that is not so, I am happy to follow up the issue. The department is actively working to find appropriate accommodation for the client to which the honourable member referred. But, I repeat, I am happy to follow up on this matter, and I will come back to the honourable member. I simply make the point that it is my view that it is very inappropriate to use question time to pursue these individual grievances.

DROUGHT SUPPORT WORKERS PROGRAM

The Hon. TONY CATANZARITI: My question is to the Minister for Primary Industries. Is funding for the Drought Support Workers Program due to expire in a few weeks time? Does the Minister have any information on the State Government's plans for the future of this important program?

The Hon. IAN MACDONALD: As I have said, and repeated many times, the State Government is in for the long haul when it comes to providing drought assistance. The Drought Support Workers Program is a critical part of our overall assistance package and provides very personal assistance to farmers and their families. In recognition of its importance we have already extended the program twice since the drought began. Today I was very pleased to announce that the State Government has extended the program a third time—for at least another six-month period. This will be welcome news for the many farmers still affected by drought.

More than two-thirds of the State was still fully drought-declared in November, despite the fact that New South Wales was generally in the best condition it has been for seven months. Recent anger over the Commonwealth's decision not to extend exceptional circumstances assistance to a number of regions showed that many farmers still need assistance in their day-to-day lives. In response, the State Government has worked closely with the rural lands protection boards to lodge fresh applications for those regions that were knocked back. We have now lodged these new applications for the regions of Walgett-Coonamble, Nyngan, Dubbo, Mudgee-Merriwa, Central North/North West, Armidale, Northern New England, South-west Slopes and Plains and stone fruit producers in the Young Rural Lands Protection Board.

Dairy farmers in the Riverina and eastern Riverina rural lands protection boards have already received a 12-month extension of exceptional circumstances assistance. The remaining farmers in those regions are also covered by a new exceptional circumstances application, which was lodged earlier this week. In the meantime, drought-affected farmers will continue to rely on drought support workers to provide a unique mix of emotional and practical support. This includes linking them to other important agencies, such as the Rural Assistance Authority, Centrelink and rural financial counsellors.

It also includes the Farm Family Gatherings and Drought workshops, which are partly organised by drought support workers. Some 26,000 people have attended those events so far, and that is a great tribute to everyone involved, including staff from the New South Wales Department of Primary Industries. Our eight existing drought support workers are based in key centres around the State, including Cowra, Cooma, Bourke, Hay, Condobolin, Scone and Deniliquin and at the Department of Community Services State Disaster Centre at Parramatta. They are carrying on the legacy of previous drought support workers, who have helped residents of rural and regional New South Wales cope with the many challenges of life in the bush.

When conditions deteriorated in 2002 the State Government responded quickly, providing funds to recommence the Drought Support Workers Program. Today the team is still going strong, based on the commitment of every individual to rural and regional New South Wales. I had the pleasure of meeting most members of the team at the recent Rural Women's Gathering at Coonabarabran, which was not attended by one single member of The Nationals.

[*Interruption*)

Obviously they need a new leader. I have been reading a bit of speculation about Andrew Fraser wanting to be the new leader. I am sure if the Deputy Leader of the Opposition had his mate Richard Bull of the old Gay-Bull conspiracy from years back when they tried to promote Robert Webster to stardom—

The Hon. John Ryan: Point of order: There is no way that this drivel the Minister is now giving us is in any way relevant.

The PRESIDENT: Order! I remind the Minister that his answer must be relevant to the question.

The Hon. IAN MACDONALD: I am told that Andrew Fraser would probably make a good leader and that he, surely, would set the bush on fire.

The Hon. John Ryan: The Minister is flouting your ruling and continuing with this irrelevant drivel.

The PRESIDENT: Order! I warn the Minister not to flout my ruling.

The Hon. Duncan Gay: To the point of order: Yesterday the Minister misled the House. I seek leave to table a tape of yesterday's proceedings to indicate that the Minister misled the House.

The PRESIDENT: Order! There is no point of order. If the member wishes to make a personal explanation, he may do so at a time when there is no business before the Chair.

The Hon. Duncan Gay: I sought leave to table the tape.

Leave not granted.

The Hon. TONY CATANZARITI: I ask a supplementary question. Will the Minister elucidate his answer?

The Hon. IAN MACDONALD: The team includes Julie Greig, who is currently working as a draft support worker from a base in Condobolin. Julie says that, as well as providing drought support, she is often called on to assist farmers in coping with locusts and bushfires, and in the preparation of applications for the rollover of exceptional circumstances assistance. Her colleague Jenny Croft is currently covering the Cowra region, and says she is constantly impressed by the strength and resilience of the people she meets. One of the newer members of the team, Don Burrowes in Deniliquin, says that continuing funding to the Southern Riverina Rural Advisory Service means that he can continue to provide vital information to the community and run events such as the farm family gatherings.

Without the extension in funding that we have just secured Don says that there would be a large gap in the provision of support services to the Southern Riverina. We will now assess whether we need to shift any staff to new regions to meet changing farmer needs. We will also consider adding a ninth drought support worker to the team to help farmers in the south of the State where the drought is particularly severe. I am sure all honourable members would join me in commending all our drought support workers for their efforts so far throughout the drought. They are passionate about their jobs and they are greatly appreciated by both the Government and the communities they help.

PORT STEPHENS LAND DEVELOPMENT

The Hon. DAVID OLDFIELD: My question without notice is directed to the Minister for Transport Services, representing the Minister for Infrastructure and Planning. Is the Minister aware that the planning Minister's predecessor, Deputy Premier Andrew Refshauge, advised residents of Boat Harbour in Port Stephens that land successfully claimed by the Worimi Local Aboriginal Land Council was not under threat of residential

development? Is the Minister aware that this large block of land is prime real estate with uninterrupted ocean views, and that formerly it was dedicated as a public recreational reserve? Is the Minister aware that Port Stephens Council states the advice given by the planning Minister's predecessor, Deputy Premier Andrew Refshauge, is wrong and improperly researched? Is the Minister aware the Worimi Local Aboriginal Land Council is selling the land for residential development? What measures will the Minister take to address the concerns of residents who purchased property in good faith based on the advice of the Deputy Premier?

The Hon. Michael Egan: Point of order: That question, clearly, was not seeking information. It was a speech. The honourable member was putting forward an argument. I believe it is an abuse of the standing orders.

The PRESIDENT: Order! I remind members that questions that contain argument will be ruled out of order. Accordingly, I rule the question out of order.

DEPARTMENT OF PRIMARY INDUSTRIES EXECUTIVE COMMITTEE FISHING REPRESENTATIVES

The Hon. JENNIFER GARDINER: My question is directed to the Minister for Primary Industries.

The Hon. Michael Costa: What booth were you on?

The Hon. JENNIFER GARDINER: His research is not much good, is it? Is it a fact that there are no fishing representatives with operational experience on the executive committee of the Department of Primary Industries?

The Hon. Michael Egan: Point of order: I cannot hear the question. Could you ask the Minister for Transport Services to keep quiet, and could you also ask the Hon. Jennifer Gardiner to open her mouth?

The PRESIDENT: Order! The Hon. Jennifer Gardiner should speak into the microphone.

The Hon. JENNIFER GARDINER: Is it a fact that there are no fishing representatives with operational experience on the executive committee of the Department of Primary Industries? What action will the Minister take to rectify this situation and appease industry concerns by appointing a representative with appropriate expertise?

The Hon. IAN MACDONALD: I am not quite sure what the honourable member means by this. Is she talking about the board of management? Is she referring to that area in the Department of Primary Industries? We have one former, capable member of New South Wales Fisheries on the executive committee who runs the policy section of the department. We have a large number of people with a fishing background in senior areas of the department. There has been no great change in the structure of the department. We lost Steve Dunn, someone the Opposition was very fond of. He has gone to the Solomon Islands to promote the development of the fishing sector in the Pacific Islands, which is very important. He would do a good job in the Solomon Islands. There has been no real change in the direction of staffing.

The Hon. Melinda Pavey: We should give you a ticket to the Solomon Islands—a one-way ticket.

The Hon. IAN MACDONALD: I would be happy to take a trip to the Solomon Islands at some stage. I am sure we could take a few members of the Opposition. If they are only going to give me a one-way ticket, that shows how effective I have been. They want to get me out of the State. They do not want more Dubbos, that is their problem. I can assure honourable members that I will not take a one-way ticket anywhere. I want more Dubbos for The Nationals. The Hon. Jennifer Gardiner would make a fine spokesperson for fishing in this place. I hope she straightens out one of the Independents, the Hon. Jon Jenkins, who seems to be a little bit unbalanced. I hope she gets us back to a balanced situation. I can assure the honourable member that fisheries interests are very well protected within the Department of Primary Industries.

SPINEMED AUSTRALIA PTY LTD

The Hon. HENRY TSANG: Will the Treasurer, and Minister for State Development inform the House about how the New South Wales Government is assisting the international development of New South Wales-based medical technology companies?

The Hon. MICHAEL EGAN: Thank God for Henry! If it were not for the Hon. Henry Tsang I do not think I would get any questions in this House. I cannot recall getting as few questions from an Opposition in one year as I have this year. In the whole year I have had four questions from the Opposition.

The Hon. Patricia Forsythe: That was four too many.

The Hon. MICHAEL EGAN: The honourable member says "four too many". It is an appalling situation. It is very boring sitting here without being asked any questions. I am pleased to inform the House about the Kogarah-based medical technology company Spinemed Australia Pty Ltd.

The Hon. Duncan Gay: That's what you've got.

The Hon. MICHAEL EGAN: Spinemed will not be much use to the honourable member because he does not have a spine. For every 1,000 people in Australia there are more than 330 new back injuries each year. The direct cost to the Australian health care system due to disorders of the spine was $1.2 billion in 2001, a 60 per cent increase on 1994. Indirect costs in Australia, including absenteeism, were estimated in 2001 at between $4.5 billion and $7.5 billion. That is why Spinemed's minimally invasive surgical treatment for back pain is an important breakthrough.

Spinemed is working to manufacture a spinal disc replacement device which aims to relieve pain and restore movement to people suffering chronic back pain. The Spinemed device will offer earlier and safer intervention with shorter recovery times for millions of sufferers. Spinemed is headed by Dr Ashish Diwan, who is a PhD graduate from the University of New South Wales, the chief of spine services at St George Hospital at Kogarah and a lecturer with the department of orthopaedic surgery at the University of New South Wales.

The Government has also been supporting this pioneering research through its BioFirst Proof of Concept Program. New South Wales support has included assistance with a business plan and access to domestic and international investment opportunities, including the MedTechInsight Conference in San Francisco last June. Following its presentation at MedTechInsight, Spinemed fielded inquiries from more than a dozen parties that are interested in investing or partnering. Dr Diwan writes that the support he has received from the New South Wales Department of State and Regional Development has "provided Spinemed with a very cost-effective opportunity to launch the company globally." He goes on to state:

> The support … has accelerated Spinemed's growth by spotlighting it on an international stage, enhancing its appeal, and directly connecting the company with international investors and potential partners internationally."

Spinemed is a further indication of New South Wales's prominent role in the medical technology industry, and I wish it success in all its endeavours. I thank the Hon. Henry Tsang for his question.

PARLIAMENTARY CONTRIBUTORY SUPERANNUATION FUND

Ms LEE RHIANNON: I direct my question without notice to the Special Minister of State. Is he aware that the Parliamentary Contributory Superannuation Fund, which is asset managed by Citigroup, had a $168,582 investment in James Hardie Industries as at June 2004? Will he request the fund's trustees to either remove Citigroup as an asset manager and replace it with an ethical investment fund, or write to Citigroup and ask it to sell the Hardie stake?

The Hon. JOHN DELLA BOSCA: I thank the honourable member for her question. I had a feeling of déjà vu, and then I realised that I had heard about this very point yesterday. I am unable to remember in which debate it was referred to. Did Ms Lee Rhiannon raise the point yesterday?

Ms Lee Rhiannon: Yes, in the debate on the Special Commission of Inquiry (James Hardie Records) Bill.

The Hon. JOHN DELLA BOSCA: That is how I became aware of it; I had not been aware of it until then. Even though Ms Lee Rhiannon raised the issue last night during debate in the Chamber, I have not yet had the opportunity to check whether her assertions are correct. However, for the sake of argument, I will assume that she is correct. As I said in yesterday's debate, the Government has articulated a series of initiatives about the reluctance of James Hardie to adequately provide compensation for asbestosis victims. The Government—through the Premier, me, other senior Ministers and other Ministers right across various forums involved in the asbestosis issue and the current recalcitrance of James Hardie, which I am hoping will draw to a conclusion very shortly—has expressed a view on the company adequately compensating people.

As the Premier said, the Government, as a James Hardie shareholder and a consumer of products from the various building material companies, will do whatever is necessary to communicate to James Hardie in a staged fashion whatever level of protest is required to force the company to conclude negotiations in a manner that will secure adequate compensation for asbestosis victims for the future. I happily acknowledge, on behalf of the honourable members of this Chamber and the broader community, that the New South Wales Government is apparently joined in its approach—at least hypothetically at this stage—by the Commonwealth Government, which is adopting a similar attitude. I am heartened by its reaction.

All actions concerning sanctions on the use of James Hardie products by the Government, which contracts for a lot of building business—from a consumer point of view, from a distribution point of view, or, as Ms Lee Rhiannon has indicated, from a shareholder point of view—will be considered in a staged fashion if James Hardie continues to be recalcitrant in regard to the compensation issue. Some of those measures have been put in place.

The Hon. Duncan Gay: What are you guys doing about your part of the compensation?

The Hon. JOHN DELLA BOSCA: The Deputy Leader of the Opposition has asked a completely unrelated question. The Government will not take any action in relation to James Hardie until it has considered the issues concerning funds that are being managed. The extreme end of the argument involves the Government's fiduciary obligations under various trusts and boards appointed by it. Clearly, that is a matter that will require extensive community debate.

The short answer to the question is that I do not think the Government is even contemplating giving serious consideration to action that would direct any of the trusts over which it has influence or control, or boards of companies, to change their investment behaviour in relation to James Hardie because the proceedings are well short of that mark. As I have indicated to Ms Lee Rhiannon, the Premier said we will do whatever is required to force James Hardie to a proper conclusion of discussions regarding compensation.

HUNTER RIVER PRAWNING SEASON

The Hon. ROBYN PARKER: My question without notice is directed to the Minister for Primary Industries. Is it a fact that he approves the start and end dates for the Hunter River prawning season based on the majority vote of 32 licence holders for the river, rather than on scientific data that is geared toward protecting the viability of prawn stock in the Hunter River? How can he approve this year's Hunter River prawning season, which began on Monday, when records of declared school prawn catches from 1997 to 2001 show that up to 30 per cent of the Hunter River prawn catch is often best taken during the months of October and November?

The Hon. IAN MACDONALD: This is a very vexed issue because, by a majority, the fishers who have a stake in the fishery in the Hunter River want a certain approach to be adopted to opening and closing dates. I went for the majority, and I must say that there have been incredibly successful takes this week. I met with the Seafood Industry Advisory Forum on Monday night and I was told they have had fantastic takes. For instance, local prawns from the Hunter River were being sold on Monday morning by local people at the rate of 120 kilograms per hour, which is phenomenal. I spoke to Mr Pearce of the Newcastle Commercial Fishermen's Co-operative, who is very happy with the way things are panning out. On balance, I think I have made the right decision this year, but I will be evaluating the situation on a year-by-year basis.

The Hon. Robyn Parker: What sort of scientific basis is that?

The Hon. IAN MACDONALD: A comprehensive report was put before me, and there are a lot of different views on the matter. The Hon. Robyn Parker should not have a go at me for allowing democracy to reign. The majority wanted a certain approach to be adopted and I was happy to adopt it, but if the honourable member can put some further evidence before me next year about another approach, I will consider that. However, I must say that I find the position she is arguing very difficult because the fishers, by a clear majority, supported the opening that I declared, and it has been incredibly successful.

CERTIFICATES OF TITLE FRAUD

The Hon. ERIC ROOZENDAAL: My question without notice is directed to the Minister for Lands. Will he tell the House what the Government is doing to prevent fraudulent transactions at the Land Titles Registry?

The Hon. TONY KELLY: I last informed the House about this issue in April. At that time I referred to a number of fraudulent certificate of title transactions that had occurred in late 2002 and early 2003. The certificate of title is proof of ownership of the family home and is an extremely valuable document. For that reason I assure New South Wales home owners that the Government has treated these cases with the utmost seriousness and has taken steps to strengthen security procedures at the land title registry. The first scam involved fraudulent applications for new certificates of title to replace allegedly lost or destroyed titles. The fraudulently obtained certificates of title were being used to secure loans from financial institutions. The second fraud scheme involved the production of counterfeit certificates of title that were then used to secure mortgages. In both cases thieves used false documents such as birth certificates and drivers licences. Both cases are still under police investigation.

This is a serious matter and the Department of Lands has worked closely with police, the legal profession and the banking and mortgage industries to shut down the schemes. The Government recognises that identity theft is a serious and growing problem for governments and the private sector with regard to social security, immigration, employment, credit and finance. Governments internationally are concerned with the growth of identity fraud and are taking action to impose greater controls. The Government has introduced a new certificate of title for New South Wales with enhanced security features including a watermark in the paper stock, a unique numbering of each certificate, an embossed foil seal of the State map, an ultraviolet feature in the coloured State crest, a non-repeating fine-line background pattern, and a special effect when photocopied or scanned. There are other security features of the new certificate of title that I will not mention; I do not wish to provide the full range today. I will elucidate my answer for the member at a future time.

The Hon. JOHN DELLA BOSCA: If honourable members have further questions, I suggest they put them on notice.

TRAIN DRIVER SHORTAGE

The Hon. MICHAEL COSTA: Earlier in question time the Leader of the Opposition asked me about train driver attrition rates. I have been advised by RailCorp that over the past five months there has been an average attrition of seven drivers per month, not the figure claimed by the Leader of the Opposition. In July the figure was 12, in August it was five, in September it was three, in October and November it was eight. As I indicated earlier, we have record numbers of drivers and we accelerated recruitment in April to 24 trainee drivers per month. In addition, we are recruiting from within the ranks of guards.

DEPARTMENT OF COMMUNITY SERVICES AND PORT KEMBLA BROTHEL UNDER-AGE WORKERS

The Hon. CARMEL TEBBUTT: Yesterday the Hon. Dr Peter Wong asked me a question about a South Coast case. As I indicated yesterday in relation to that case, the Department of Community Services [DOCS] has had a long relationship with both young women and their families. DOCS caseworkers have supported a range of accommodation options for both young women at times when they were unwilling or unable to reside with their families. Efforts have been made to engage both girls and their families with support services and counselling. I assure the House that DOCS has been actively engaged, and continues to be engaged, in trying to keep those young girls safe.

Questions without notice concluded.

UNPROCLAIMED LEGISLATION

The Hon. Carmel Tebbutt tabled a list detailing all legislation unproclaimed 90 calendar days after assent as at 7 December 2004.

DEATHS OF MR BEN McDONNELL AND MR ROSS MILL

Ministerial Statement

The Hon. IAN MACDONALD (Minister for Primary Industries) [1.04 p.m.]: I acknowledge the tragic deaths of two men on 22 November in a helicopter crash near Dunedoo, while they were carrying out surveillance work as part of the locust control campaign. The men were Ben McDonnell from Gundagai and Ross Mill from Bendigo. Ben was a rural lands protection board [RLPB] ranger with considerable expertise in a

number of areas who played an integral role with the Gundagai board for more than nine years. Ben is survived by his wife, Jenny, and three children. Ross was an experienced helicopter pilot and was carrying out contract work for the Department of Primary Industries. Ross is survived by his wife, Jennie, and one child. I am sure the House will join me in extending condolences to the families and friends of both men.

The Department of Primary Industries and the RLPBs are doing everything they can to support staff and provide appropriate counselling. There was one survivor of the crash, Dubbo RLPB ranger Lucinda Mordue, who is recovering well from her injuries. She is reportedly in good spirits and I wish her a speedy recovery. I am currently holding discussions over possible fund-raising efforts to help support the families of Ben McDonnell and Ross Mill. I hope to be able to provide details of those efforts in the very near future. Both men represented the dedication of all the people working tirelessly to monitor and control locusts.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [1.05 p.m.]: On behalf of the Opposition I thank the Minister and his staff for giving me notice of his intention to bring this matter to the attention of the House. All members of the Opposition support the comments of the Minister and offer our condolences to the family, friends and co-workers of Mr Ross Kenneth Mill, the helicopter pilot and commander from Bendigo, and Mr Ben McDonnell, a ranger with the Gundagai Rural Lands Protection Board, who were tragically killed in a helicopter crash near Dunedoo while surveying locusts on Monday 22 November. Our deepest sympathy, thoughts and prayers are with Mr Mill's partner, Jennie, and young child, and also with Mr McDonnell's wife, Jenny, and three children, during this sad and difficult time.

The current locust plague has been very costly; it has cost the lives of two young men. At the time of the accident I wrote to the Dubbo Rural Lands Protection Board and expressed my shock and sadness, and that of my colleagues, at the sudden passing of these two young men. I commended the staff for their tireless efforts during one of the worst locust plagues in 25 years. As the Minister said, the farmers and communities of regional New South Wales will continue to be grateful for the efforts of the staff of the department and the boards. I am more than happy to join in a partisan way with the Minister in the fundraising activities he has foreshadowed.

The Opposition welcomes the action taken by the Australian Transport Safety Bureau to review low-flying operations following five helicopter crashes in recent months, three of which were the result of the aircraft striking power lines during surveillance for plague locusts. The use of low-flying aircraft has been integral in containing the locust plague, Again, I extend the Opposition's condolences to the family, friends and colleagues of Ross Kenneth Mill and Ben McDonnell. I take this opportunity to commend all rural lands protection board officers, Department of Primary Industries and commission staff, and helicopter pilots for their tireless work in controlling the locust plague.

SMOKE-FREE ENVIRONMENT AMENDMENT BILL

HEALTH SERVICES AMENDMENT BILL

HEALTH LEGISLATION AMENDMENT (COMPLAINTS) BILL

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

STANDING COMMITTEE ON LAW AND JUSTICE

Report

The Hon. Christine Robertson, as Chairman, tabled report No. 26, entitled "Criminal Procedure Amendment (Pre-Trial Disclosure) Act 2001—Second Report", dated December 2004, together with transcripts of evidence, tabled documents, submissions and correspondence.

Report ordered to be printed.

The Hon. CHRISTINE ROBERTSON [1.08 p.m.]: I move:

That the House take note of the report.

Debate adjourned on motion by the Hon. Christine Robertson.

[*The President left the chair at 1.09 p.m. The House resumed at 2.45 p.m.*]

REDFERN-WATERLOO AUTHORITY BILL

Second Reading

Debate resumed from an earlier hour.

Mr IAN COHEN [2.47 p.m.]: Quite contrary to how Redfern is often portrayed in the media, a number of local groups in the area have a high degree of social capital. Redfern might not fit the ideals of many in this House who see only the difficulties and social problems that exist in such areas. Some time ago, as a member of a committee inquiring into safe injection facilities, I visited Redfern and saw syringes that had been left lying in the street. Everyone knows that much needs to be done in the area, but it is not always recognised that a great number of socially conscious people in such communities are prepared to do something for their communities. Their motivation is not one of profit; it is for the betterment of their local communities.

Redfern is an extremely varied and colourful community. Someone said to me earlier that some of the residents of Redfern are akin to the characters in the move *The Castle*. There is a lot of truth in that statement. Redfern houses a number of average Australians—indigenous people, working-class citizens and a large number of migrants. On Friday last members of the Greens, the Hon. Dr Arthur Chesterfield-Evans and a number of people from different ethnic communities attended a rally organised by people who are terrified at the thought that their homes—the places in which they have a degree of security—will be ripped from under them and they will have nowhere to go.

News reports last night referred to people living in a caravan park in the Liverpool area who are concerned that the major developer who owns the land on which the caravan park is situated wants to redevelop the site, and that if the redevelopment goes ahead they will have nowhere to go. We are losing cohesive communities, the members of which help and support one another. In many cases these people are not a great drain on public coffers as they work for nothing for their friends, their families and constituent groups. We are losing such communities because of the Government's Big Brother approach, as it measures communities by dollars and cents and by real estate value rather than by the people in them who are prepared to give of their time and energy to support others.

People residing in communities close to inner city areas represent part of the flamboyant nature of Sydney. We must not force them into outlying areas and break all United Nations rules and regulations. Such developments have no soul. People living in these developments need cars in order to get around; the necessary public transport infrastructure and social facilities are not provided to enable them to get together and interact. Communities such as that at Redfern will be lost to us forever. REDwatch has been working hard to bring to attention its concerns about many aspects of the bill. Its concerns include the speed with which the New South Wales Government is trying to enact the legislation, thereby limiting public input.

REDwatch is concerned about the wide-ranging powers the bill will give to the Minister responsible for the Redfern-Waterloo Plan. It is concerned about the way in which the legislation will grant powers to the Minister regarding the plan before any plan is introduced. It is also concerned about the very limited public participation mandated by the bill. I have been at great pains on other occasions to demonstrate how the Government has severely eroded the opportunity for people living in urban and rural areas to participate in the many conservation issues with which I am involved. There has been an erosion of public participation in Redfern-Waterloo. In many areas such as Redfern-Waterloo residents are seen as nuisances rather than as voters who elected this Government. Democracy follows a strange course.

The Hon. Duncan Gay: You were responsible for the election of this Government. You gave the Labor Party your preferences.

Mr IAN COHEN: The Deputy Leader of the Opposition is behaving like a bull in the back paddock. He has nothing to say.

The Hon. Duncan Gay: The Greens are a de facto Labor Party.

Mr IAN COHEN: Members of the Opposition gave us no choice, just as their position on this development has given us no choice. The people of New South Wales are looking for a decent choice between the major parties. That is the tragedy.

The DEPUTY-PRESIDENT (The Hon. Patricia Forsythe): Order! Mr Ian Cohen will address his remarks through the Chair and members will cease interjecting.

Mr IAN COHEN: As I was saying before the Deputy Leader of the Opposition started bellowing across the table, I am concerned about the erosion of third party opportunity and public participation—which have been on a constant downhill slide under this Government. The Greiner Government also had difficulties in this regard, so both sides of the political equation are guilty. This diversion from democracy is about who gets the biggest developer donations. Funded by such donations, political parties can run successful, slick campaigns—not unlike this one—to subvert the will of the people and deliver for vested interests in New South Wales. That is what is happening with this bill: there is a big delivery to vested interests and to the people, groups and organisations that are big supporters of the Labor Government. With sufficient finance and expertise, any government can turn public opinion. The Deputy Leader of the Opposition is being belligerent because he is not able to get his message across. The realities do not matter to the major parties; it is a case of who has the bucks to get its message across. That is what it comes down to in this day and age.

Returning to the concerns of REDwatch, the Government states that the bill is modelled on the Sydney Harbour Foreshore Authority Act 1998. However, that Act relates only to economic and environmental objectives, not social objectives, and applies in an area whose problems do not resemble those of Redfern and Waterloo. How the two authorities are connected is beyond me. Cobbling together a range of provisions from other Acts of Parliament does not address adequately the interrelated nature of the social and economic problems of Redfern and Waterloo, nor does it ensure that economic development will achieve social outcomes. We must reassess the latter point. I have watched economic development occur in my hometown. It glossed over the town and forced out those who were considered to be socially inappropriate—that is, the poets, artists and musicians. We cannot have economic outcomes without social outcomes; we need a mix of both. If the Redfern-Waterloo area is "sanitised" its culture will suffer immeasurably.

With the metropolitan strategy flagging other areas of Sydney as being in need of renewal, it is likely that this bill will become a template for future authorities. For this and other reasons it is important that the legislation is as tight as possible and allows those who live within the boundaries of such a place-based authority to enjoy rights similar to those they would have if their area remained under local government control. With this development the Government is wresting control from local government—Clover Moore's City of Sydney council—and reinstating Frank Sartor as the de facto mayor of parts of Sydney. The Minister maintains that he will consult and establish advisory committees and that he wants only the capacity to make minor amendments with regard to boundary changes. It is interesting that boundary changes are on the agenda again. If that is so, in these matters, as in others, the legislation should reflect what the Minister says he intends to do. This is all the more important as it is a 10-year plan, during which time there may be other governments and Ministers.

Under the current provisions of the bill the implementation of the legislation over time could vary significantly from the Government's stated intention, and neither the people nor Parliament could reasonably prevent this. REDwatch believes it is possible to devise a bill that meets both the Minister's need for reasonable flexibility and the community's need for reasonable security. I am sure the Opposition is well aware that if Labor does the dirty work the Coalition is likely to reap the rewards in the not too distant future. With regard to community and social capital, various terms are bandied about. I, like many other members, have been inundated by letters about the bill from religious organisations, church groups and individuals, many of whom do not live in the area but who have real concerns about its future. I will quote from some of that correspondence. Dr Catherine De Lorenzo of Mosman wrote:

> When considering the Redfern-Waterloo Authority Bill, ***please***
>
> 1. insist that Indigenous people in the area, particularly those associated with The Block, be consulted as respected and significant stakeholders, and that this be cited as an Object of the RWA.
> 2. ensure that Indigenous people retain/recover authority over redevelopment in The Block.
> 3. that any new developments in Redfern, and especially in The Block, retain, expand even, affordable public housing for Indigenous people.
> 4. ensure Indigenous people's voices are encouraged and heard in any public participation processes …
> 5. ensure Indigenous needs are recognised and met in the Jobs Plan and Human Service Plan that the NSW Government is said will be part of the Plan.
>
> If the Parliament disregards the rights of Indigenous Australians, most especially in the Redfern area, it will bring discredit to itself and the nation in the eyes of the international community.

They are the views of a resident of Mosman. Similarly, Peter Maher from Newtown wrote:

In respect of the Redfern-Waterloo Bill it is important that issues be negotiated with representatives of the Indigenous communities. Issues that should be addressed are the future of The Block, Indigenous housing and public housing tenants in Redfern-Waterloo, ensuring Indigenous people's voices are encouraged and heard in any public participation processes around the Redfern-Waterloo Plan, and that they are taken into account in the decision making on the content of the Plan and its implementation. Also important is ensuring Indigenous needs are recognised and met in the Jobs Plan and Human Service Plan that the New South Wales Government has said will be part of the Plan.

Anne and Bill Byrne from Enfield wrote, in part:

We are not residents of the Redfern Waterloo area, but we have a number of friends and colleagues who are and we have been talking to them about the proposed establishment of the Redfern-Waterloo Authority. They are all very concerned about the lack of community consultation in regard to the NSW Government's plans for the area and in particular the lack of detail in those plans.

The media coverage of the issue and, in particular, the role and influence of the proposed Authority supports the residents' concerns, which are echoed by people like ourselves living in other areas of Sydney. Giving such unrestricted powers to any Government Minister or institution creates a dangerous precedent. No Sydney resident should be comfortable with the easy way the Minister responsible will take away all control from the elected Local Government representatives and be able to override heritage legislation.

Gabrielle Smith, who is a resident of Wells Street, Redfern, stated:

I am writing to you to beg you to consider the points raised in the attached briefing about the Redfern Waterloo Authority bill presently before the Legislative Council. The issues raised in our REDwatch meetings concern all the people of Redfern. We should not be made the victims of the Government's desire to extend the CBD, and rampant development, into our neighbourhoods, disregarding the present occupants of the area.

I moved here over 26 years ago because I wanted to be close to Aboriginal people, and part of the rich mixture of cultures that was, and still is, South Sydney. We are real people, not some lower order of humanity to be swept out of the way of economic "progress"! We must be given as much say in the future of our area as any citizens have in their local Government.

Margaret Hinchey, Convenor of Catholics in Coalition for Justice and Peace Working Group states that it has concerns about the lack of community by the Government about its plans for the area, and lack of details. She wrote:

Giving such unrestricted powers to any Government Minister or institution creates a dangerous precedent … Minister will be able to take away all control from the elected local Government representatives and … the speed with which the bill has been handled in the Legislative Assembly has severely limited public input into it. The economic aspects of the Plan have been emphasized, but the consequent social outcomes are not at all clear … lack of local input particularly disadvantages the Indigenous residents of the Redfern-Waterloo area … It is also essential that they share in the economic benefits expected from the Plan.

The Planning Institute of Australia, New South Wales Division, wrote the following letter:

The Planning Institute of Australia (NSW Division) supports the NSW Government's recent initiative to develop a detailed plan for Redfern-Waterloo to address this area's endemic problems of social disadvantage.

PIA (NSW) also supports the intended broad scope for this Plan, as it proposes to provide a Jobs Plan and a Human Services Plan, as well as relevant environmental planning instruments.

However, the Redfern-Waterloo Authority Bill in its present form raises some serious concerns, in that it appears to override established environmental planning processes that apply elsewhere in NSW. Similarly, current provisions of the Bill do not appear to provide formal opportunities for the involvement of local residents and other stakeholders in shaping the Redfern-Waterloo Plan. This participation is considered essential to ensure that the Plan addresses the right problems in the right way, with the support of the local communities concerned.

To overcome these difficulties, PIA (NSW) urges the NSW Parliament to take on board amendments to the current Bill to ensure that:

(i) The provisions of the Heritage Act will continue to apply in the Redfern Waterloo Area;

(ii) A specific public participation process (including consultation with both the Indigenous and nonIndigenous communities) is included for the making, reviewing and amending of the Redfern-Waterloo Plan; and that, at a minimum, this process include public notification of the Plan with a defined exhibition period, during which public submissions may be made fn writing, or in videotape or audiotape format;

(iii) Any environmental planning instrument made for the purposes of the Redfern-Waterloo Plan is made in accordance with the provisions of the Environmental Planning and Assessment Act, and in particular, with ss 40-74 of that Act in relation to the preparation, public exhibition and making of Local and Regional Environmental Plans;

(iv) The plan-making process includes a formal referral to, and review of, a "Draft" Redfern-Waterloo Plan by both the Director-General of the Department of Infrastructure, Planning and Natural Resources and the Director-General chairing the NSW Human Services CEOs' Group;

> (v) Any changes to the geographic area proposed in the Bill are made by amending legislation, not just by regulation;
>
> (vi) Development contributions applied for the purposes of the plan are levied only from sites within the boundaries of the "operational area".

Dr Danuse Murty stated:

> I live in one of the Department of Housing flats in Redfern, and I attended the public meeting today regarding the proposed draft plans for the Redfern-Waterloo area … I ask you that you please not pass this bill, without the 9 amendments proposed by the REDwatch community group … I thank you for caring for the people of Redfern-Waterloo before any profits.

I will not take up further time of the House as this issue has been well debated. I commend Ms Sylvia Hale, who has led the Greens on this matter, Ms Lee Rhiannon and the Hon. Dr Arthur Chesterfield-Evans. This matter covers a significant number of social planning issues, heritage issues and, very importantly, indigenous issues. It would be nice to think that we could convince the Government to somehow take into account the real needs of indigenous people in the inner city and recognise the problems that have arisen as we see problems of violence arising in many parts of the world. This cannot be resolved by control, by moving people out of an area where they feel that they belong or by dispossessing them of the living place in which they choose to live. All that will happen is that we will create more disconnection and resentment. I am talking about anywhere from Redfern to the Middle East and about people who have justifiable claims to live where they want in harmony and peace and to live the way they like.

So often governments are driven by a grand plan, and this is certainly a grand plan amongst many. It has been devised to satisfy a perceived need for change and development to the point where it will significantly and disastrously disrupt the social fabric of a particular area. I strongly oppose the bill. I equally strongly do not know the answer to getting a government, and an Opposition for that matter because there is a combination of the two in this instance, to stop for a moment, look beyond the grand plans, and try to protect the social values in these areas.

The Hon. ROBYN PARKER [3.08 p.m.]: In relation to the Redfern-Waterloo Authority Bill, I have spoken in this House on several occasions about the issues concerning Redfern, and as Deputy Chair of the Standing Committee on Social Issues I have spoken in response to the interim report on Redfern and Waterloo. My comments are on the record. I note the dissenting report, which was written by the Hon. Greg Pearce and me. That report formed the basis of my view then, and some of the comments in the report are coming to fruition in the framework of the bill.

I do not plan to go into a great deal of detail. Honourable members have received much correspondence over many months, not just over the past few weeks. I note that some members of this Chamber have become engaged in the issue of Redfern and Waterloo when they think some political gain can be made from that. Many of us have been involved with this matter for a long time—some for much longer than I have—but in the short time I have been engaged on this issue I have come to know and respect a large number of people who live in the Redfern-Waterloo area.

This bill does not surprise me. It is a classic Government bill, demonstrating the usual way in which it operates. We are given little information, and a bill is produced from nowhere, with no foreshadowing what it is about, and with no information about how it will be enacted. Yet we are expected to support it—on a supposed Government guarantee that it will be all right on the night. Time and again we witness such governance by arrogance. To my mind, the Carr Government operates like some bad character in a movie. We have Captain Chaos Carr, sitting up in his ivory tower with his sidekick Mini-Me Costa, looking down from Governor Macquarie tower over the chaos that they reign over.

Meanwhile, about a kilometre away, areas like Redfern and Waterloo—Gotham City, if you like—fall into disrepair. From their ivory tower, they are unconcerned: they have been in government for ten years, the problems have been there for all that time, and there is no need to do anything about them. Indeed, the other player in this bad action movie is Dr Refshauge—Dr Do Little, we will call him, because he does little or nothing for the Aboriginal community in Redfern, as is the case with other Aboriginal communities. All we get from Dr Do Little are nice platitudes, just like patting a small kitten on the head.

They all sit up there in Governor Macquarie tower while the Gotham City of Redfern-Waterloo falls further into disrepair, to become more and more governed by crime, as people from outside the area take advantage of the disadvantaged of those two areas—the incredible disadvantage of unemployment, the disadvantage of family disruption, the disadvantage created by rampant alcohol and drug abuse. This

community has been spiralling out of control for generation after generation—and for the past ten years this Government has done little or nothing. Never mind! Captain Chaos continues on as usual; after all, Mini-Me has some problems with the railway that they have to focus on.

Then, all of a sudden, something happens. Gotham City becomes a story in itself and demands attention: the people take control. On 14 February we saw that happen. The community only needed a trigger to make them say, "We've had enough! This is not good enough." It took very tragic circumstances to trigger a series of events that need not have happened. But a series of events did happen, through the tragic death of TJ Hickey, which I regret and am very saddened by. All of us saw those images on the television news: the riots at Redfern, and people saying, "This community is out of control; someone needs to do something about it." The community was saying that theirs was an urban area with a time bomb ticking away. Suddenly, on that night it exploded. It exploded because the people there have been living in Third World conditions. The people of Redfern and Waterloo have been so close to the centre of power and yet have received so little attention. They had been consulted in the most condescending way—consulted without any action, and consulted and given promises, but again without action and without any apparent care about what might happen to them. This was the scene over and over again. Redfern and Waterloo were the most consulted communities in New South Wales, yet they received the least from the Government in terms of real contributions—in initiatives that mean something to the people, not just a pat on the head and platitudes.

That night we witnessed a disturbing riot in Redfern. A series of events led to an inquiry, and finally led the Government to take some action. Those events focused the Government on the needs of the Redfern and Waterloo communities and in particular the Aboriginal community. Although these were tragic circumstances, I am pleased that at least through them the opportunity arose to undertake an inquiry. This was an inquiry with terms of reference that enabled us to achieve tangible results, to achieve outcomes beneficial to the people of Redfern and Waterloo. This was an inquiry that could get to the bottom of the question: Why did this riot happen? It was an inquiry that compelled the Government to take action.

Time and again I was inspired by the Redfern and Waterloo people who came to the committee inquiry and bared their souls. They told us about the most intimate details of their lives, about the most sensitive and real problems that they were experiencing. They were, and continue to be, an inspiration to me. They included people from non-government organisations who, despite poor funding, continue on nevertheless. They included people such as Sharne Dunsmore from the Fact Tree Youth Service, where he has worked for 10 years trying to achieve some significant results, in spite of meagre funding from the Government; Charlie Richardson, from the South Sydney Interagency Group the Koori South Eastern Sydney Interagency; Geoff and Lynn Turnbull and the Turnbull family, who have consistently and constantly kept us informed—despite the fact they must have felt like they were bashing their heads against a brick wall.

The women from the Mudgin Gal Aboriginal Women's Corporation Women's Centre came forward. As with many indigenous communities, it was the women who took the strong role and soldiered on, knowing what the problems are with their community. All they needed was Government attention and resources. Mick Mundine and the people from the Aboriginal Housing Company also gave evidence to the committee. Those people are just some of the many I could mention. I was inspired also by the local area commander, Superintendent Dennis Smith, and many police officers who gave evidence to the inquiry—officers who had been doing their best, despite being under-resourced and not supported, to run programs mentoring young people and really providing the sorts of services that police do not normally provide in other areas.

All of those groups were lacking in resources that this Government could have been providing in the 10 years it has been in power. All of those groups were trying to make do with what they had, to create something from the adversities of the communities of Redfern and Waterloo. They were providing support against the odds. The committee's interim report revealed that their budgets were minute. The Government's first action was similar to the action it has taken with this bill. First, it introduced the Redfern-Waterloo Partnership Project.

Some of the early evidence given to the committee's inquiry was by Dr Gellatly and by Michael Ramsey of the Redfern-Waterloo Partnership Project, which had received through the Premier's Department an inordinate amount of funding, with no parameters on their role, with no process in place to determine or assess outcomes, or to assess whether the project and the funding were viable. This established more bureaucracy. And haven't we heard it all before from the Carr Government! The partnership project created yet another level of bureaucracy from the Premier's Department down, rather than from the grassroots up. The Government could have chosen to support the non-government organisations that are already operating in the area and do something for the people of Redfern and Waterloo. No, we had the Redfern-Waterloo Partnership Project come

in, with its millions of dollars, to tell the people of Redfern and Waterloo that the Government was creating some sort of partnership. This came out of thin air, without any supervision, without any audit process and it seems without any goals.

Michael Ramsey from the Redfern-Waterloo Partnership Project was one of the first people to give evidence to the committee. He revealed that he had no idea at all after a couple of years in the job and millions of dollars down the track how many non-government organisations were operating in the Redfern-Waterloo area. There was no real consultation with the people of Redfern and Waterloo from representatives of the government department. But why would we think the Redfern-Waterloo Authority would be different? Consultation consisted of a real estate sales program, which possibly is where we are heading with the authority. Stands were erected in the local park displaying the wonderful things that would happen to Redfern and Waterloo, and an invitation was made to some people to come along, have a look and be shown around the glitz and glam that is the Redfern/Waterloo Partnership Project.

From day one the committee had an admission that a number of organisations operated in Redfern and Waterloo, but no-one really knew how many. The right hand had no idea what the left hand was doing. Nevertheless, the Redfern-Waterloo Partnership continued to be funded. In last year's mini budget it received an additional $2.6 million in funding, despite there being, as the Hon. Greg Pearce and I noted in our interim report, no audit process and no benchmark. It was as though the Premier and the Government believed that additional funding would fix up Redfern and Waterloo. We should take credit for highlighting throughout the inquiry the concerns that police in the Redfern and Waterloo area and the Police Association have held for years: that they were under-resourced, they needed a better environment to work from, they needed more people to help, and they needed a substantial number of senior and experienced police to tackle the drug problem at its core. Unfortunately, it took a riot, an inquiry and a Coroner's report to respond to those concerns.

On the eve of the Coroner's report the Government, based on the Coburn report, decided quietly to give more resources to the police. I am pleased to say it appears that those resources have been forthcoming. It was an opportunity for the Government to introduce something new to the area without creating a stir. Thanks to the inquiry and the people of Redfern and Waterloo the police finally have had their numbers increased. But that is not the answer to what is happening in Redfern and Waterloo. During our inquiry and prior to our interim report we visited Redfern a number of times. We found incredible drug problems, and next door to a neighbourhood playground we found a needle van distributing 1,000 needles a day. However, no counselling and no detoxification programs were available for those who might need them. Harm minimisation was evident, but only just. But harm minimisation did not extend to children in the playground who could be subject to needle-stick injuries. These are only half measures.

We were told about children as young as eight injecting heroin. We were told that some households had three or four generations suffering from heroin addiction. We were told of incredible domestic violence and incredible child neglect. Government agencies, such as the Department of Community Services [DOCS], only managed to deal with the most serious of problems. But time and again, despite community and families pleading, DOCS has failed by not intervening until the last minute and then only to remove children from their families. The one good thing I have seen from the Redfern/Waterloo Partnership Project is the Barnardo's program, which works with Aboriginal families at an early stage and at the grassroots level where DOCS could have, and should have, worked for many years. I am sure that other non-government organisations could have provided the services that Barnardos is currently providing. At least those in need are now receiving the support they need because Barnardos has filled the gap left by DOCS' apparent failure to support them.

During the inquiry process we saw people in droves coming to Redfern station. We saw a community used by people coming from outside to peddle their drugs. We saw incredible suffering and frustration. We saw people in Redfern and Waterloo who were trying to get ahead, but they felt as though they were bashing their heads against a brick wall. I note a number of recommendations throughout the interim report that we supported, many of which have been acted upon. However, it was important to note in the interim report that the Government did not give us the Coburn report until the last minute, that we really did not know what happened on the night of the riot, and that we really did not know what resources the police had, and who took what action when. Although we support the principles of harm minimisation, it is impossible to support them without highlighting the need for other programs. There were, and continue to be, venues such as the Rachel Forster Hospital to support those who need help.

I am pleased that the Government has finally introduced some measures—scant on detail yet again—to deal with the social problems and drug addiction problems in the Redfern and Waterloo area. The main area of

dissent was the partnership project, the lack of consultation, and the lack of real results. It was hard to see what the partnership project had done with the $7 million from the Premier's Department that was allocated over two years. The further $2.5 million a year seemed to be allocated without any requirements, certainly not the requirements that non-government agencies have to meet to achieve government funding. That is not to say that government funding should not be provided. The dissenting report very clearly said that some things needed a great deal of government funding to bring support and services for those two communities into the twenty-first century. One of our key recommendations was that the Government must address further issues. Other key recommendations dealt with consultation and the need to involve the community if any planning changes were to be made. It would seem bizarre not to involve the community, but that is how the Government operates at so many levels.

The saviour of the Premier of this State, Captain Chaos, has been Minister Sartor. In an attempt to divert the attention of the people of New South Wales from the crises in the rail system and the hospital system, he has given the appearance of having solved the problems of Redfern and Waterloo. We now have another super hero—Super Frank, the Minister for everything! I imagine he whips into a telephone box, rips open his shirt to reveal a large "F" on his chest instead of an "S", and comes out and says, "I will save you, Premier Carr. Do not worry, it will be all right. We will just spin a bit of magic, lots of talk and no detail—and too bad about the community! We will not worry about them because we have a grand plan that will take care of all the changes at the town hall in Sydney."

I imagine he says, "We have a grand plan that will deliver for the Government huge resources from real estate development and sales. We have a grand plan that will fix everything, and we will extend the Sydney CBD to Redfern. There will be a grand plan with no detail and—guess what—no consultation! But don't you worry about that; it will be okay because we are going to fix it all up. We do not know what we will do with the thousands of people who live in Department of Housing accommodation in Redfern-Waterloo, but do not worry about it. We do not know what we will do about the Block, but do not worry about that. We will fix it up. It will be all right. We will quickly push this bill through prior to Christmas, and it will be okay. I will save you, Premier Carr!" The Minister might save the Premier in the short term, but let us see whether he saves the people of Redfern-Waterloo. I can assure him that the community will not take this bill lying down.

This bill is an example of social engineering through planning. It purports to change the population mix and tear down the community without necessarily telling people what will replace it. The Government is saying, "We will fix it all up, and it will be all okay." It is well known that the fundamental tenet of good planning is to include the community in formulating the plan. That requires consultation, asking people what they want, and ensuring that they support the ideas.

Ms Sylvia Hale: You have persuaded me to vote against the bill. Why will you not vote against it?

The Hon. ROBYN PARKER: I and other members of this Parliament have asked the Government to spend some money on this community.

Ms Sylvia Hale: But do something practical.

The DEPUTY-PRESIDENT (The Hon. Patricia Forsythe): Order! Ms Sylvia Hale will direct her comments through the Chair.

The Hon. ROBYN PARKER: There is absolutely no point in turning down an opportunity for Redfern-Waterloo to be redeveloped. There is a point, however, in ensuring that the communities of Redfern and Waterloo are consulted. There is a point in making sure that heritage rights are protected. There is a point in making sure that the Minister cannot grab more and more of New South Wales's social capital. There is a point in ensuring that the Minister will not be able to annex more and more precincts, and in limiting annexation, as the Hon. Don Harwin said, to no more than 5 per cent. There is a point in ensuring that the legislation which will be passed in this Parliament has all the right provisions for this community and all the right protections for the people of Redfern-Waterloo, who are the people we are here for, and ensuring that the Minister has supervision so that he cannot ride roughshod over the Redfern and Waterloo communities. There is a point in making sure that there is public participation and public scrutiny.

There is a point in making sure that all those protections are in place by amending the legislation. The Coalition has foreshadowed some very good amendments to ensure that the legislation will stand the test of time and protect people, without giving one Minister the power to do whatever he wants in those areas. I would be an

incredible hypocrite if on the one hand I called on the Government to spend more money on Redfern and Waterloo, and on the other hand, when the opportunity arose to obtain improvements for those communities, said, "No thanks. Don't do that after all; we want things to stay as they are." It is not good enough for things to stay as they are. Ms Sylvia Hale made much of the comments made by the Leader of the Opposition about bulldozers. If the Block is to be redeveloped, there is no way that it can be done without creating a clean site and starting again.

Ms Sylvia Hale: That is nonsense.

The Hon. ROBYN PARKER: It is impossible to renovate what currently exists. Ms Sylvia Hale made emotive and nonsensical comments about what is an obvious solution. If any site is to redeveloped and renovated, the site has to be cleared. There is a point in ensuring that this legislation works for the people of those communities. That is why the Coalition will propose sensible amendments. There is a point in making sure that heritage is protected and that the rights of the people of Redfern and Waterloo are protected. There is a point in ensuring that the people of those communities are consulted and that the Minister and this Government are no longer able to indulge in government by stealth by making planning alterations without supervision and riding roughshod over the community without any supervision. Members of Parliament are here to make sure that the Government and the community work in a proper partnership to achieve the best possible results for communities. I am very confident that the amendments that the Opposition has foreshadowed will improve the legislation.

It is regrettable that this Government has not included the community in the formulation of policy. Wonderful people were involved in the inquiry and they continue to be involved in the area. It is appalling that this Government has not included them in a consultation process and has not taken on board the issues they have raised. The Opposition does not want to deprive the community for the sake of scoring short-term political points. Our role is to make sure that the Government does its job well so that the right outcomes are achieved for the people of Redfern and Waterloo.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [3.36 p.m.]: I pay tribute to the two speakers whose speeches I heard during this debate. They expressed different points of view, and I partly agree with both of them. Certainly my colleague from the Liberal Party indicated the complexity of the situation. Mr Ian Cohen and I agree passionately about a few matters, but we disagree on a number of other matters. However, I do not disagree with his comments that the Redfern community is diverse and cohesive. I join with my Coalition colleagues who preceded me in this debate to pay tribute to the group of people in the public gallery who have very patiently listened to the debate. I am sure that there is goodwill in relation to this bill on both sides of the Chamber, but at times members may say things that residents may regard as totally obnoxious and silly.

People in the public gallery may not be aware that I did not hear about the Redfern riot the next morning, but on the evening of the Sunday it occurred. I spend part of the year in Redfern. I own a residence less than two blocks from Redfern railway station. I have a limited knowledge and understanding of the area, but I do not pretend to be totally au fait with it because I breeze in and out of the community and may well be regarded as part of the gentrification that is only partly accepted. I like the Redfern community, and I have enjoyed the times I have spent there away from the farm.

I am sorry this bill has had to come before the House. If the former Minister for Local Government, Harry Woods—the predecessor of the Minister in charge of the bill in this House—had implemented the recommendations of the Sproats report, South Sydney City Council would still exist. In my former capacity as shadow Minister for Local Government I fought long and hard to keep that council intact and away from the tentacles of Frank Sartor.

Under Professor Sproats' recommendations an enhanced South Sydney City Council would have included the Botany area. That viable council would have received from the Botany region the capital it needed for the necessary reinvigoration of the area. No-one would deny that the area certainly needs a lift. Sadly, Frank Sartor had the ear of the Minister at the time and did a land grab in Leichhardt and South Sydney that enhanced the City of Sydney council, like some latter-day Napoleon, but denied a critical mass to South Sydney, Leichhardt and other councils. At the last election the Government played some very silly politics.

The Minister for Local Government, the Hon. Tony Kelly, is a personal friend and a reasonably decent fellow, but for some reason he became involved with the Michael Lee push. South Sydney had a perfectly good

Labor mayor in Tony Pooley. No matter what side of politics one is on, it would be hard to find a better, more decent person than Tony Pooley within any party. Frank Sartor, Minister Kelly and their Government brought about the election of Clover Moore. I suspect that there are supporters of Clover Moore present. She is terrific when she is against something, but I do not pretend that she is any good at developing or carrying out jobs for the council. I guess that is a criticism, but it is not a criticism against her personality. Clover Moore took on that second job as Lord Mayor because of the actions of the Labor Party.

The Opposition is not entirely happy with the bill and has foreshadowed amendments to improve it. Had the South Sydney City Council been retained, the bill would not have been needed. Despite passionate emails from people within and outside the community, I maintain that Redfern railway station is not safe. When my children have visited me in Redfern they have been harassed. My daughter, who is a sportswoman, was almost mugged. At certain hours my wife and daughter will walk to Central railway station to board a train because it is not safe to do so at Redfern.

Redfern police station is located in totally unsuitable premises. For almost a year I walked past the old Independent Commission Against Corruption [ICAC] building on my way to catch a train. The building is on the corner of George and Cleveland streets, an ideal location for a purpose-built police station. When the former ICAC Commissioner, Irene Moss, vacated the premises and brought her entourage into the city, that building was vacant for at least six months, perhaps longer. The Government paid rent for that building during that time and it has now become an educational institution. That building would have been an ideal location for a police station because it had parking, facilities—

The Hon. Jennifer Gardiner: Very sophisticated technology, and a barbecue on the top.

The Hon. DUNCAN GAY: My colleague is a cynic, but I can understand why. She alluded to Mr Temby's barbecue on the roof of that building. That building—with a smaller shopfront nearer to the railway station—would have been ideal for a police station. The hoardings and mesh shutters on the buildings in Redfern Street have become part of life in the area, but I do not believe they are acceptable. The public housing high-rise buildings at Waterloo and Strawberry Hills were unacceptable to the British 40 years ago. I saw a program on television showing Her Majesty opening the buildings, which were then state of the art. It has been mentioned since the 1980s that those buildings should have been redeveloped, as was the public housing at Minto. Of course, we do not want that to happen, but I do not accept that the existing housing is as good as it gets—of course we can do better.

The Government should reroute traffic from the area and improve the railway station and public housing—those changes would bring new heart to the area. I regret that the Hon. Frank Sartor is the Minister in charge of the new authority. In a throwaway comment last evening I said that when Frank was Lord Mayor of the City of Sydney council he did absolutely nothing to fix up Prince Alfred Park. He was said to be the great hero of parks and fetes, but he did nothing. Last week my mailbox contained a letter from Clover—God bless Clover—asking, as a resident, what I thought should happen. Perhaps I am arguing against myself. I will not vote on this bill. I have spoken in favour of it and believe that ultimately it will improve the area, and I certainly hope it does. It is with goodwill that on balance I support the bill. It would be improper for me to vote on the bill because I am a property owner in the area. I will ask to be paired when the bill is voted on.

Reverend the Hon. FRED NILE [3.47 p.m.]: On behalf of the Christian Democratic Party I speak on the Redfern-Waterloo Authority Bill, which has attracted a great deal of attention in the media and the community. It has been classified as a controversial bill. Its background is the Redfern-Waterloo Partnership Project, launched in 2002, which aimed specifically at crime prevention strategies and anti drug and alcohol initiatives, and which the Christian Democratic Party fully supports. That partnership project also developed a series of strategies for infrastructure, service delivery and jobs to address the long-term changes needed in the area. As honourable members would know, on 26 October the Premier announced the creation of the Redfern-Waterloo Authority, which is established by this bill.

It was announced that the authority would be under the control of one Minister—and we know that that is the Hon. Frank Sartor—who would have sole responsibility for implementing development and urban renewal strategies within the area. I have some knowledge of such authorities as I was chairman of a committee to investigate the Olympic Games Authority set up to prepare the site, stadia and facilities for the 2000 Sydney Olympic Games. It was obvious that an overriding authority was needed to meet the Games deadline. When dealing with a complicated matter that has a degree of urgency, the establishment of an authority can be a desirable way of solving problems.

I am sympathetic to the concept that such an authority should be able to cut through red and green tape. It should be able to make decisions and force bureaucrats from different departments to work together—bureaucrats who might be more interested in protecting their own empires and turf than in working co-operatively in relation to the overall picture. The proposed Redfern-Waterloo Authority will force co-operation between all government agencies. The main objective of the Redfern-Waterloo Authority will be to promote the economic and social development of the operational area. It will also be required to implement the Redfern-Waterloo Plan. Some people have said that the plan should have been included with the legislation, but it would have been difficult to do that because the authority is supposed to produce the plan.

Leaked material published in the *Sydney Morning Herald* shows various concepts of the plan in draft form, some of which are in competition with one another. Other articles in the *Sydney Morning Herald* indicate that the final plan will resolve the issue of whether there are competing interests. At this stage, that has not been done. The Redfern-Waterloo Plan, when finalised, will have as its aim the creation of employment, training opportunities, improved human services, improved urban design and infrastructure facilities and the authority will also be able to carry out development. This 10-year plan, which will be implemented in the period 2004 to 2014, will take some time to complete. Many people have referred to the fact that there is some urgency for the Government to commence that plan. The board will comprise no more than nine members, plus the chief executive officer appointed by the Minister. A number of advisory committees will report to the board.

The Government said that one member of the board will be an Aboriginal person. I imagine that a lot of pressure will be placed on that person, whomever it may be. I would like to see appointed to the board someone associated with the Aboriginal Housing Company. I know Mick Mundine has been intimately involved in that area since 1973—a period of more than 31 years. The Government should appoint someone like that rather than someone who has no knowledge of the area and who would not be able to make any contribution. The appointment of such a person would be simply symbolic and a sop to Aboriginal people in that area. He or she would only support the Government in its implementation of this plan. The Government must appoint someone who is prepared to stand up to other members and to challenge their ideas, and he or she must represent Aboriginal people. The authority will also have development and management control over sites deemed by the Minister for Planning to be State significant.

The Minister will have the authority to delegate work to the City of Sydney council. The Redfern-Waterloo Authority will be funded through the establishment of the Redfern-Waterloo Fund, which is to be financed through commercial activity on government land and from contributions raised from community levies and developer contributions. Obviously the issue of levies is a cause for some concern. Who would contribute those levies? As has happened in the past, the levies will be collected mainly from developer contributions. The authority will have to liaise with all other government departments dealing with housing, health and social issues in the operational area. The Government promised to consult, where appropriate, with the community groups that are dealing with such issues. However, that promise is somewhat hollow because to date there has been a lack of consultation.

The Government wants first to establish the authority and then the plan will be developed, but I urge it to ensure that there is consultation in relation to every aspect of the plan. There must be consultation with all relevant organisations, community groups, residents of the Block and the Aboriginal Housing Company. I will endeavour to ensure that that consultation occurs by moving amendments to the legislation in Committee. I agree with the sentiments expressed earlier by other members that urgent action is needed in this area. Action is needed not only in the Block but also in the entire Redfern-Waterloo area—an area that has been neglected over the years by all governments. I was born in Kings Cross but my family moved to Mascot, which is south of the Redfern area. However, I attended Cleveland Street High School in Redfern, so I have known that area for more than 60 years.

My wife was a student at Redfern primary school. She grew up in Waterloo near the present Housing Commission towers. I have spent a great deal of time talking to residents in Redfern and to Aboriginal leaders in that area. I have been a guest at quite a few events that have been held in Redfern and I have great empathy for the people in that area. We must do what we can to work with them and not against them. We must not be patronising to them or pretend to know what is best for them. We must consult with them as equals, rather than look down on them. Over the years I have had lengthy discussions with the Aboriginal Housing Company. I have known Pastor Peter Walker for many years. He is a former chairman and current director of the Aboriginal Housing Company. Mick Mundine is a former secretary and current chief executive officer of the company, an issue about which I will say more in a moment. In 1973 they gained control of land that was given to them by the Federal Government, but they have developed and expanded that land.

I am supportive of the Pemulwuy project for a new-look Block. I would be disappointed if the Government shelved that project or pushed it to one side. Much thought, work, prayer and concern have gone into trying to solve the problems in the Block. Aboriginal people have done a lot of work to solve those problems. We do not want some bureaucrat to step in and start off with a blank sheet of paper. We must make some effort to expand and build on all the good things that have been done. The Aboriginal Housing Company is asset rich but cash poor. It has not had the benefit of an injection of millions of dollars. I believe it has been estimated that it will cost $26 million to redevelop the Block.

The Federal Government has spent more than $1 billion each year on other Aboriginal activities, the State Government has spent $500 million collected as land taxes on land that is under the control of Aboriginal land councils, and many millions of dollars have been spent on Aboriginal welfare education and housing, but this project has not received any funding. The leaked plan published in the *Sydney Morning Herald* revealed that $27 million in funding would now be made available to redevelop the Block. However, information I have received reveals that that plan has been knocked on the head. If that is the case, where will the money come from to redevelop the Block? I have a copy of the business plan of the Aboriginal Housing Company produced in November 2004, which is quite impressive. I also have other material from which I will quote later.

The Minister for Energy and Utilities, the Hon. Frank Sartor, has had contact with Aboriginal people over the years as a councillor and as Lord Mayor of Sydney. Now he faces the challenge of encouraging co-operation between equals. There must be no trace of the paternalistic attitude that white people assume unknowingly but which Aboriginal people can discern immediately—they have often said so in my conversations with them. I thank Aboriginal leaders for appreciating that I empathise with the Aboriginal people and genuinely care for them. However, they have often said to me, "That other person over there says certain things but we can tell that he doesn't have a heart for us at all." I suppose such a person could be described as a hypocrite. Aboriginal people have the uncanny ability of discerning what is in a person's heart.

It is very important that Minister Sartor and others not be hypocritical. They must not profess to care for Aboriginal people when they have no heartfelt concern for them and no desire to work with them. White people have had this problem for centuries when dealing with people of other races—particularly coloured races—and it has occurred in Australia ever since white settlement. We must respect Aboriginal people, encourage their personal development and allow self-determination. We must encourage reconciliation and integration by the Aboriginal community with that of greater Redfern. We must give the area distinct opportunities to create a model Aboriginal community. That was always one of my dreams—I guess I am a born optimist.

Over the years I have been extremely impressed by my meetings with elders of the Mulli Mulli Aboriginal community near Woodenbong on the Queensland border. That community had all the social problems of the Block. It had problems with alcohol and drug use, its residents burnt down their houses and fought each other using pieces of timber—or whatever else they could lay their hands on. They burnt down the new community centre so that only the tiled floor remained. However, the community finally had an awakening and came together. The Christian faith certainly played an important role in that awakening. The Aboriginal people realised that they would destroy their community if they did not do something. They reached out to God and God answered their prayers. They passed a community resolution banning alcohol at Mulli Mulli Aboriginal village and established strong leadership through community elders. As a consequence, Mulli Mulli is now a model community.

I urge any honourable member who travels north to visit Mulli Mulli Aboriginal village. They should advise the community of their visit but, having done so, they will have no problems getting permission to enter the site. It is a very open community. I am sure that members will be most impressed by what they see. There is no rubbish, such as car bodies, because the area has been cleaned up over the years. At the rear of the community, pyramids of beer cans from the old days serve as a reminder never to return to those times. Several Aboriginal leaders have said that until they have stronger powers nationally to ban alcohol from their communities they will not beat their social problems. Such communities often received little support from local and State governments in that regard. However, I am pleased that there seems to have been a turnaround recently, with even Prime Minister Howard raising the issue in the past week and speaking of the need to grant the legislative power necessary to make Aboriginal communities dry at their request, with support from various government agencies.

My hope and prayer was that some day the Block would become a model community in the heart of Redfern, which non-Aboriginal people could visit and be impressed by rather than believing it to be a disgrace.

I hoped that the Aboriginal people could be proud of the Block, which would become an open village where people could meet. Perhaps small business enterprises that offered Aboriginal products for sale would develop and encourage a feeling of ownership in the area. I have always had in my mind a vision of what the future could hold for the area. I hope and pray that the Redfern-Waterloo Authority will be the avenue through which those aims are achieved. But we must proceed with great care and understanding of Aboriginal perceptions. The Aboriginal people must be genuine partners in this process. I have tried to promote the concept of equal partnership—50:50 management of the Redfern area—between the Aboriginal people and the Government, not tokenism. Perhaps I am too idealistic, but I am trying hard to make my dream a reality.

I am concerned about recent reports in the *Sydney Morning Herald* about leaked recommendations that are being considered as part of the draft plan for Redfern and Waterloo. They were like a flashing red light and caused much concern among Aboriginal people. According to secret Cabinet documents, it was suggested that the authority could manage the sale and leasing of properties and compulsorily acquire land if the crisis-ridden Aboriginal Housing Company became insolvent. Several similar suggestions appear in material referred to in an article in the *Sydney Morning Herald* of 29 November, which states:

> The State Government has a $5 billion plan to redevelop Redfern and the surrounding suburbs that involves seizing control of Aboriginal housing on the Block and letting private developers take over two-thirds of the area's public housing estates.

It continues:

> In a major piece of social engineering, 20,000 new private renters and owners will be brought in to balance out the 7000 public housing tenants in the area, many of whom are poor, old and disabled.

It states further:

> According to the papers, consultants have told the Government, which owns almost one-third of land in the area, that the redevelopment of the notorious Block would increase certain property values by 30 per cent.

I suppose that is another reason the Deputy Leader of the Opposition will not vote on the bill. If the Block were somehow sanitised, local property values would increase. I am not opposed to increasing land values, but what price would the Aboriginal community pay for that increase? Would Aboriginal people be hidden or removed from the area to ensure that the developments succeed and prosper? Numerous concerns have been expressed about the draft plan. I have talked to Mr Sartor, who says that he did not release the material that was leaked to journalists. He assured me that all ideas are in the pipeline but that nothing has been finalised. The *Sydney Morning Herald* article states:

> According to the papers, the Aboriginal Housing Company, a registered charity, will be required to give the Government at 10-year lease over its land and impose stricter rent agreements... The papers warn that some members of the Aboriginal Housing Company may challenge the plan as "inequitable and oppressive".

I highlight again the danger of creating a difficult—perhaps ugly—situation if this process is not handled very carefully. We will have to wait until the authority finalises the plan. I hope that the plan will be developed with consultation at every point. There must be no secrecy or hidden agendas; it must be an open process, involving participation and consultation not only with the Aboriginal people but with all residents of Redfern and Waterloo.

As I said earlier, in my childhood I had considerable contact with the area; we always regarded it as being neglected. We used to joke that governments always put new trams on the eastern suburbs run and that Mascot and Waterloo got what was left over—worn out trams, old buses and so on. It seemed that the policy of all governments was to neglect the area. Well, it has suffered enough and it is time it received some recognition and support. Its residents should not be treated as second-class citizens. They are mostly working-class people, and they do not seem to get financial support to provide transport and other services that other parts of Sydney have always and taken for granted.

The Aboriginal Housing Company [AHC] is the key to this matter and I urge the Government to work with it. Although many community groups claim to represent the people of Redfern-Waterloo, the AHC has existed for 30 years and is a genuinely Aboriginal organisation. It is one of the few organisations in the area that is owned by Aborigines, its board members are Aborigines and Aboriginal members elect them. The AHC should be treated with respect by the Government and government agencies. We are all aware of the problems that climaxed with the riot in the area, but I ask honourable members to imagine being a director of the AHC, which has to face up to all those social problems. Members of the board are citizens, not police officers; they do not have police powers to deal with the social problems.

The Government and the Department of Health sent a needle bus into the area regularly to hand out needles to young people. I have seen syringes being given to 14- and 15-year-old children in complete opposition to the wishes of the AHC and Aboriginal leadership. The Government believed it knew better than the AHC and provided the needle van, but it then criticised Aboriginal leadership for drug problems in the area. What was the Government doing to deal with the drug problem? The AHC has sought to be financially self-supporting, but it has had a difficult time in recent years because of government action that has resulted in the demolition of income-producing housing stock owned by the AHC on the Block that has never been replaced. That stock was a major funds producer and, of course, when funds were no longer available extra pressure was put on the AHC. It is estimated that $800,000 has been lost in rental income as a consequence of the demolition of buildings in the Block.

We hear a lot about government agencies giving support and supposedly being deeply concerned about Aboriginal people. The Lord Mayor of Sydney, Clover Moore, has expressed such concerns. The AHC has advised me that being a charity that provides affordable housing it is usually exempt from paying council rates. The AHC is exempt from paying rates on land it owns in other council areas in New South Wales, but it is not given an exemption by the Council of the City of Sydney for land it owns in Redfern. For many years the AHC was exempt from paying rates to South Sydney Council, but that exemption was rescinded in July 2000. The AHC successfully negotiated a new exemption and the debt was removed. However, when the two councils amalgamated the Sydney City Council failed to honour the agreement and rates were applied to its land. The property owned by the AHC on the Block, some of which is now open space, continues to attract rates and a large rates debt has accumulated—I have heard it is of the order of $300,000 to $400,000.

People, including Government representatives, say that the AHC has debts. The question must be asked: Why does it have debts? Debt is being forced on it by powers outside its control, and the Government should address this anomaly urgently. Rate exemptions apply in other local government areas throughout New South Wales with regard to Aboriginal land, and similar exemptions should apply to land in the Block. The Aboriginal Housing Company Ltd produced a 13-page business plan in November 2004, which I seek leave of the House to table.

Leave granted.

Documents tabled.

What is the Aboriginal Housing Company? It has 100 members, all of Aboriginal descent. The six directors on the governing board are all of Aboriginal descent and are elected by members as their representatives. It is as close as can be to having a system of eldership in the Redfern Block area. The people on the board are associated with other Aboriginal bodies. The chairman of the company, Grant Christian, is associated with the Redfern Aboriginal Legal Service; the deputy chairman, Trevor Ord, works with State Rail; the treasurer, Nolene Lever, is with the Redfern Aboriginal Legal Service; the secretary, Bruce Gale, is from State Rail; a director, Pastor Peter Walker, is the head of the Australian Indigenous Christian Ministry; and another director, Barbara Kennedy, is with the Redfern Aboriginal Medical Service. The chief executive officer, Mick Mundine, who is responsible for the day-to-day operations of the company, is answerable directly to the board of directors and the members of the AHC. The AHC has project managers and other staff to help to carry out its fairly complex operations. The AHC provides a link with other organisations in the area. It is a not-for-profit entity, the purpose of which is to provide good quality affordable housing to Aboriginal people in New South Wales.

Under this new legislation, if the Aboriginal Housing Company continues—and I hope it will—it could have an expanded role beyond that of providing housing. It will promote enterprises and create opportunities for small businesses run by Aboriginal people in Redfern. The Block, to which we often refer, is bound by Eveleigh, Vine, Louise and Caroline streets. The AHC owns a number of properties in other greater Sydney suburbs, in country New South Wales and in Queensland. I was surprised when I read in the company's business plan that it owns properties that are valued at more than $44 million. Many of us over the years have argued with governments that have been tempted to put to what they regard as good use extremely valuable parcels of land. I refer specifically to the land on which Hunters Hill High School was situated, which was worth millions of dollars. Thankfully, that has not happened. Currently there is debate relating to the Mona Vale hospital site, which is also very valuable property.

I could imagine some bureaucrat—perhaps some person in Treasury—thinking, "We could get our hands on that $44 million." But this asset belongs to the Aboriginal people; it has been entrusted to them, and

this initiative should be supported and expanded—not ripped off! That could be the temptation of someone in government. The Aboriginal Housing Company was formed in 1973, when a group of Aboriginals secured funding from the Federal Government through then Prime Minister Gough Whitlam. The company started off small, with the purchase of three Redfern properties to provide affordable housing to the local Aboriginal community. Through its efforts, the company increased its housing stock by purchasing additional properties with the help of further Federal Government funding. As a result, it established ownership of a substantial number of properties in Redfern, including the famous Block area, encompassing land between Eveleigh, Vine, Louise and Caroline streets. The company also purchased a number of properties in other greater Sydney suburbs and in country New South Wales, and even in Queensland. The company has been operating since 1973—a long time for such a company.

The Aboriginal Housing Company enjoyed stability in the seventies and growth in the eighties. In the 1980s it provided the local Aboriginal community an opportunity to exercise a healthy lifestyle. It developed the gymnasium, which has been available to Aboriginal and non-indigenous people alike, hopefully helping towards reconciliation. We all know that in the 1990s there was a substantial increase in social problems in that region when, in the view of the leaders of the housing company, external forces interfered and the local Aboriginal community became the centre of news. The AHC is in the midst of those problems and it is trying to function in an area beset with social problems. But it is a housing company, not a health department or a police station. Of course, the company has tried to do all it can to help address the social problems. I ask honourable members to imagine trying to function as a company in that environment. But the Aboriginal Housing Company endeavoured to do just that.

In the late 1990s the company developed a community social plan to use as a tool to confront any further social issues that arose during the proposed redevelopment. Honourable members may be interested to know that last year the Aboriginal Housing Company has won two awards for its social planning work—the National Award for Innovation in Community Housing and an international award for its crime prevention program. The AHC has endeavoured to reorganise itself to be more self-sufficient. As we know, the skills of the non-indigenous community have been gained through education and training, whereas some Aboriginal people have not had those same opportunities. So with regard to financial responsibilities there may have been some catch-up involved, but the AHC has developed those skills over the years. I would urge the Government to do all it can to co-operate with the AHC. I know there has been some criticism of the company—in my view some of it has been unjustified—but the Government should not respond to rumours; it should take action based on fact.

The directors of the company recognised that they had a low level of formal business management training, and they are now endeavouring to overcome that shortcoming. Any suggestion that the company is insolvent is the result not of the company being unable to pay its bills but the recent imposition of Sydney city council rates and other charges. The company has spent a great deal of money developing housing plans for the future, and it would be a shameful waste if all that good work were just thrown in the garbage tin.

The Aboriginal Housing Company has current income of $331,266 a year from its rental properties; that is, $27,605.50 each month, or $6,370.50 a week. The company also has more than $100,000 in rents receivable, to be collected from tenants who have not kept up their rental payments. As far as I am aware, some 200 people are on the waiting list for rental accommodation in that area. That shows the need to expand housing provision in the area, and that is why the company has produced the Pemulwuy plan, which is on display at the company's office in Redfern. Honourable members are free to visit that office and to inspect the company's vision for redeveloping the Block. The plans cannot be incorporated as part of my speech, but I will seek leave to table three plans so that honourable members will have some idea of what the Aboriginal Housing Company hopes to achieve by redeveloping the Block. The first plan is a coloured layout. The second plan shows how the company hopes to redevelop the Block to make it people friendly, but more particularly Aboriginal friendly. It has been involved in lengthy discussions to develop a plan of which the Aboriginal people could be proud. I seek leave to table those three diagrams.

Leave granted.

Documents tabled.

The Aboriginal Housing Company has produced what it regards as a current action plan, prepared in only November this year. To improve its internal functioning, the Aboriginal Housing Company must first hedge itself from dealing with community social problems by passing its solution to community service

providers. That is what the Government should have been doing, rather than adding to the problems of the company. This will enable the Aboriginal Housing Company to fully concentrate on its core business and to focus on cash flow management, on collecting outstanding rent and sorting out debts and payables. The workplace must be properly organised.

I have said that the company's main source of income is rent, so it must concentrate on rent collection, on adjusting rents to the market rate to cover expenses, and on creating new units of rental income. However, I repeat, the big plan is the Pemulwuy project, and I remain hopeful the Government will take a sympathetic approach to it. Perhaps it is not what the Government would recommend through its various agencies, but it is a plan that comes from the heart of the Aboriginal people and it should be treated with respect. I have received hundreds of letters and emails—about 99 per cent of which oppose the bill—and rather than take up the time of the House by reading every one, I seek leave to table them.

Leave granted.

Documents tabled.

I have had discussions with representatives of the Aboriginal Housing Company to ascertain what is at the heart of its concerns and how the authority should work with it to achieve outcomes for all Aboriginal people, not only those directly associated with the Block and the Redfern-Waterloo area. I would summarise those concerns in this way. First, the Redfern-Waterloo Authority should work in co-operation with the Aboriginal Housing Company to provide housing for indigenous persons within the operational area. Second, the Redfern-Waterloo Authority should ensure that the ownership of the Block, which is bound by Eveleigh, Caroline, Louise and Vine streets, is indefinitely retained for the explicit use of the indigenous community through the Aboriginal Housing Company. That is to prevent any attempt to sell all of the area.

The Aboriginal Housing Company is concerned to ensure that the Redfern-Waterloo Authority guarantees that the Aboriginal Housing Company retains control of all the titles currently held outside the boundaries of the aforementioned area. In other words, the Aboriginal Housing Company has titles in its office to all this land and the Government must respect that. The Aboriginal Housing Company is concerned also to ensure that an advisory committee, appointed by the Minister, which has the function of dealing with the area of the Block, comprises six members of the Aboriginal Housing Company board of directors and other nominated members; that the Redfern-Waterloo Authority work with the Aboriginal Housing Company to develop and implement the Pemulwuy project—it need not be that name, but it is a famous name in the Aboriginal culture; and that the Redfern-Waterloo Authority ensure that the Aboriginal Housing Company has no less than a 50 per cent stake in managing the Block. That was the wish list of the Aboriginal Housing Company that I have been endeavouring to negotiate with the Government. We have made little progress, which I will report on in more detail in Committee. Today I received an assurance in writing from the Minister, which is a step in the right direction. It may not be everything the Aboriginal people want, but the letter gives some certainty to the Aboriginal people. The letter states:

Dear Rev. Nile,

Re: Aboriginal issues in Redfern-Waterloo

I wish to confirm the following points in relation to the Aboriginal community in Redfern-Waterloo, and especially the Block:

- That advisory committees dealing with social or human services, or issues directly affecting The Block and its surrounds, will include at least two Aboriginal representatives. Indeed I would expect at least half a dozen members of the Aboriginal community would be appointed to various advisory and consultative committees;
- That consultation be conducted in good faith with the Aboriginal Housing Company on a long-term strategic vision for The Block;
- That it is the intention that The Block remain in Aboriginal ownership and be a place of significance and utility to the Aboriginal community;
- That Aboriginal Housing in Redfern-Waterloo not diminish;
- That as far as practical, attention be given to addressing the shortfall in Aboriginal Housing in the area;
- That a consultation process be set up to improve the effectiveness of the Aboriginal Housing Company and broaden its functions;

- That if after consultation with the Aboriginal Housing Company and the Aboriginal community, the decision is made on changing the management of The Block it shall be on the basis of shared oversight with the Aboriginal community.

I trust these points address some of the issues raised in our discussions.

Yours sincerely,
Frank Sartor

I thank the Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), Minister Assisting the Premier on the Arts, and the Minister responsible for the Redfern-Waterloo Authority for the letter. I seek leave to table the letter for the benefit of members.

Leave granted.

Documents tabled.

We have reached the crossroads. I hope and pray that the Government will act on its good intentions and do the right thing by all the people involved, especially the Aboriginal people.

The Hon. GREG PEARCE [4.33 p.m.]: As a member of the Social Issues Committee, which has been inquiring into Redfern and Waterloo, and as the member of this House who moved the motion that ultimately established the committee, I am pleased that action has been taken. For nearly the whole of this year I have had the opportunity to learn a great deal about what has been happening in Redfern and Waterloo, and what has not been happening. As a member of the Social Issues Committee, which is still completing its final report arising from the Redfern riot in February, I, along with the Hon. Robyn Parker, have not taken part in negotiations conducted by the Opposition with the Government and other interested parties. I have been conscious that the bill will impact on our final report, and therefore it would have been inappropriate for us to take part in any of those negotiations. However, I am confident that both the shadow Minister for Aboriginal Affairs, Brad Hazzard, and the Hon. Don Harwin, who has carriage of the bill in this House, have a great deal of experience with, and an understanding of, the issues affecting Redfern and Waterloo. They are extremely confident and competent, and sympathetic to the issues.

I noted in his contribution to the second reading debate that the Hon. Don Harwin reminded us that not so long ago he was a member of a committee of this House that conducted an inquiry into various schools that were being closed, particularly local schools in the Redfern area. He has a longstanding knowledge of, and interest in, these matters. The early stages of the Social Issues Committee inquiry highlighted the concern that he and so many of us have such a detailed understanding of many of the problems in the area and that so many inquiries have been conducted, but all of us should be ashamed that so little progress has been made. This and various other inquiries are the result of the tragic death of T J Hickey. As a member of the committee I was deeply touched by the impact of that great tragedy. Unfortunately, we can do nothing about that. We must move forward to ensure that action is taken to try to improve conditions in Redfern and Waterloo.

As have all members of this House, I have received many emails and letters from people who have concerns about the bill, not the least being the lack of consultation. In the same vein as almost everything the Government does that affects Waterloo, the bill is being developed in secret. Everyone who has concerns about the bill has noted the power of the authority. The Social Issues Committee has issued its interim report, which highlighted a number of matters that I will mention briefly. To Opposition members on the committee one of the most troubling aspects was probably the role of the Redfern-Waterloo Partnership Project, which attracted an incredible level of criticism. No-one trusted the project and it appears that it was a failure. Unfortunately, it was the Government's best effort to deal with problems in Redfern and Waterloo. We were appalled at its lack of consultation. Our first reaction was that the project was a public relations exercise. It was a token political response unaccompanied by the political will to bring about the necessary change and reform in Redfern and Waterloo.

Coalition members were quite appalled by the attempts of various people to defend the project as the Government's major response. At the very early stages of the inquiry I suggested to Dr Michael Ramsey that he should bring his curriculum vitae up to date because past performance of the Government indicates that the first response of the Premier and the Government would be to sack Dr Ramsey and get rid of the project. I congratulate him on surviving.

The second matter of concern is the continuation of shocking conditions in Redfern-Waterloo and the fact that matters have become worse, not better. Notwithstanding expenditure on lots of different services and

the efforts of very genuine people working in the area, the problems have not been addressed effectively. While members of the committee were impressed with people involved in the Aboriginal Housing Company and had no concern about their integrity or the genuineness of their attempts to deal with significant social problems, we felt that we would perpetuate the crisis if we did not draw attention to problems in the Block, housing conditions, management issues and funding issues that the Aboriginal Housing Company had to confront if any progress was going to be made. I think that people involved in the Aboriginal Housing Company agree with that assessment.

Members of the committee were astonished at the failure of the Government to co-ordinate and deliver services in the area. The Hon. Robyn Parker very strongly made the point that early interviews with the Redfern-Waterloo Partnership Project's representatives and representatives of the Premier led us to the quite disturbing conclusion that there was a lack of knowledge about even the number of services operating in the area. Coalition members produced a dissenting report. The major issues of that dissenting report were that, given the history of concerns related to funding, resources and the circumstances in which confidence of the community had been lost despite extensive consultation, we could not see how the Redfern-Waterloo Partnership Project could continue to be the Government's leading agent in dealing with very significant problems in the area. We also raised issues directly associated with the Aboriginal Housing Company's management capacity and funding. It was plain that if those issues were swept under the carpet and ignored, no progress would be made.

I should state that dissenting Coalition members were very firmly of the view that the Block should remain in Aboriginal ownership, and we stated that very directly. The major issues of concern are the lack of consultation and co-ordination and the failure, through the delivery of programs centrally from the Premier's Department, to improve matters in the Redfern-Waterloo area. Coalition members are pleased that as a result of various inquiries the Government has been forced to take action, despite the action being characterised by the persistence of Government spin and emanating from damning reports and exposés. Each response by the Government has been prepared secretly and delivered without any consultation. An example of that is the police package that was announced by the Minister for Police.

The police and other Government witnesses happily came along to the inquiry, but when they were questioned about resources, training, recruitment and other facilities at the police station, despite the New South Wales Police Association having continually raised issues relating to resources and the lack of human resources as well as all sorts of other problems, they told the inquiry that they did not have any problems with resources and that they had all the resources they needed. However, the very second that the Minister for Police, John Watkins, received the extremely damning Coburn report, which the Government tried to cover up and hide, he decided to take action and within a few days had announced his 32-items package—but at least some action was being taken.

Members of the committee were also pleased to note the commitment to dealing with the needle van issue. Action has not been taken yet, but at least a commitment has been made. It was extremely frustrating that important studies and reports, including the evaluation of the Block and the audit of the Aboriginal Housing Company, which ultimately became secret Cabinet documents, and more importantly the human services review, which was reluctantly finally produced by the Government as recently as a few weeks ago, were continually delayed instead of being used to encourage local community groups and non-government sector organisations to support the programs that were in operation. As a result, distrust of the people who work in the Redfern-Waterloo area still exists, which makes it even more difficult to envisage progress.

The inquiry was frustrated by taking hours and hours of evidence from Labor politicians but spending very little time with people who provide services on the ground, such as the police, Department of Community Services [DOCS] workers, other service providers and local residents. Notwithstanding that, the committee went to great lengths to ensure that over time members of the community had the opportunity to express their concerns. I was most impressed with the level of honesty and bravery shown by many people who came forward to give evidence. Notwithstanding that they had been complaining about problems and had been asking for help for a very long time, they persisted in putting their case, and it was great to see that. In contrast that, it was unfortunate to realise that there are people in the area who are part of the problem instead of being part of the solution. I was extremely disheartened to hear that the collection for the Hickey family from the bucket that was passed around just after the riot apparently was never given to the Hickey family. Yet people such as Lyall Munro, who organised that collection, were applauded by some members of the committee. People such as Lyall Munroe are part of the problem and the sooner that people realise that, the better off we will all be.

The Opposition is concerned about this legislation, which is the final piece of the jigsaw in action taken by the Government to address the issues. Many members of the Opposition are concerned that the legislation

appears to impose another layer of bureaucracy on planning issues in the Redfern-Waterloo area, and that is a matter of concern. The Opposition is also concerned about funding for the area, but I do not intend to repeat what has already been stated by many other speakers. There are also issues in relation to employment growth that members of the Opposition are concerned about. Again, this proposal has been born in secrecy, without consultation, and therefore it is no surprise that a lot of people have expressed reservations. It would have been a better solution to take the community along with the Government response, instead of having another secrecy obsessed media beat up, as has occurred.

An issue that has not been addressed, and which arose during hearings by the Standing Committee on Social Issues for the interim report, concerned the New South Wales Department of Aboriginal Affairs. The committee was astonished to hear that the department had 69 people and a budget of $7 million, which was expended primarily on staffing and other employment expenses. The head of the department, Ms Jody Broun, told the committee that her salary package was $180,000. Ms Brown is a senior public servant, but that is a lot of money to come out of that department's budget. The committee asked Ms Broun what programs the department delivers in Redfern, and to our absolute astonishment the answer was nothing. The department does nothing in Redfern, it does nothing anywhere in the State.

Ms Broun told the committee that the Department of Aboriginal Affairs plays a lead role in co-ordinating New South Wales government agencies and monitors the effectiveness of services and policies implemented by the Government. If that is what it does, it would have to be a failure! Ms Broun said, "We also do some work with supporting and monitoring the non-government business sector in that activity." The committee spoke to representatives of the non-government business sector and, to put it bluntly, it has not heard from the Department of Aboriginal Affairs. Ms Broun said:

> As I said, our main role is broader policy, high level and strategic policy development within Government.

The Department of Aboriginal Affairs with all its people and money delivers no services. If, as Ms Broun said, it provides broader policy, high level and strategic policy development within Government, perhaps that tells us a little about why the Government has taken a long time to come to grips with Redfern and Waterloo. Not to be too critical of Ms Broun, and I am sure she is doing the job she has been given, the committee was quite surprised to hear she had been to Redfern only a couple of times and did not know where Caroline Lane was. The Government has done nothing about the Department of Aboriginal Affairs as yet.

Another department that is an appalling disgrace and an appalling failure is the Department of Community Services [DOCS], but I will not even start to talk about that department today. I recommend that honourable members who are interested in the DOCS failure in the area read the evidence given before the inquiry. If the Government were serious about Redfern and Waterloo it had better get serious about DOCS also. I remain unconvinced that the Redfern-Waterloo Partnership Project is the appropriate agency to undertake an important part in the future of the Block. In the Minister's second reading speech he said that the partnership would be the leader in human services reform to achieve long-term sustainable solutions, and so on. However, with the past history and the lack of confidence in the partnership project and its limited resources, one would have to be concerned that it has any prospect of overcoming problems of lack of consultation and probably lack of resources, given that its funding has not been increased.

We have been told that this is all part of a 10-year package, but the Redfern-Waterloo Partnership Project has been approved to operate until 2006. As part of this new package the project has been extended until 2008. The Government's commitment and lead agency for the most important human services reform is approved only until 2008. How committed is the Government to achieving the long-term sustainable solutions? Even Dr Ramsey, who gave evidence, said that fixing the problems in Redfern and Waterloo was at least a 10-year commitment. We do not have that 10-year commitment from the Carr Government.

Many people are concerned about the direction in which the Government is proceeding. I remind honourable members that on 19 February, just after the riots, the Premier referred to his 25-year time frame for Redfern as including major commercial development—because of its public transport focus, its proximity to the investment being rolled out at the Australia Technology Park and because it is the obvious place to take a roll over or a spill over of commercial investment from Sydney's central business district. That is the direction that the State Government has in mind for the area. Let us hope that the Government makes the commitment that is needed to deal with all the other issues in Redfern and Waterloo.

The Hon. Dr PETER WONG [4.56 p.m.]: I congratulate Reverend the Hon. Fred Nile on the progress he made with the Minister on behalf of Aboriginal people. I oppose the Redfern-Waterloo Authority Bill.

I believe it will have a detrimental impact for many residents of Redfern and Waterloo, an area that has been characterised by social exclusion and marginalisation. This bill can only further entrench the marginalisation of the people and will not address the social needs that it says it will address. I am sure honourable members are well aware that all around the world such projects are actually used to dispose of and move on the poor and underprivileged, who find themselves sitting upon land of incredible value. The bill has been constructed in total secrecy and without consultation or adequate assessment. The bill provides for the creation of a super authority and would, as it stands, grant the Minister unchecked powers, the ability to overrule local council and other important laws and legislation.

This project is clearly designed to capitalise on the market value of the land that is an obvious corridor for the future growth of the Sydney central business district. I would not have a problem with such expansion. Indeed with the failing infrastructure of the New South Wales rail and transport systems, it is obvious that the city must expand in that direction. My concern is that the incredible amount of money that will be invested in and reaped from this area of considerable public housing—an area that is of almost spiritual significance to the Aboriginal communities in this country—will in no way assist the local residents and communities. The invaluable work being done by community-controlled organisations, particularly for the Aboriginal community, will be undermined.

The powers that this bill will give to the Government through Minister Frank Sartor are outrageous and extreme. How else can one explain the incredible ministerial powers provided for under the bill that would allow the Minister to be the landowner, developer and authority for both public and private land. Members of the Aboriginal community have informed the crossbenchers that this is yet another attempt to grab land from the Aboriginal people in this country. After reading the bill, I understand that that is exactly what it is about. While Captain Cook and the first administrators in the colony of New South Wales could argue that they had difficulties communicating with the natives, the Carr Labor Government cannot rely on such a weak excuse.

After Wik and Mabo this attempt to plant the Australian Labor Party flag in the heart of Redfern should send shivers through Australian Labor Party supporters across the country. It seems clear to me that future generations will be able to welcome people to land in the Redfern and Waterloo area and that they will be able to legitimately claim twice that State land was never ceded. It is most unfortunate that the Liberal Party seems set on supporting this legislation. John Brogden's statement on the eve of Redfern's troubles that the best way forward was to raze Redfern to the ground has given the Government the courage to do that. By selling off public assets to private developers the bill explicitly seeks to maximise returns.

According to the bill, such changes will crack the cycle of welfare dependence and social disadvantage by improving the quality of life through meaningful jobs and housing choices. I believe that the obverse is true. Developers are becoming dependent on government handouts. Given that Redfern-Waterloo has one of the highest rates of unemployment in New South Wales, thousands of unemployed people will be lining up to apply for the handful of jobs being offered by private developers. The 7,000 public housing tenants labelled as socially disadvantaged people will be temporarily moved out during the so-called reconstruction stage. When the redevelopment is completed will the Government give an undertaking that they will be welcomed back into their neighbourhood?

When the redevelopment is completed will the same people who were temporarily moved out be allowed to return and be given high-rise apartments? After all, vast amounts of public money have been invested in the construction and maintenance of public housing on public land in Redfern. The bill will also nullify the Heritage Act, which appears to apply to everyone except this Government. Why? This Government is seeking to maximise its returns quickly from public assets funded and maintained by the taxpayers of this State. I am not opposed to infrastructure development but I am opposed to the lack of debate and consultation, in particular, with residents in the region.

Residents who have been excluded and marginalised for so long should now be given an opportunity to bring about the changes that they recognise their community needs. They do not need white administrators and masters dictating what is required while handing out modern-day baubles in the shape of information sessions. Without this debate and consultation any sale of public assets to private developers—which, as we have seen, lacks transparency and adequate mechanisms for compensation—must be questioned and carefully scrutinised. Members on the crossbenches have received many submissions, some of which were referred to earlier by other honourable members. I would like to read a briefing note that was given to me by the Organisation of Aboriginal Unity, which states:

1. There has been a total lack of consultation with the community, not only the Aboriginal community but the wider Redfern Waterloo community regarding the Government's proposed Redevelopment of the area.

2. The Aboriginal community is concerned that the Redfern-Waterloo Authority (RWA) could undermine the work that is currently being carried out by community controlled organisations.

3. Of major concern to the Aboriginal community is the Government has not ruled out the possibility of forcibly acquiring the land currently owned by the Aboriginal Housing Company. The community is united in its belief that this would be viewed as the dispossession of our people and occupation of our land.

4. The Aboriginal Housing Company has the full support of the Aboriginal community in its plan to redevelop the Block and we urge the Government to embrace it.

5. The Aboriginal community and the wider community are not against the Government's willingness to find solutions for the improvement of the Redfern Waterloo area including employment growth. We hope to find these solutions through working together with Government.

6. We are hopeful that the Government will work towards resolving our concerns through an ongoing process of consultation. We are committed to working in partnership with local resident groups, other concerned stakeholders and the Government in achieving outcomes that are beneficial to all.

I believe those views are clear, appropriate and reasonable. When the Minister replies to debate on this bill he might like to respond to some of those requests.

The Hon. PETER BREEN [5.05 p.m.]: I oppose the Redfern-Waterloo Authority Bill. So far as I am concerned, the bill is a wolf in sheep's clothing. Its key objective purports to address the socioeconomic needs of the Redfern-Waterloo community, but its underlying intention is clearly to establish a body through which the Government can develop prime city land without the need to adhere to planning laws and regulations. The bill is a deliberate attempt to sidestep local government authority. Under the ostensible rule of the Redfern-Waterloo Authority, the Government will have the power to manipulate Sydney city boundaries and gain control of Town Hall. After amalgamating the Sydney and South Sydney City councils earlier this year in a failed attempt to win Town Hall for Labor, the Government now seeks, through this bill, to circumvent the democratic process and achieve its political objective by stealth.

This bill is not intended to improve the social and economic situation of residents in Redfern-Waterloo. It is a land grab exercise and, in my opinion, local residents are nothing more than an inconvenience for the Government, which will try to relocate them somewhere out of sight and out of mind. If the primary objective of the bill were to benefit local residents there would be clearly defined goals as to how this relocation would be achieved and implemented. The bill fails to identify any particular strategies for achieving socioeconomic development for the community. Although the Minister in his second reading speech highlighted social challenges as a primary objective of the bill, social issues are barely addressed in the legislation. Clause 26 refers to the provision of human services as an optional provision. It states:

> The Redfern-Waterloo Plan may make provision for or with respect to the following matters...

Therefore, it is not even compulsory for the Minister to make provision for human services under the legislation. In the other place the Government rejected a proposed amendment whereby the plan must give due consideration to human services. If social challenges were a major goal of the bill, as stated by the Minister, such provisions would be compulsory, not optional. The bill is simply a mechanism for establishing a government planning and development authority with powers that far exceed previous bodies with similar objectives. The bill gives the Minister exclusive power, as owner of the land, developer and the final voice of approval with regard to planning initiatives.

As Minister Frank Sartor can override the Heritage Act he can act on his own consent authority for his own developments, he can annex or expand boundaries set by the bill without the need for parliamentary approval, he can appropriate development contributions from outside the authority's area of control, and he can create authorised officers with unspecified powers to implement as yet unknown provisions of the bill. Many details of the fundamental operations of the authority will be defined by regulation. Consequently, we are being asked to blindly pass guideline legislation that Mr Sartor will expand upon at some time in the future to suit the needs of this monster authority. It is said that the monster is based on the Sydney Harbour Foreshore Authority, the Darling Harbour Authority and the Olympic Park Authority.

Those models are inadequate for any Redfern-Waterloo development because the social fabric of this area is far more delicate and has immediate needs specific to the local community The social justice issues at Redfern and Waterloo cannot be compared to the communities affected by the Sydney Harbour, Darling

Harbour or Olympic Park authorities. It seems to me that the primary aim of the bill is to socially engineer and gentrify Redfern-Waterloo. The Government is seeking to bring in the developers, the bulldozers and the big spenders without a thought for local residents. The Minister has been at pains to reassure members that cultural development, employment and choice for local residents will be catered for, but again the bill does not explain how those measures will be achieved.

There is no formal guarantee in the bill that local residents and other stakeholders will be involved in decision making regarding the Redfern-Waterloo Plan. This bill ought to be amended to make public consultation compulsory, including public exhibitions and a submission process. The Redfern-Waterloo Authority Bill is a blatant attempt to override local council authority in the area. The Government failed to gain control of the council at the March elections in its battle with Clover Moore so now we are faced with plan B. The bill does not even specify which sites it will target, thereby paralysing the work of the local council. The Redfern Park and Redfern Street projects will be put on hold because there is a danger that the proposed authority will run over these developments. Any boundary changes should be debated in the context of legislation and not delivered as a fait accompli by regulation.

Three things need to happen before I would consider supporting the bill. The first is that the boundaries of the proposed authority should not be extended without debate in Parliament. Secondly, the Minister for Infrastructure and Planning should be the consent authority so that the corporate knowledge of his department is included as a fundamental feature of the proposed development. Thirdly, heritage legislation should apply to the development as heritage values are no less important than planning principles. The Government is mistaken if it thinks it can ignore the social issues in the Redfern-Waterloo area. I am reminded of the battles that took place in Victoria Street, Kings Cross, and the development plans that were modified only when protesters took to the streets. The bill is a recipe for repeating the planning mistakes of the past, and I oppose it.

The Hon. JON JENKINS [5.10 p.m.]: There is no doubt that the Redfern-Waterloo area has many serious social problems. This large problem requires a large solution. There is also no doubt that any action taken on this scale will meet with massive community resistance—no matter what options are considered. Any campaign of this size will offend someone. No matter which government was in power or what action it took, people would protest and express concern. So we must accept the fact that there will be resistance. We must consider many factors when addressing a problem of this scale. But in this case the problem is complicated by the fact that Sydney is not some small country town but an international city—a city of the world. Perhaps to the detriment of its residents, Sydney is important not just to them but to the greater Sydney area, the State of New South Wales and Australia as a whole. Sydney is the premier city in Australia. The people of Sydney carry the burden of this status and will have to accept the consequences of living in an international city. I have some sympathy with the notion of involving the Federal Government in the management of Sydney because it is so important to the whole of Australia.

I have corresponded via email with 30 or 40 people about the Redfern-Waterloo Authority Bill. I live at the other end of the State in a country area and I do not understand many of the issues in the Sydney central business district. The consensus among the vast majority of people to whom I spoke via email was that, although they wanted some significant infrastructure improvements, they simply did not trust the Government. The Government's overwhelming response to this issue is, "Trust me, I'm Frank." That simply will not wash. I accept the Government's assertion that it cannot legislate for goodwill or honour. There is no way to legislate to ensure truth, honesty, justice and benevolence. The only avenue through which people can show their discontent with this Government is the ballot box, and they will not have the chance to do that again until 2007.

I believe my role in this process is threefold. First, I must ensure that the Government is at least open and honest about the process. Is the Government being devious or hiding anything that we should know about? Secondly, I must ensure that the legislation does not have fundamental flaws; and, thirdly, I must attempt to reach some negotiated position between the two opposing sides. So I ask: Is the Government being open and honest about this process? What are the accusations levelled against it? Are developer donations influencing the Government's decisions? At this point donations to political parties are entirely legal. Although I would like to see the donation system changed, unless there is the public will to do so donations will remain legal. I note the hypocrisy of the Greens on the donations issue. They deliberately deceive people and misuse the hundreds of millions of dollars that are donated annually to Greens groups.

Ms Sylvia Hale: What hundreds of millions of dollars could you possibly be talking about?

The Hon. JON JENKINS: The Greens receive donations totalling $43 million in Australia and about $1.3 billion worldwide. When the Greens come clean about their donations they will get some sympathy from me about donations.

Ms Sylvia Hale: You nominate what they are. That's absolute rubbish!

The DEPUTY-PRESIDENT (The Hon. Amanda Fazio): Order! I call the Hon. Sylvia Hale to order.

The Hon. JON JENKINS: I agree with the Greens: I would like to see donations from developers banned.

Ms Sylvia Hale: So would we.

The Hon. JON JENKINS: Right. I will give you the figures later, Sylvia. Apart from that, there are accusations of gentrification and ethnic cleansing. These are obvious accusations that would be made no matter what processes were suggested for this area. The Government has given a commitment that it will retain the area's public housing content—in fact, it is committed to almost doubling the public housing content. So although gentrification and ethnic cleansing are obvious arguments, I think the Government is somewhat justified in saying that it will not happen. I would like the Government to guarantee that existing residents will be rehoused in the area affected by this bill. The exact way in which thousands of people will be shifted and moved around during the construction phase is not specified, but the Government has given a guarantee that people will not be thrown onto the streets or moved out. The people of Sydney should hold the Government to that promise.

Concerns have been expressed about the very considerable powers that the bill will confer on the Minister. Ministers already have enormous power. However, in this case the concern is that the Minister will have both the planning and consent authority so all sorts of power is concentrated in the same Minister, with very little oversight. There is a direct conflict of interest. At the very least the Minister should avow publicly to allow objective assessment of the planning process. This can be achieved only by independent, objective assessment. The Minister will be able to consult several committees but I urge him strongly to employ professional and independent assessment panels. I also urge the Government to provide a mechanism whereby third parties may contribute to the planning process. I understand that I have been privy to some confidential internal planning and advisory processes, but I urge the Minister to post these draft processes in an open forum as soon as possible.

The next issue is expansion by regulation. I will support limiting the amount of expansion that the Government can achieve through regulation. I think that is a good amendment. The overriding of planning laws is also of some concern. The problem is that the power may be abused not only by the current Minister but subsequent Ministers or even subsequent governments. Although I have some sympathy with the benevolent dictator approach to government, the perennial problem is that absolute power corrupts absolutely. It is a shame that some or all of these powers cannot include a sunset clause, whereby the authority reverts back to the council after the big plan is implemented. After the big planning infrastructure is completed the council could then manage the streetscapes and do the normal things that councils do. I understand that councils tend to be inward looking and that in a city like Sydney we must have a more outward-looking approach. But why not introduce sunset clauses that would permit the council to regain some of its normal functions after a period? I cannot think of any logical argument for not doing that.

The lack of objects in the bill is a serious problem, which I understand will be resolved by negotiated amendments. I congratulate the Government on that move. Those objects will include some of the serious problems with the bill that the Aboriginal community has identified. One area of concern is the previous history of this Government in these types of activities. Some, such as Darling Harbour, have been very successful, but some have been unmitigated disasters. I encourage the Government to look back at the lessons it has learned from its previous disasters and successes and implement them in this particular case. The issues in regard to contributions have largely been resolved and the fund will go a long way to ensuring that the profits will stay in the area. With regard to the Carlton and United Breweries site, it should be noted that Minister Sartor is not the consent authority for the building development, and that it may eventually be the City of Sydney council. However, the levy from this development will go into the Redfern-Waterloo fund and will benefit the people of that area.

The other areas will have Minister Sartor as both the consent and planning authority and the levying authority. Again I urge the Minister to appoint an independent and objective assessment process without his "mates" on the panels. If he appoints his mates, as has been the traditional process, he will end up with more disasters, such as those in the rail and health systems. The heritage issues appear to have been at least partially addressed, but I urge the Government to consider interesting and innovative solutions. For instance, the flavour

and uniqueness of the Queen Victoria building and its surrounds have been maintained while the amenities and infrastructure have been improved. I plead with the Minister to be open to innovative solutions and ideas for the site.

The Minister should provide an appeal mechanism to his committees or councils for demolition orders in relation to buildings which are currently heritage protected. There should be some sort of appeal process, and an objective and external assessment. Finally, there was some concern about rangers or police. I do not know much about city areas, but in country areas that is a feature of our modern society. I have been, to use the euphemistic phrase, moved on several times. I travel around the country and I often sleep in a swag beside the road, and on numerous occasions council rangers have approached me and told me to move on. It is just part of society today.

I note in closing the hypocrisy of the Greens when it comes to matters of tradition and heritage. They are quite prepared to trash thousands of years of heritage and culture of fishing and horse riding or, for that matter, to have caused the abolition of access for the vast majority of Aboriginal people to wilderness areas to practise their traditional activities while they push the indigenous barrow here today. They are opportunists who will misuse any of these heritage issues for their own gain.

The Hon. PATRICIA FORSYTHE [5.22 p.m.]: At the commencement of sittings each week we acknowledge that we are meeting on the land of the Eora people. We do so because we acknowledge that land has a significance to Aboriginal people. If that acknowledgement is not hollow rhetoric, our regard for land and what it means for Aboriginal people cannot be ignored when we consider this legislation. Redfern has a strong sense of being for the Aboriginal community, even though we all acknowledge that there has also been significant social dislocation and great trouble for the Aboriginal community in that area. We should acknowledge its place and its importance. It is not possible to separate the Aboriginal community from this legislation. I do not believe that the Minister in his second reading speech paid enough regard to the heritage and significance of the area for Aboriginal people.

Redfern and Waterloo sit at Sydney's front door, so the area is important to all who live and work there. It is a gateway to the city of Sydney. Therefore, our vision for that area is important to us all and to the way in which Sydney is perceived around the world. There are ample examples in New South Wales, elsewhere in Australia and around the world of the creation of authorities for urban renewal communities. Over the years I have visited a number of urban renewal sites, for example, Battery Park in New York, the London Dockland area and Singapore, and one should not forget Darling Harbour and Sydney Cove, within our own community. If we consider the development of this community only in terms of real estate we will miss an opportunity to have a living city rather than an anonymous city.

I am worried that the Minister, in his second reading speech in the other place, emphasised maximising return on assets and identified a number of public assets. I understand that the bill will be subject to amendment in relation to the proposal to override the heritage provisions and the fact that in clause 26 the Redfern-Waterloo Plan does not include heritage provisions. I identify no separate heads of consideration for open space. If we are to create a new urban community in the Redfern-Waterloo area, open space will be very important. We will have open space only if the Government considers how it uses its own sites, which the Minister has identified as including iconic areas, in particular the Australian Technology Park in the Eveleigh area.

Eveleigh is almost the birthplace of railways in Australia and is of enormous significance. The Leader of the Government in this place regularly highlights that area when referring to new achievements in the Australian Technology Park. I am concerned that the Minister who will have responsibility for this new authority referred to maximising a return on assets, which I believe shows that there is a lack of vision. The Government should be focusing on open space on its own sites, and if it needs to have a return on assets so it can undertake renewal, that should be done by way of alterations to floor space ratios with the private sector.

That gives rise to a sideline issue, which was referred to by members of the Greens and by the Hon. Jon Jenkins, that is, developers and the role and place of development. Each member argued that because developers make donations to political parties we are beholden to them. I have placed my own position on this issue on the record many times. Without development there are no jobs and no creation of housing, factories or shopping centres. Development is fundamental to the renewal and growth of communities everywhere. Of course, there is a difference between good and bad development, but we should not be afraid of development per se.

I see in the Greens agenda a very strong focus against big business and against private enterprise. On the other hand, I say that development that is open and transparent, that takes account of good design and

incorporates proper space for use by the community, and that reflects fundamentals on how to create a living and vibrant community that has heart and soul, ought to be part of our vision for the Redfern-Waterloo area. That is lacking in the words used by the Minister.

I am concerned also that responsibility for this newly created authority will reside in a Minister other than the Minister for Infrastructure and Planning. That is despite the fact that so much of the bill, clause 27 for example, refers to the role of the Department of Infrastructure, Planning and Natural Resources. It makes no sense to me that that responsibility does not reside in the Minister administering the relevant Acts, as has been traditional with the Darling Harbour Authority, the Sydney Cove Authority and the Sydney Harbour Foreshore Authority. The proposed placement of that responsibility is not logical. It seems to be more about building an empire for the new Minister, and that causes me grave concern.

My personal view is that the creation of an authority per se is not something that this House should oppose. There are precedents. There certainly are examples of good developments along this line around the world. But so too are there examples of bad development. When I was in Singapore in 1990 I met with the Minister responsible for urban renewal in Singapore. That Minister informed me that his government had by and large done away with many of the very historic, old and traditional houses and buildings of central Singapore. It then realised by doing so it was creating a sterile environment. From the window of the high-rise building in which we were standing I was shown a couple of square blocks of traditional Singapore buildings that had been preserved in the name of heritage. Frankly, that is not what heritage is about—some museum piece in the middle of an otherwise sterile environment. I trust by now life has been breathed into that development, but at least the government recognised it had gone too far.

We have enormous opportunities to create in the Redfern-Waterloo region urban renewal development that demonstrates great vision. But that must not come at the cost of the people who constitute that community—not only the Aboriginal communities but also others who have made the area their home and place of work; people who believe that Sydney is a great international city and that we need to do what we can to grow our reputation as a great city. We have an opportunity to show great vision in what we do in Redfern-Waterloo. We definitely need to spend money to revitalise much of the infrastructure. I acknowledge that some of the money necessarily will come from the use of local assets, but I hope that is done with more sympathy than the Minister implied in his cold second reading speech. I hope it is done with more consultation with not only the local community but also with people who have a genuine interest in our heritage and the future of our city.

I trust there will be more understanding of the fact that in order to achieve a community with heart and soul you have to work with the community and take the community with you. That will only occur if the community feels it is part of the consultation and decision-making process. Unfortunately, the bill as presented to the Parliament lacks so many of those qualities. The Opposition will give its support for the bill to enable the Government to move forward with its proposal, but does so mindful that the bill itself is flawed and amendments must be made to it. The Opposition gives its support in the context that the Government has asked that it be trusted on much of this proposal. We give that support with a great deal of caution because this Minister has not yet demonstrated that he has earned that trust.

The Hon. TONY KELLY (Minister for Rural Affairs, Minister for Local Government, Minister for Emergency Services, and Minister for Lands) [5.34 p.m.], in reply: I thank all honourable members for their contributions. Since the introduction of this bill in November a number of comments have been made regarding certain aspects of its operation. In particular, issues have been raised regarding the role of the Heritage Council and items on the State Heritage Register, and the need for some clarity concerning development levies for affordable housing and public amenity. I foreshadow that I will move Government amendments to address these issues, notably to require that the Heritage Council be consulted before any demolition of items on the State Heritage Register, and that due consideration be given to the Heritage Council's advice before action is taken.

The bill will create the Redfern-Waterloo Authority, which will manage public infrastructure, land and properties in the area and promote the social and economic development of the community. By establishing a dedicated body the authority will be able to deal in commercial property management and development, at a distance from the Government, while remaining accountable to the Minister and the community. When the board has been established, a chief executive officer and a board will be appointed. The Minister in the other place has given a public commitment that the Lord Mayor of Sydney will be a member of the board.

The work of the authority will be funded through the establishment of a Redfern-Waterloo Fund, which will be financed through commercial activity on government land and properties and developer levies including

those from the Carlton and United Breweries site at Broadway—which is within close proximity to the operational area and is explicitly provided for in the bill. The funding of operational activities will be addressed over time in negotiations with the Treasurer in accordance with the usual annual practice that applies to all State government statutory authorities.

An issue was raised regarding the Minister being the consent authority for certain State significant projects and for determining the contributions plan for the operational area. I remind honourable members that this reflects the situation that occurs in local councils every month, where councils are consent authority for works on council's land. The Minister is responsible to Parliament, and the Government amendments will require that the Minister must consult with the Heritage Council before any alteration to heritage listed items. This ensures public scrutiny of the Minister's actions. In addition, the Government amendments provide also that the Minister for Infrastructure and Planning be the initial consent authority for the Carlton and United Breweries site, and that the Minister for Redfern-Waterloo be required to consult with the Minister for Infrastructure and Planning regarding the contributions plan for the operational area. This may go some way to addressing concerns regarding the need for independent input to these contribution plans.

It is the Government's view that consultation is a vital part of this bill. The Government is committed to ensuring that the community will be consulted on, for example, development of the Redfern-Waterloo Plan. In accordance with clause 14 (3), the Minister for Redfern-Waterloo will consult widely with the community and all levels of government when developing the plan. In accordance with clause 11 of the bill the Minister may establish advisory committees consisting of members of the local community to advise on matters and strategies to be included in the plan. It is the Government's intention that advisory committees will be established and will be appropriately focused on providing the support and detailed assessment necessary which it will not always be appropriate for the board itself to consider.

Claims are always made during a consultation process and some involve requests for more public resources, which may or may not be available, absent infinite taxation revenue. But government has an important role in reconciling competing claims and ensuring that progress is made toward outcomes that will result in improvements in the area through a degree of leadership. Consultation is important, but at the end of the day governments have responsibility to ensure that there is progress. While it is essential to discuss, debate and settle on correct courses of action, at the same time it is essential to effect progress by taking action. The Government has a very genuine commitment to achieving better outcomes for Redfern-Waterloo.

It is important to note that clause 28 is not a unique provision. The power is comparable to the provisions of the Walsh Bay Development (Special Provisions) Act, for example. I point out also that clause 28 is circumscribed substantially because the function to which it relates has to be identified in the Redfern-Waterloo Plan and it has to be essential for achieving development. There are some provisions that circumscribe the exercise of the power provided in clause 28.

Concern has been expressed also about provisions relating to authorised officers. I point out that those provisions mirror those in the Sydney Harbour Foreshore Authority Act. The exercise of their functions will be limited to the operational area of the authority. The functions may well be necessary, especially in relation to public domain supervision. The bill provides for delegation and assignment of functions to other organisations. It may well be that functions are required to be carried out by authorised officers and that those functions already are being carried out by the officers of City of Sydney council. In that event it may make a great deal of sense to outsource those functions. There is no intention to duplicate police work or appoint officers to carry out police work.

I know that some challenges currently are associated with the Australian Technology Park. Meeting those challenges may require the appointment of rangers, for example. If this clause is exercised, the functions may well be delegated to officers of the City of Sydney Council or some other body. Social impact statements are important. We must distinguish between the role of the Redfern-Waterloo Authority and the role of the Redfern-Waterloo Partnership Project. The creation of the authority is one aspect of the Government's response to extensive consultation with the Redfern and Waterloo communities in recent years. The Redfern-Waterloo Partnership Project will continue its work to improve the social economic conditions of the Redfern and Waterloo communities by focusing on community safety and the delivery of human services. The establishment of the Redfern-Waterloo Authority and the Redfern-Waterloo Partnership Project was a clear acknowledgment of the need for two interrelated, but separate, bodies, each having a defined focus of delivery in quite separate areas of responsibility.

The continued placement of the Redfern-Waterloo Partnership Project within the Premier's Department will ensure that the capacity exists to drive change across all government agencies. Some honourable members suggested that the authority was focused on infrastructure development, and that is the case. The Redfern-Waterloo Partnership Project has the unambiguous responsibility for leading the reshaping of human service delivery in Redfern and Waterloo. The community has a right to expect effective and accountable services that have the capacity to meet its needs. The bill and the ongoing work of the Redfern-Waterloo Partnership represent a bold and earnest attempt by the Government to address decades of social and economic disadvantage in Redfern and Waterloo. Some of the provisions are more in the nature of reserve powers. Nevertheless the Government believes that the necessary authority should be provided to maximise the prospect of success of this important initiative. I commend the bill to the House.

Question—That this bill be now read a second time—put.

The House divided.

Ayes, 26

Ms Burnswoods
Mr Catanzariti
Mr Clarke
Mr Colless
Ms Cusack
Mr Della Bosca
Ms Fazio
Mrs Forsythe
Miss Gardiner
Ms Griffin
Mr Jenkins
Mr Kelly
Mr Lynn
Reverend Dr Moyes
Reverend Nile
Mr Obeid
Mr Oldfield
Mrs Pavey
Mr Pearce
Ms Robertson
Mr Roozendaal
Mr Ryan
Mr Tingle
Mr West
Tellers,
Mr Harwin
Mr Primrose

Noes, 6

Mr Breen
Mr Cohen
Ms Rhiannon
Dr Wong
Tellers,
Dr Chesterfield-Evans
Ms Hale

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time.

Consideration in Committee ordered to stand as an order of the day.

BUSINESS OF THE HOUSE

Postponement of Business

Government Business Orders of the Day Nos 2 and 3 postponed on motion by the Hon Tony Kelly.

HOME BUILDING AMENDMENT BILL

Second Reading

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [5.50 p.m.]: I move:

That this bill be now read a second time.

As the second reading speech is lengthy and as it has already been delivered in the other House, I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

The Home Building Amendment Bill builds on the Government's wide-ranging reforms for the home building industry that have been introduced over the past three years. The bill covers two main areas. The first relates to the governance arrangements for the insurers operating in the home warranty insurance market. These new arrangements will bring about greater accountability on the part of insurers and a more transparent and efficient scheme for consumers and traders. The second relates to the licensing and disciplinary regime for builders and tradespeople. A number of reforms are proposed to remove unscrupulous operators from the system and to prevent their re-emergence either as, or behind, another legal entity.

In May 2003 the Minister for Commerce announced an inquiry into the Home Warranty Insurance Scheme. The inquiry, which was chaired by Mr Richard Grellman, was asked to consider a range of options for the delivery of this important product and to make recommendations on the best way forward. The inquiry consulted extensively with builders, consumers and other parties. The inquiry submitted its final report in September 2003. Among its recommendations were the establishment of a scheme board and advisory council and a system to regulate insurers, the creation of an Industry Deed to assist the entry of insurers and the strengthening of the building licensing processes. Following the release of the inquiry's report, an Interim Scheme Board was established to provide advice on the implementation of the recommendations.

The Interim Scheme Board membership comprises persons with extensive knowledge of insurance, and provides an excellent mix of experience and skills to oversee the development of the new regime for home warranty insurance. The Interim Scheme Board, with the support of the Office of Fair Trading Home Building Service, has consulted extensively. Based on the board's recommendations, the Government proposes to put in place a range of legislative and administrative changes. New governance arrangements for insurers are part of these. A permanent Home Warranty Insurance Scheme Board will be established to continue the work already started by the interim board. The scheme board will be a high-level specialist advisory body focusing on home warranty insurance.

The membership of the board will be drawn from persons with skills in general insurance, insurance products and commerce. Its role will be to monitor the operation of the scheme and to make recommendations to the Minister on possible changes. It will also provide advice on the operating conditions for insurers. The existing Home Building Advisory Council will be re-established in the Home Building Act 1989 and its functions will be amended to reflect its additional role in relation to traders. It will have representation from the insurance industry and non-aligned builders in addition to industry body representation. Consumer representatives will also be appointed.

The development of Market Practice Guidelines and Claims Handling Guidelines was one of the recommendations of the inquiry. Following consultation with insurers, Market Practice Guidelines have now been established and operate as part of the conditions of approval for insurers. Insurers will have to disclose premium and underwriting guidelines, provide reasons for decisions, implement service standards and establish complaint-handling processes. These will enable insurer compliance to be monitored against performance indicators. The Claims Handling Guidelines and complementary data collection proposals are currently being prepared for discussion with insurers, the building industry and other stakeholders.

In this context the bill contains some proposals that exempt the operation of certain provisions in the Privacy and Personal Protection of Information Act 1998. These exemptions are necessary to facilitate the obtaining of information and use of material relevant to the operation of the Home Warranty Insurance Scheme. They will also facilitate the use of information under the changes to the licensing and disciplinary regime. An Industry Deed will be entered into between the Government and the insurers. The deed will indicate the insurers' and the Government's commitment to the scheme. The Government will agree not to amend the legislative scheme without proper consultation, and the insurers will agree to make a long-term commitment to underwriting home warranty insurance in New South Wales.

As a result of the Government's actions CGU Insurance entered the home warranty market in May this year and another insurer, Lumley General Insurance, has also been approved to provide warranty insurance, therefore providing further competition among insurers and greater choice for builders. As I foreshadowed, the bill proposes a range of measures designed to further tighten the licensing provisions and help stamp out phoenix company activities. Significant increases in penalties under the Act are also proposed. Members will be well aware of the hardship that unscrupulous traders have caused for consumers, subcontractors and suppliers. Over the past four years the requirements for licensing have been progressively tightened, and these changes will make it even harder for the shonks to operate in this industry.

A number of the proposals replicate provisions recently introduced in relation to the property, stock and business agents legislation and other licensing schemes. They will enable the Commissioner for Fair Trading to more effectively prevent inappropriate persons from being involved in the industry and to take effective disciplinary action to remove unscrupulous and incompetent traders. These changes, coupled with the increases to penalties under the Act and the stabilisation of the insurance scheme, will ensure that consumer protection will be significantly enhanced. I now turn to the provisions of the bill.

As I mentioned, a Home Warranty Insurance Scheme Board will be established under the Home Building Act. Its role will be to offer high-level specialist advice on home warranty insurance. The scheme board will have the following functions: to advise the Minister with respect to the approval of kinds of insurance, and insurers; to advise the Minister on the conditions of approval of insurers; to advise the Minister on variations to approvals of insurers; to monitor the operation of the scheme and to make recommendations with respect to the scheme; and to provide advice to the Minister on any other matter referred to it by the Minister. The scheme board will comprise five part-time independent members appointed by the Minister, as well as the Director-General of the Department of Commerce or nominee.

The members of the scheme board appointed by the Minister must have knowledge or experience in insurance products or commerce. A reconstituted Home Building Advisory Council will be established. The Home Building Advisory Council is currently established under the Fair Trading Act I987. The council will provide advice on consumer-related and, in the future, trader-related issues. As the council will be working closely with the scheme board and because their memberships will overlap it is also proposed that the council be re-established in the Home Building Act.

The council will consist of at least 14 members including: the chair and deputy chair of the scheme board; the Director-General of the Department of Commerce or nominee; two representatives from the insurance industry appointed by the Minister, in consultation with the Insurance Council of Australia; two representatives of the building industry, appointed in consultation with the Master Builders Association and the Housing Industry Association; two persons appointed after consultation with the Labor Council to represent the interests of building industry employees; two persons holding a contractor licence; two consumer representatives; and one legal representative, appointed in consultation with the councils of the Law Society and Bar Association. In the case of both the scheme board and the advisory council, similar provisions will govern the appointment of members and the procedure of meetings as currently apply to the other advisory councils established under the Fair Trading Act.

I mentioned previously that market practice guidelines have been established that deal with issues such as underwriting requirements, service standards for insurers and the transparency of the insurance process. The market practice guidelines have been made part of the operating conditions for insurers under section 103A of the Act. A range of other conditions may apply. To ensure that the Minister has the benefit of high-level advice on the formulation of any conditions of approval, the Act will require that before imposing any conditions of approval on insurers the Minister must firstly consult with the scheme board. The Minister will also have to consult with the board before approving insurers, or varying or revoking an approval. Under the new insurance scheme builders will continue to be able to obtain insurance from more than one insurer. However, it is necessary to ensure that builders do not use this process to obtain greater insurance coverage than is appropriate, having regard to their financial and operational capacity.

The bill therefore provides for insurers to be able to exchange between each other relevant insurance information about licence holders. Relevant insurance information will include information concerning the business, commercial, professional or financial affairs of applicants for home warranty insurance. To ensure that insurers are legally entitled to exchange information of this kind, the bill provides that an insurer who is requested by another to provide relevant insurance information is required and authorised by the Act to disclose the information, despite section 121 of the Act or any other law of the State or any other jurisdiction with respect to the privacy of such information that would otherwise prohibit that disclosure. Section 121 of the Act prohibits the disclosure of trade secrets, information that is of commercial value or information concerning the business or financial affairs of the person from whom the information was obtained, unless the consent of the person is given or other legal excuse applies.

As part of the new governance arrangements, insurers will be required to provide information to the commissioner relating to their business operations as well as information concerning individual builders and claimants. Section 103AC currently provides for the provision of such information to the commissioner. However, where the information relates to individual claimants or insured persons, the consent of those persons was previously required. It is proposed that section 103AC be amended to remove the need for such consent. Access to this kind of information is necessary for the commissioner to deal effectively with disputes and protect the public.

As I said at the outset, the bill provides for a number of enhancements to the existing licensing regime that will further assist in preventing unscrupulous traders from operating within the industry. These will enable the Commissioner for Fair Trading to more effectively prevent inappropriate persons from being involved in the industry and to take disciplinary action to prevent such persons from continuing to be associated with the industry. The bill extends the definition of "officer" in the Act to include a person who is an officer of a corporation within the meaning of the Corporations Act 2001 rather than being linked only to a director or person who is concerned in the management of a company, as is the position now under the Home Building Act.

In a manner similar to that taken under the property, stock and business agents legislation, the Home Building Regulation will specify persons who are disqualified from holding a licence. This will include persons convicted within the last 10 years of an offence involving dishonesty. However, the commissioner may determine that an offence committed by a person should be ignored because of the time that has passed since the offence was committed or the triviality of the act or omission that gave rise to the offence. The commissioner will be required to reject an application for a licence if the applicant is disqualified from holding a licence, if the applicant is a mentally incapacitated person or if the commissioner is not satisfied the applicant is a fit and proper person to hold the licence. Similar provisions will apply to applications for building consultancy licences, supervisor certificates and tradesperson certificates.

The commissioner will also be able to reject a licence application if satisfied that there are reasonable grounds to believe that the application has been made with the intention of avoiding disclosure of the applicant's, or a close associate of the applicant's, past conduct as the holder of a contractor licence. This proposal is intended to prevent the current practice by some licensees who seek to use the licensing regime to mislead consumers as to their compliance record through linking themselves to other entities. A licence may be refused if the commissioner considers that a close associate of the applicant, who would not be a fit and proper person to hold a licence, exercises a significant influence over the applicant or the operation and management of the applicant's business.

This provision will ensure that persons who are not of good repute will not be able to become involved in the business of a licence holder in circumstances where they are able to effectively control that business without necessarily being a director or officer concerned in the management of the business. A close associate will be defined in new section 3AA. It includes a partner, agent or employee of the applicant or licence holder. It also includes a person who bears a prescribed relationship to the applicant such as a spouse, de facto partner, child, grandchild, sibling, parent or grandparent.

Another ground for refusing a licence application is where an employee or proposed employee of the applicant is disqualified from holding a licence, has had an application for a licence rejected on a ground relating to his or her character, honesty or integrity, or has had a licence cancelled or suspended on any disciplinary ground. This proposal is intended to prevent disqualified persons from continuing to operate in the industry under the umbrella of another licensee, in particular in circumstances where the disqualified person can exercise day-to-day control of operations or receive significant benefits from the corporate or other structure of the licensee without necessarily holding a position concerned in the management of the licence.

However, the commissioner will be empowered to approve of persons working as employees when considered appropriate. Applicants for licences and certificates will be required to notify the Commissioner for Fair Trading of any changes in the state of

affairs of the licence applicant before the application is determined. This will place a responsibility on applicants to disclose matters of importance, in particular solvency issues, or risk licence suspension or revocation. The commissioner will be able, by notice in writing, to require an applicant for a licence or a close associate of the applicant to provide information relevant to the investigation of the application.

The commissioner will also be able to require an applicant or close associate to provide such authorities and consents to enable the commissioner to obtain information, including financial and other confidential information from other persons. If a requirement under this provision is not complied with the application may be deferred while non-compliance continues. The power of the commissioner to obtain information from persons by notice in writing under section 127 of the Act will be expanded to enable the commissioner to obtain information relating to the financial solvency of both licence holders and applicants for a licence. The intention of the regime is to identify licence applicants with poor financial compliance records that place themselves, consumers and others at risk.

A number of reforms to the disciplinary provisions are contained in the bill. Part 4 of the Home Building Act establishes the disciplinary regime for licence holders. Normally, a period of time is given for the licensee to make submissions and to provide evidence with respect to the matters to which the notice relates. During this time the licensee may continue to operate until such time as a determination is made by the commissioner. This can leave consumers and others exposed to loss in dealing with the licensee in the intervening period. The bill therefore amends the Act to introduce a power similar to that contained in the Property, Stock and Business Agents Act 2002. The commissioner will be able, by notice in writing, to suspend a licence pending a determination of whether to take disciplinary action. Such a suspension applies only if the commissioner is satisfied that the grounds for disciplinary action specified in the notice to show cause would, if established, justify the suspension or cancellation of the licence.

The suspension may not be imposed for more than 60 days. A suspension may be revoked at any time by notice in writing. The proposed suspension power does not affect any power to suspend a licence under the Fair Trading Act. Additional grounds will be available for disciplinary purposes. These include: that the holder becomes a disqualified person; the holder does not meet the required standards of financial solvency; there is a risk to the public that the licensee will be unable to carry out work under contract; the licence was improperly obtained; or that the commissioner has become aware of information about the licensee that, if known at the time the application for the licence was determined, would have been grounds for rejecting the application. The grounds for disciplinary action will also include employing a person where the licence holder knows that the person is disqualified from holding a licence, has had an application for a licence rejected on a ground relating to the person's character, honesty or integrity, or had a licence cancelled or suspended on a disciplinary ground.

Disciplinary action will also be available if a licensee fails to comply with requirements relating to mandatory inspections. In July 2002 the Joint Select Committee on the Quality of Buildings recommended that mandatory critical stage inspections be required to be carried out by the principal certifying authority, council or accredited certifier. The mandatory stages would vary depending on the type of building work. The Environmental Planning and Assessment Regulation 2000 provides that to allow a principal certifying authority time to carry out critical stage inspections, the building contractor for a building site must notify the principal certifying authority at least 48 hours before building work is commenced at the site if a critical stage inspection is required before commencement of the work.

It is essential that the builder comply with this requirement as serious ramifications may ensue if a mandatory inspection is missed and the work proceeds. Failure to undertake the required inspections, particularly at the footings stage, can lead to serious problems with the work and may result in protracted building disputes, which may cost consumers many thousands of dollars. To reflect the importance of this requirement the bill amends the Act to expressly provide that it is a ground of improper conduct under the disciplinary provisions should a licensee either knowingly fail to inform the principal certifying authority of a mandatory inspection or has proceeded with the building work in the absence of an inspection taking place.

All the new licensing requirements and disciplinary powers accruing to the commissioner that I have outlined will be subject to review on application to the Administrative Decisions Tribunal. In addition to the new disciplinary powers, the bill makes a number of changes to the offence provisions. One of the Government's election commitments was to increase penalties for contractors who breach the Home Building Act. In accordance with this commitment a comprehensive review was undertaken of the penalties that apply. The bill proposes that the maximum penalties under the Home Building Act be made equivalent to those under the Fair Trading Act, that is, 200 penalty units or $22,000 for an individual and 1,000 penalty units or $110,000 for a corporation.

The review also noted that some penalties do not reflect the seriousness of the offence. For example, it is proposed to increase the maximum penalty for breaching the maximum deposit requirements from 40 penalty units to 200 penalty units for individuals and 1,000 penalty units for corporations. Penalties for lesser offences, such as failure to provide a consumer brochure at the time a contract is entered into, will be doubled for corporations. It is proposed that proceedings for offences under the Home Building Act be dealt with in a similar manner to that which operates under the Fair Trading Act. In this regard proceedings for an offence against the Act would be disposed of summarily either before a Local Court or the Supreme Court in its summary jurisdiction.

Proceedings for a breach of the Home Building Regulation would continue to be disposed of summarily before a Local Court. The maximum monetary penalty that may be imposed by a Local Court for an offence against the Home Building Act would be 200 penalty units—the current maximum penalty provided in the Act. The review of penalties also included those under the disciplinary provisions. The bill increases from $22,000 to $50,000 the maximum monetary penalty that the commissioner may impose on a corporation under the disciplinary provisions. This amount is in line with the maximum monetary penalty that the Minister may currently impose on an insurer for breach of the conditions of approval. No increase is proposed for individuals.

As well as raising the existing maximum penalties for breaches of the Act, certain new offences will be created. It will be an offence to lend a licence. The proposal will bring the Home Building Act into line with legislation introduced in relation to real estate agents. The maximum penalty would be equal to that for doing work without a licence—currently 200 penalty units or $22,000. The bill makes it an offence punishable by a penalty of 200 penalty units for individuals and 1,000 penalty units for corporations for a licence holder or owner-builder to contract with an unlicensed person to do work that requires a licence. This is

intended to bring to an end the situation where builders use unlicensed persons as subcontractors. This proposal will support existing licensees and improve the quality of construction.

It will also be an offence for a person who has control over the doing of building or specialist work to fail or refuse to advise an authorised person of the name and residential address of each subcontractor undertaking the work or to state a name and address the person knows is false. A maximum penalty of 200 penalty units will apply. Contractors who provide false or misleading information in connection with an application for home warranty insurance will also be subject to a maximum penalty of 200 penalty units. A number of other miscellaneous reforms are proposed by the bill. Section 120 of the Act requires the commissioner to maintain a public register of licences, certificates and permits issued under the Act.

The register also records adverse information relating to licence and certificate holders, including the results of any relevant disciplinary determination, the results of prosecutions, details of penalty notices issued, the number of insurance claims paid, instances of non-compliance with tribunal orders, details of public warnings and any cancellation or suspension of the licence, certificate or permit under the Act or any other Act. This information is provided to assist consumers in deciding whether to engage a builder or tradesperson. The information contained on the register is available on line for the public.

Under the Act there is no ability given to the commissioner to remove a particular from the register where it is discovered that the retention of that matter on the register is misleading or otherwise operates unfairly against the licensee. For example, one of the matters recorded is the number of insurance claims paid. In a small number of cases it has been found that the claim was paid without any fault on the part of the licensee or the claim should not have been paid. This normally occurs where new information comes to light after the claim is paid and the claim noted on the register. In these circumstances it is prejudicial for the builder that the register continues to record the claim. It is also of no assistance to consumers who may otherwise wish to engage that builder.

The bill therefore gives the commissioner power to remove or amend a particular on the register where it is shown to the satisfaction of the commissioner to be, or is to the knowledge or opinion of the commissioner, to be false, erroneous, misleading or unfairly prejudicial to the licence or certificate holder. Section 123 of the Home Building Act provides for the service of notices and other documents under the Act. The bill brings the service provisions into line with those in the Fair Trading Act and the Interpretation Act, which include posting documents by normal mail. Pursuant to section 96A of the Home Building Act a developer must not enter into a contract for the sale of a dwelling in a project unless a certificate of home warranty insurance obtained by the builder is attached.

Failure to attach the certificate of insurance is an offence subject to a maximum penalty of $22,000. The Act also provides that if a developer contravenes this requirement the sale contract is voidable at the option of the purchaser before the completion of the contract. A similar right for a purchaser to rescind applies in relation to the sale of properties by owner-builders and builders. The purpose of such provisions is to protect consumers against uninsured building work. However, the section can operate unfairly against a developer, owner-builder or builder where the required insurance has, in fact, been taken out over the building project but that due to an oversight the certificate of insurance was not attached to the contract for sale at the time of exchange of contracts.

To address this situation, while at the same time seeking to protect consumers against uninsured work, it is proposed to amend the Act to provide that if a developer, owner-builder or builder contravenes the requirement to attach an insurance certificate, notwithstanding that insurance has been obtained, the right of rescission will apply but only if a certificate of insurance is not served on the purchaser or the purchaser's legal representative prior to completion of the sale under the contract. While the proposed change addresses the inadvertent omission by the developer, owner-builder or builder the penalty provision for failure to attach the certificate will remain. I commend the bill to the House.

The Hon. MELINDA PAVEY [5.50 p.m.]: I lead for the Opposition in debate on the Home Building Amendment Bill 2004. At the outset I make the point that the Opposition will oppose this very poor legislation. This is yet another defective and rushed bill that the Government is trying to get through the Parliament before we break for Christmas without providing an opportunity for proper consideration of its implications. The Government has failed to consult on the bill with peak industry bodies, especially the two most important groups in the building industry in New South Wales: the Housing Industry Association [HIA] and the Master Builders Association [MBA].

The bill is another attempt by the Government to appease the unions by creating specific legislation. The Government can sugar-coat this legislation and spin its purpose any way it likes—it claims that the bill will strengthen the builder licensing system, increase penalties and establish a new structure for home warranty insurance providers—but the cold facts are that builders will get no pleasure from this legislation, so consumers will not get any pleasure from it, either. The bill unfairly penalises builders and makes insurance even more complicated. It will do nothing to stop the rise in uninsured owner-builder homes and will force unions onto an industry that has been openly unreceptive to union activity.

This arrogant Labor Government continues to strike at the heart of small business within New South Wales, and this bill is a shining example of its arrogance. The Carr Government is intent on suffocating trade and business in New South Wales and the housing industry has now realised that it is no exception. The builders of New South Wales want to reintroduce the Building Services Corporation, and the Coalition is committed to achieving just that when we win government in 2007. Builders protested outside Parliament earlier this year against this Government's actions and non-actions. The Government has not listened to their concerns and continues to kowtow to the unions. The Home Industry Association is so firmly against this bill that in its press release it unequivocally stated the bill is a charter for sending small businesses in the housing sector to the wall and should be withdrawn.

The HIA suggests that the proposal to prohibit builders engaging in unlicensed trade does not enhance consumer protection and that the bill is a thinly disguised attack on the efficient independent contract system that operates within the housing sector. This proposed legislation creates a governing council for the industry with two union representatives from the Construction Forestry Mining and Energy Union—an attempt, I can only assume, to mend breaches caused by the Australian Labor Party at the Federal election with the debacle that resulted from the defection of workers in Tasmania. This is proposed, despite the industry at a local level being traditionally non-union.

The Hon. John Della Bosca: I promise you they will not be from Tasmania.

The Hon. MELINDA PAVEY: I note the interjection of the Minister, who made the point that there will be no union representatives from Tasmania. This bill allows for the council to suspend the licence of any builder for 60 days, without the chance of appeal, while an inquiry is held into the alleged offence. This has an effect not only on a builder but also on any subcontractor and upon people for whom the builder may have been acting.

This bill enables a council inspector to come onto any building site and put a builder out of business for any reason while the council takes time to investigate claims against the builder. Sixty days is a long time for a small business to be completely halted. This provision can cause the termination of many small business operations in New South Wales. In the competitive building market, 60 days is not a luxury that businesses can afford while investigations are conducted by the union. Bills and staff still need demand payment, whether or not the builder is able to continue working. If a business is halted, there will be no money with which to pay bills and staff. While an appeal is provided for, it is unrealistic to believe that a builder who is unable to work will be able to fund a legal challenge without a source of income. Where is the application of the old legal maxim that our system is based on a person being presumed innocent until proven guilty?

A builder is neither presumed guilty nor innocent; he is simply put of out business. This is an unfair burden that will be placed on small businesses for which the Labor Government makes no apology. Its policy is merely to ensure that it satisfies the union movement, without any regard for those trampled on in the process—and more often than not it is small business that cops the brunt of the attack. This sneaky Government thought it could slip this type of legislation through at the end of the year without it being noticed and without consultation. How arrogant! The bill makes industry watchdogs out of principal contractors and builders. Under this new legislation, the principal contractor will be required to check the licences of all contractors and record the scope of work to be done by each contractor. This is an onerous task, given that there are more than 30 areas of contract and more than 70 different licence categories on an average house site. The task is almost impossible and will create an impossible imposition on small business.

Despite chants from the Government that the legislation will ensure greater consumer protection, the bill will do nothing to alleviate consumer fears or concerns. The Housing Industry Association and the Opposition know that in fact the bill will do nothing to make trade fairer. Clearly it is not in the consumer's interests. The bill is a backward step. It will have the effect of putting many builders out of business. People in New South Wales who want to build homes and to see the building industry flourish will see it retreat. The bill is an admission by the Government that the Office of Fair Trading cannot appropriately police the building sector.

Looking at the bill in more detail, I point out that the concerns of the MBA were well detailed in the second reading debate on this bill in the other place. During that debate, the Opposition was led by the shadow Minister, Chris Hartcher. Members of the Opposition in that place were able to give the association a voice that the Government so abruptly denied it. However, I will place some of the association's concerns on the record of this House, especially as the MBA was not consulted by the Minister before this piece of legislation was introduced in the Parliament. According to the MBA schedule 1 amendments relate to insurance and item [2] of schedule 5 relates to the constitution of the Home Warranty Scheme Board.

The functions of the board under this provision do not fully account for the Grellman inquiry recommendations and will in fact operate only as an advisory and consultative function. The MBA hoped that the board would provide an independent function in considering grievances and complaints. Items [6] and [7] of schedule 1 insert new sections 103AC and 103AD, which relate to exchange of information between insurers. The MBA is concerned that new section 103AC will raise privacy issues, not only for builders but also for consumers and clients. The MBA is gravely concerned that this provision will apply retrospectively to allow the circulation of any insurance information that has been previously held by the insurer relating to a person.

The Legislation Review Committee addressed privacy issues in relation to proposed section 127 (8) in schedule 2 [29]. The committee has made it clear that subsection an authorised person is not, in obtaining information under section 127, required to comply with specified provisions of the Privacy and Personal Information Protection Act 1998. The committee also noted that under section 127 there is no privilege against self-incrimination and that information obtained pursuant to an exemption to the privacy Act may be used in civil proceedings against a person. Schedule 2 amendments relating to authorities give extraordinary powers to the director-general. It is a matter of concern that such powers are often delegated to an officer who is not the director-general. There are concerns that the bill will give the director-general the authority to form arbitrary opinions and decisions as to a person's character or integrity, or in determining who is a fit and proper person.

The bill will extend the judgment of the director-general beyond licensees or authority holders, but will bring into the Act so-called close associates, including a spouse, de facto and/or partner. This may have the effect of a licence being denied or subject to disciplinary action, due to a close associate's suspicions that may be unrelated to the industry.

Schedule 3 amendments relate to disciplinary action. New section 61A enables the director-general to have the power to suspend authority when a show cause notice is served. That provision effectively ties the suspension of business with a notice to show cause. The 60-day suspension would be catastrophic to small business and could be seen as a denial of natural justice. The denial of natural justice is a theme I see repeatedly in legislation introduced by this Government. That suspension will have a flow-on effect to subcontractors, suppliers and others in a contractual claim, not to mention the families of those affected who must manage the financial and emotional strain of not being able to work.

I have no doubt that the concerns of the Master Builders Association and the Housing Industry Association will continue to be loudly shouted at the Government as the effects of this bill are increasingly felt within the industry. The Government needs to go back to the drawing board and rethink the way it treats the building industry and deals with insurance. I have received correspondence from a person affected by a shonky builder. The person pointed out that licensed builders are not being properly investigated. He made the point that the Office of Fair Trading investigates only 10 per cent of licence applications. No amount of legislation will change anything when the department responsible for licensing does not change even its procedures manual.

The correspondent wrote that in November 2003 the ICAC noted that the Office of Fair Trading conducted only random checks and checked only one in 10 licensees for bankruptcy. There are real issues in the industry and in proper licensing procedures. We need to make sure that we have a system in which we have faith and trust. The New South Wales building industry is going through a pretty good time, so good that many builders have worked lined up for months on end. Recently I was in Dubbo where the biggest industry problem is that it costs between 20 and 30 per cent more to do any major building because all the local builders are doing fairly well. They have lots of work on their books. Not many people are interested in entering the building industry because they are frightened by the heavy insurance that they would have to pay and by the surety they would have to put up to get that insurance.

In New South Wales we need a better system and I am proud that the Opposition—The Nationals and the Liberal Party—have agreed to reintroduce the Building Services Corporation. It seems quite strange that the Government is scared of a system that worked well when the Coalition was in government. Today any builder would much prefer to work under a scheme in which they can get affordable insurance, insurance that is affordable to consumers, builders and ultimately the State. I look forward to the Minister's comments in relation to that.

The Coalition, the Master Builders Association and the Housing Industry Association do not support the Home Building Amendment Bill. Builders will not support the bill. It is time the Government started listening and acted upon the concerns of people within the industry. People in regional New South Wales and the city have stories about builders and difficulty in getting work done. There is a backlog of work that needs to be done because not enough people are going into the industry. Builders are not prepared to meet the criteria to win contracts and carry out work. The rise in the owner-builder category is of real concern, because people who are not properly trained obtain an owner-builder licence to avoid insurance costs. That will have substantial effects in years to come. The Coalition opposes the bill and I look forward to continued debate on it.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [6.04 p.m.], in reply: I thank the Hon. Melinda Pavey for her remarks, some of which I will respond to briefly. She dealt with the representation

of a trade union on the Home Building Advisory Council. Apart from the long-established approach of having an organised labour force and two stakeholders in an industry in which both are represented, there are four employer representatives on the Home Building Advisory Council and only two union representatives. It is not as if there is some dreadful bias that might indicate some shift to industrial control of the Home Building Advisory Council.

Another more critical point I make is that the Home Building Advisory Council has nothing to do with the powers to go onto sites, to suspend licences, or to suspend home building. That power is a discretionary power in the director-general. It has nothing whatsoever to do with the Construction, Forestry, Mining and Energy Union [CFMEU], Tasmanian rain forests, the Federal Labor Party or anything else. That power is with the director-general and has nothing to do with the Home Building Advisory Council. Any involvement of the unions in any process in relation to the discretion of the director-general is simply not only unlikely but impossible. The remarks by the Hon. Melinda Pavey, which dealt with the role of the CFMEU or any other industry union in respect of the Home Building Advisory Council and what consequences that may or may not have for visitation to sites, closing down of sites or suspension of licences, are simply wrong.

In relation to the scheme board, it is not feasible to have a statutory board within a government department. The functions of the advisory board are clearly set out as a supplementary industry advisory role, not a statutory role basically for the functions of the department. The Government would never want a situation in which an advisory board advising about legislation, regulation, or industry practice was actually making the legislation or determinations for the industry. That would lead to the nightmare scenario that the Hon. Melinda Pavey seemed to be so concerned about—that people with a direct interest, whether from an employee or employer perspective, would make decisions that should be at the discretion of the statutory officer.

The bill ensures that all licensing decisions are subject to an independent review by the Administrative Decisions Tribunal. That further underlines the integrity of the legislation in respect of any decisions that could affect either the livelihood or ongoing operation of any business. I understood the concerns in the earlier part of the speech by the Hon. Melinda Pavey to be about natural justice; I think she probably meant procedural fairness. There is no doubt that the bill provides for both in respect to all key decisions, or all decisions available to the director-general or any other officer of the department proposed in this legislation. There will be a full right of appeal to a body independent by statute, and that will guarantee procedural fairness and natural justice to anyone affected by any decision under the Act.

There have been two reviews of the Building Services Corporation that established beyond any reasonable doubt that the corporation was not up to the task of conducting the home warranty guarantee business. In effect, we are still paying off the debts of the old Building Services Corporation. It is rather odd that the Hon. Melinda Pavey is proud of the Coalition's intention to reintroduce such a clearly failed policy framework as the old Building Services Corporation when taxpayers are still effectively paying off its debts. The honourable member referred to the effect that this legislation would have on small builders and subcontractors in the building industry. I agree with one thing she said, that is, that by any stretch of the imagination the cottage building industry is doing quite well and that it is quite buoyant at the moment. Most people are aware that trades people in the cottage building industry are fully employed.

I agree with another observation that the honourable member made, although I do not think it is of direct relevance to the pros or cons of this legislation. She said that there is an emerging shortage of labour in the cottage building industry, due in some respects to the complicated nature of the industry, the contracting framework and the obligations imposed on builders. Given the attractions of other industries, a lot of people are leaving the cottage building industry for less contractually confusing and major civil construction projects. I agree with the honourable member that there is an emerging shortage of properly qualified trades people in the home building sector. The Commonwealth and State governments and the industry are interested in that emerging problem.

The honourable member referred also to small business and contractors and to the reintroduction of a quasi-autonomous non-government organisation to deal with these problems. This Government might do that, or in some future nightmare world the Hon. Melinda Pavey as Minister might do that. The Queensland legislation is often cited as the model to be pursued. Some people have referred to the old New South Wales model but we have pointed to the fact that we are still paying off that debt, so a lot of people have moved away from it. The Hon. Melinda Pavey, by referring to the old New South Wales corporation, is a bit behind the run of play. If we applied the Queensland model to the New South Wales industry many more small cottage builders and subcontractors would go out of business because they simply could not meet the business tests required under the Queensland model.

Those business tests have been driving a lot of builders crazy, and with some justification. However, the business tests imposed by insurance companies under the New South Wales scheme would be much harsher than those imposed under the Queensland model. More builders would be forced out of business if we introduced a Queensland-style building services corporation. Those are the key points that I would like to address in responding to the issues raised by the Hon. Melinda Pavey. It is regrettable that the Coalition is opposing this legislation.

The Hon. Melinda Pavey: What about the views of the MBA?

The Hon. JOHN DELLA BOSCA: The Master Builders Association has a view. It has been clear about the fact that it would like to introduce the Queensland model. That has always been its preferred approach. If I were secretary to the MBA and were looking at the issue simply from its point of view I might also advocate that view. The Coalition, as the alternative government, should be establishing the best possible system for the people of the State as well as the home building industry. Unquestionably, we must implement the best system for consumers and the building industry. If we are to ensure that there are reasonable insurance costs and long-term sustainability for the cottage industry, the best model would be a well-regulated market system following the statutory insurance model successfully deployed in the motor accidents scheme.

Many elements of the reforms to the workers compensation scheme take that model approach. The sort of scheme that would deliver the best possible outcomes would be a regulated market-based scheme. The general underwriting approach of the corporation does not do anything for industry and it leaves consumers exposed. As I said earlier, we received endless complaints from consumers in relation to the old system. Many of those complaints remain unresolved, which is why it is still costing the Government money. The Government has proposed significant reforms to the home warranty scheme and home building in New South Wales. We believe that they will provide a successful framework and the basis for a much better future for the home building industry.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [6.15 p.m.], by leave: I do not support the Home Building Amendment Bill. The Insurance Council supports the bill but it is significant to note that the Housing Industry of Australia, the Master Builders Association and the Building Action Review Group Inc. [BARG] do not support the bill. Peter Meredith from the Master Builders Association said:

> Everyone has a shonky builder story, but no one is prepared to talk about the majority of successful projects...
>
> The industry is suffering under more and more legislation, and... much of this legislation is not enforced. The Regulator has ample powers to control the so-called shonks in the industry without creating layer upon layer. They can suspend a builder under the Fair Trading Act, but want the process handed to them on a platter.
>
> The over regulation of the industry, combined with the ongoing disaster of the privatised home warranty scheme is not attracting new entrants to the industry and is forcing those that can, to leave. This is not conducive to maintaining a viable industry...
>
> The level the industry has been driven down will be realised when we have another disaster, such as the Sydney hail storm. There simply will not be enough builder and trades to do the work because they are being driven out.
>
> Irene Onorati has stood side shy side builders outside Parliament House and now recognises what we had under the former Building Services Corporation was far better than the level of consumer protection wound back under the privatised warranty schemes... She recognises that they threw out the baby with the bath water and has publicly admitted this...
>
> The Queensland Government is making a mockery of NSW in what has occurred in the NSW industry. You just need to visit the QLD Building Services Authority Website.

The Master Builders Association referred to the fact that a level of bureaucracy is smothering this industry and it outlined some of the government agencies involved. BARG states:

> 1. The Bill was introduced without consumer's consultation also.
>
> 2. It is imperative that builders and other principal contractors take responsibility in employing licensed skilled persons who have adequate knowledge and the training...
>
> 3. It is a simple exercise for a builder to check the licence before hiring people to contract. It is not impossible nor does it require additional time.

In essence, the contract is between a home owner and a builder and it is up to the builder to deliver. If a builder is shonky something should be done. We must keep a record of shonky builders and the complaints that have been made against them. That record should be made public to anyone who wants to choose a builder. The

Government must not simply continue to enforce registration of contractors and subcontractors when no action is being taken against head contractors or builders. The Government is not enforcing the Act; it is merely registering more people.

We must identify those builders who have bad records so that people can choose not to use them. People must be aware of the record of any builder that they choose. I do not believe that this legislation furthers that aim. The Government's lack of enforcement of existing legislation is a problem. I am worried about the fact that significant groups such as the Master Builders Association, the Builders Action Review Group and the Housing Industry Association do not support the legislation. Even more worrying is the fact that only insurers support the bill. I do not support the legislation and I do not believe most people in the building industry do.

Ms Sylvia Hale: I seek leave to speak on the Home Building Amendment Bill.

Leave not granted.

Question—That this bill be now read a second time—put.

The House divided.

Ayes, 18

Mr Breen	Ms Griffin	Mr Roozendaal
Ms Burnswoods	Mr Hatzistergos	Dr Wong
Mr Catanzariti	Mr Jenkins	
Mr Costa	Mr Macdonald	
Mr Della Bosca	Reverend Dr Moyes	*Tellers,*
Mr Egan	Reverend Nile	Mr Primrose
Ms Fazio	Mr Obeid	Mr West

Noes, 15

Dr Chesterfield-Evans	Ms Hale	Mr Tingle
Mr Clarke	Mr Oldfield	
Mr Cohen	Ms Parker	
Ms Cusack	Mrs Pavey	*Tellers,*
Mrs Forsythe	Ms Rhiannon	Mr Colless
Miss Gardiner	Mr Ryan	Mr Harwin

Pairs

Mr Kelly	Mr Gallacher
Ms Robertson	Mr Gay
Ms Tebbutt	Mr Lynn
Mr Tsang	Mr Pearce

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time.

Consideration in Committee ordered to stand as an order of the day.

[*The President left the chair at 6.29 p.m. The House resumed at 8.00 p.m.*]

TABLING OF PAPERS

The Hon. Tony Kelly tabled the following papers:

(1) Administrative Decisions Tribunal Act 1997—Report of the Administrative Decisions Tribunal for the year ended 30 June 2004

(2) Annual Reports (Department) Act 1985—Report of the Judicial Commission of New South Wales for the year ended 30 June 2004.

(3) Harness Racing Act 2002—report of Harness Racing New South Wales for the year ended 30 June 2004.

Ordered to be printed.

DUTIES AMENDMENT (LAND RICH) BILL

Second Reading

The Hon. MICHAEL EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [8.04 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

The principal aim of this Bill is to implement the Government's intention, foreshadowed last May, to include indirect as well as direct disposals of land-related property in the tax base. This is necessary because the Government recognises that the transfer of shares in companies or units in trusts that are land rich is generally regarded by business as similar to a transfer of the land itself. The Treasurer said when introducing the State Revenue Legislation Amendment Bill 2004 in May this year:

"The disposal of interests in land through the disposal of shares in land rich companies or units in land rich trusts should be subject to vendor duty. However, the application of vendor duty to land rich entities involves complex drafting issues. The Government will extend vendor duty to the disposal of shares in land rich companies and units in land rich trusts following consultation with the industry."

The Bill achieves its objective by introducing "disposal duty" on the disposal of indirect interests in unlisted companies and trusts. As a result of the consultations with industry bodies and professional groups, the Bill also makes some improvements to "acquisition duty"—the current tax on the acquisition of significant indirect interests in land.

Just as acquisition duty is necessary to protect the transfer duty tax base, it is necessary to tax the indirect disposal of interests in land to protect the vendor duty tax base. Without this measure, there will be a clear tax incentive to acquire indirect interests in land rather than direct interests as their subsequent disposal would not be liable for vendor duty, whereas disposal of direct interests would be liable.

As a result the measure introduced by this Bill will not increase revenue from vendor duty. It will, however, reduce the incidence of erosion of the tax base.

The structure of disposal duty will be essentially the same as for acquisition duty. First, disposal duty will only apply to the disposal of interests in an unlisted company or in a unit trust other than a public unit trust if they are land rich.

That is, disposal duty will only apply if 60 per cent or more of the assets of the unlisted company or trust is land related property and the unlisted company or trust owns at least $2 million worth of land in New South Wales.

This will ensure that disposal duty does not apply to small investors with minor holdings in unlisted companies or trusts. Nor will it apply to disposal of investments by small investors in listed property trusts.

Secondly, just as acquisition duty only applies to acquisitions by investors who acquire a significant proportion of the entity, or who increase their significant interest, only those investors who own a significant proportion of a land rich entity will be liable for disposal duty on disposal of their interests. The definition of what constitutes a significant interest is the same as for acquisition duty—that is, 20 per cent or more for private trusts and 50 per cent or more for companies and wholesale trusts.

Any investor in these entities with such holdings will be liable for duty on any disposal within 3 years of the time at which they attained the significant interest. Without this approach, interests could be sold down to just below the threshold then a separate disposal could be made, thus avoiding duty on disposal of a sizeable holding.

Vendor duty only applies to disposals of land-related property if the sale price is at least 12 per cent higher than the acquisition price. This rule has been incorporated into disposal duty with some modifications, to recognise the indirect nature of the holdings in land.

As a result, the rule applies to a sale by a shareholder or unit holder to the extent that the land owned by the company or trust at the time the investor sells their shares or units is the same as the land held by the company or trust at the time the investor acquired their shares or units. If the land was acquired by the company or trust after the person acquired their interest in that company or trust, the rule applies to the increase in value from the time the company or trust acquired the land.

In addition to incorporating the existing elements of acquisition duty, this Bill applies the exemptions from vendor duty to disposal duty. As a result, disposal duty will not apply to disposals of indirect interests in land where disposal of the land would

not attract vendor duty. For example, the disposal of indirect interests in land consisting of farms, new or substantially new buildings and improved vacant land will be exempt from disposal duty.

Indirect interests in companies and trusts can change as a result of the actions of others as well as those of the investor. For example, the issuing of units in a trust to a new investor will reduce the interests of existing investors in the trust. This reduction in interest is technically a disposal of an interest by the existing unit holders.

However, if the Chief Commissioner of State Revenue is satisfied that such a disposal was outside the control of the investor whose interest is reduced and does not form part of an arrangement to avoid payment of disposal duty, no duty will be payable.

The Government considers that such "passive" disposals by unit holders should not trigger a liability for disposal duty because the disposal does not provide any return to the investor, so there are no proceeds from which duty could be paid.

As well as introducing disposal duty provisions, this Bill makes a number of changes to premium property duty and vendor duty.

In relation to vendor duty the Bill clarifies a number of existing concessions. Firstly, consistent with the Government's undertakings earlier this year the Bill confines the vendor concession to conservation instruments in perpetuity, also known as permanent conservation orders.

Secondly, the Bill expands the concession for residential land used incidentally for business purposes to include an exemption for businesses conducted in the home, such as a person who takes in ironing or an accountant or software developer who uses one room of their home.

Thirdly, the Bill provides that where a religious organisation or charity disposes of land which is in part used for an exempt purpose, such as a school, vendor duty will not apply to that part of the land. The same concession will apply when religious bodies or charities buy land, part of which is to be used for an exempt purpose. Currently no concession applies.

The Bill also expands the compulsory acquisition concession to apply to the transfer of land required by a consent authority as part of a development approval. This concession also applies to the transfer of land for "affordable housing".

Finally, this Bill ensures that there is no circularity in calculating vendor duty where the purchaser has agreed to reimburse the vendor for either or both the vendor's liability for GST and vendor duty.

In relation to premium property duty, this Bill provides a concession for large parcels of land to be developed for residential purposes, regardless of whether the land is vacant. Under the concession premium property duty will apply to no more than 2 hectares of a large parcel of any residential land should the purchase price exceed $1.5 million per hectare.

I commend the Bill to the House.

The Hon. PATRICIA FORSYTHE [8.04 p.m.]: The Opposition's position will be consistent with that which it has taken on vendor duty. We oppose the legislation and we will divide on it. I remind honourable members that the vendor duty introduced earlier this year was to collect for the Government an additional $690 million in revenue. Yet as each month's returns have been received we know that so far it has fallen far short of the Government's estimates—$500,000 in the first month, $10.5 million in July, $26 million in August and $24.5 million in September. I understand that the October figure is not much better. Overall the Government has collected approximately $92 million to October, instead of the $230 million for which it budgeted.

Clearly the Government underestimated the impact of the legislation on the New South Wales property market. The Treasurer is wont to say that he has taken some of the heat out of the New South Wales property market, he has done a favour for young home buyers. But in the long term he will have done no favours for people in the rental market because inevitably fewer people will want to invest in New South Wales, inevitably rental properties will be in short supply and inevitably property prices will be driven up. The long-term effect of vendor duty will force up rents and landowner-investors will pass on that duty, as one would expect.

The bill belongs to a class of bill of which the Treasurer is fond: find something that moves and tax it. The bill fulfils a promise made in May in relation to land-rich companies or trusts. The bill imposes a $2 million threshold and determines that a land-rich company is one in which 60 per cent of the asset is in land. Land-rich provisions will ensure that companies and trusts with a significant holding in land do not miss out on paying the tax. The $2 million threshold will impact significantly on many small-business owners who own the land on which their business is located. It will affect many people in the Sydney market, given the price of land within Sydney. Many small businesses on land zoned for commercial or business use will be on land that is beyond the $2 million threshold. The provisions will catch many within its net. The Property Council of Australia, in alerting its interest groups to the tax, said:

The new land rich provisions will introduce new costs at an unprecedented level of complexity to transacting property in New South Wales, requiring significant administrative preparation, particularly by trusts.

To understand the nature of that unprecedented level of complexity I searched the net using Google. I know the Treasurer claims that he is not computer literate, but I am not sure I can believe that in this day and age someone in his position would not be computer literate. But let us presume he did not do a Google search and that he did not understand what was being said about it. I may even assist him.

When the Opposition believed that this bill would be debated some weeks ago, my initial research discovered that only one of the major law firms circulated advice to clients. Since then many other law firms have circulated advice to clients. All that advice reinforces the message from the Property Council of Australia about the complexity of transacting business in New South Wales, given the nature of the provisions in the bill. I quote Freehills's advice to clients simply because that publication is the most comprehensive analysis of the bill. The advice states:

> The duty proposed to be imposed is in addition to land rich duty currently payable (at rates of up to 5.5 per cent) by a purchaser who makes a relevant acquisition in a land rich land holder.

The advice continues:

> Importantly, the relevant criterion for the imposition of duty is directed at the person making the disposition, rather than the size of the interest disposed of.

The advice states further:

> The concept of a significant interest is the same as that which applies to the charging of land rich duty on a relevant acquisition. For a landholder that is a private unit trust scheme, a significant interest is an entitlement to 20 per cent or more of the property distributed by the landholder in the event of a distribution of all property of the landholder. In the case of other landholders (namely a private company and a wholesale unit trust scheme), that percentage is 50 per cent.
>
> In effect, and by way of example, a purchaser acquiring a significant interest in a land rich landholder will be liable to land rich purchaser duty (at up to 5.5 per cent) on the acquisition; on disposing of any of that significant interest, that person as vendor will be liable to land rich vendor duty on the relevant disposal (at 2.25 per cent), subject to the availability of any exemption.

I acknowledge that the bill certainly contains some exemptions. I mention "Some points worthy of particular mention", which are set out in the advice to clients, against the background of the Property Council's identification of this legislation increasing the complexity of transactions. The advice to clients states:

- Different criteria apply for the imposition of duty on a 'relevant acquisition', and 'relevant disposal' such that it is not necessarily the case that a transaction that is a relevant acquisition will also be a relevant disposal, or vice versa. In other words, the new duty proposed by the Bill will be imposed on some transactions which are not otherwise subject to land rich duty under current legislation.

- Registration of a private unit trust scheme as an imminent, public unit trust scheme or an imminent wholesale unit trust scheme that will not afford protection against the imposition of land rich vendor duty (although such trusts are protected with respect to land rich purchaser duty chargeable on a relevant acquisition).

- The 'quarantining' of an interest in the landholder acquired when the landholder did not hold land in New South Wales for the purpose of determining whether a relevant acquisition is made does not apply for the purpose of determining whether a relevant disposal is made.

- Where a person makes a relevant disposal, associated persons of that person are prime facie jointly and severally liable with that person to the payment of duty.

The advice goes on to refer to exemptions and concessions:

> The notable lack of any exemption or concession for the syndication of interests in a unit trust scheme (in circumstances where the charging provisions are directed at significant interest holders and where there is no quarantining of interests acquired before the landholder acquired any land) is likely to have a significant impact on the property industry.

That is the point that the Opposition made in debate on the original vendor duty legislation and in this debate. Duties legislation is having a significant impact on the property industry. It is clear from the second reading speech on the original legislation and from the second reading speech on this bill that the purpose of the legislation is to catch in every possible way anyone who might be potentially liable for vendor duty, as the Treasurer sees it. As a consequence, New South Wales has become the State in which people do not want to transact business. Property investors are turning to Queensland, in particular, to invest.

The Hon. Rick Colless: In droves.

The Hon. PATRICIA FORSYTHE: As the Hon. Rick Colless states, investors are turning to Queensland in droves. The Opposition does not want that to happen. The Opposition wants the New South Wales economy to be strong, and the Opposition believes it has an obligation to ensure that this State's economy is strong. I acknowledge that the bill addresses some of the anomalies in the original Act, but the original legislation was flawed.

The Hon. Catherine Cusack: It was rushed and ill-considered.

The Hon. PATRICIA FORSYTHE: In relation to the point just made about the legislation being rushed, I recall that the Minister referred in his second reading speech to the complex nature of the provisions and the difficulties of drafting that necessitated the amending bill. However, the first bill was rushed. The Opposition opposed the Act and highlighted the problems it envisaged for the property industry in New South Wales. Everything that was said by the Opposition in debate on the State Revenue Legislation Further Amendment Bill has come to fruition. The New South Wales Government has received less revenue from vendor duty than it expected, for the simple reason that property transactions in New South Wales declined. Property investment in New South Wales is not attractive. People are not investing in property in New South Wales. When people want to invest, they make investments in other States, particularly Queensland. The Opposition believes that that is not in the best interests of the community of New South Wales, and will therefore oppose the bill.

Reverend the Hon. FRED NILE [8.16 p.m.]: The Christian Democratic Party supports the bill, which does not introduce any new taxes. Its main aim is to clarify some aspects of the original vendor duty legislation, which was enacted during the budget session of Parliament, and to provide a number of exemptions, including an exemption from the sale of improved vacant land where heritage items, other than whole buildings, are to be retained, and an exemption on the sale of new buildings and substantially new buildings to individual strata lots in the building. The bill will also extend the principal place of residence exemption to properties that are held by trustees for minors and disabled persons who occupy the property as a principal place of residence. It will also exempt from duty the purchase of a property pursuant to an option entered into prior to the date that the legislation imposing premium property duty was first introduced into Parliament. The main purpose of this legislation is to provide all those exemptions, and for reason I suggest that any member who votes against the bill will do so erroneously.

The bill clarifies the original legislation in respect of exemptions for land that is subject to conservation agreements, and it clarifies the extent of the exemption for compulsory acquisitions. The bill also replaces the "fair and reasonable circumstances "discretion with specific concessions to assist in clarifying the scope of the concession. The specific concessions will allow married couples to sell both former residences and move to a new home without incurring duty, and it will allow people who buy vacant land and build a home on the land to sell it free from vendor duty, if they occupy the home for less than two years. For those very positive reasons, the Christian Democratic Party supports the bill.

Ms LEE RHIANNON [8.18 p.m.]: The Greens support this bill because it relates to amendments to include indirect as well as direct proposals of land-related property in the tax base. When this legislation was first debated, the Greens were pleased that the Government had agreed to our amendments to provide for an exemption for land that is subject to conservation agreements. Exemptions of that type assist in creating a taxation system that encourages environmental sustainability—a goal that this Government could spend more time pursuing. The Greens also support the tax concession as it applies to the transfer of land for affordable housing. That being said, I note that both the New South Wales Government and the Federal Government continue to fail fundamentally to address the lowest levels of housing affordability in Australian history.

In any case the Greens reiterate their concerns with the repeal of the premium property tax and the general imposition of vendor duties. First, the abandonment of the premium property tax marks the end of the Carr Government's experiment in trying to use land tax as an annual wealth tax. The replacement of the premium property tax with a special rate of stamp duties on the sale of land valued at more than $3 million is a very poor substitute for the existing land tax. Second, from an economics point of view, the Greens question the increasing reliance on stamp duties. Generally stamp duties are inefficient as they are a tax on mobility. Applying stamp duty to the sale, as well as the purchase, of property is a double whammy, hitting property companies and small investors alike.

Finally, as the Legislative Review Committee recognised, the problem of retrospectivity is significant. People who have bought an investment property can rightly complain that they made their decisions on a set of

rules that have now been changed. That is bound to impart greater uncertainty into the flow of funds into investment properties. The Government needs to put much more emphasis on formulating tax policy that is both socially just and environmentally sustainable.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [8.21 p.m.]: This bill is the means by which the Government's vendor tax will be applied to property trusts. Apparently this proposal was too complicated to put in place when the Treasurer introduced vendor tax in his last budget. Another reason given for the presentation of this bill is that the Commonwealth Grants Commission penalises New South Wales for not taxing enough the transfer of property in unit trusts. It is a curious notion that New South Wales is penalised twice—first, when it does not get the tax in the first place and, second, when its grants are reduced because it is not taxing enough. The history of the matter is that in the 1980s it became popular to set up unit trusts and property trusts that invested primarily in land. The trusts allowed a number of investors to invest their money in property by buying units or shares, without having to buy the property on their own. The other advantage was that when trust property was dealt with, it did not attract the same transfer duty payable on land transfers as would be attracted by land bought by an individual.

The difference in duty was quite substantial: 5.5 per cent for transfer of ordinary land and 0.6 per cent for trust land. The Government rightly saw that as an unfair way to avoid property transfer tax so it introduced the land rich provisions in the Duties Act in 1986. The deal was that the higher tax was dutiable if the trust's land assets were 80 per cent or more of the trust's assets, and the land was worth $l million or more. Under this bill the percentage of land assets in the unit trust will be reduced from 80 per cent to 60 per cent. The reason given for that reduction was that it was easy to pump up the valuation of other assets like intellectual property to avoid the 80 per cent rule. The threshold value of the land will, however, be doubled to $2 million. Since land has increased more than 50 per cent in value since the legislation was introduced in 1986, this provision seems rather meaningless. A suburban block in Sydney can cost $1 million dollars these days.

Obviously the Government was lobbied by farmers who set up companies to run their farming businesses. But this was not good news for them. The Government has wisely exempted primary producers from the new provisions, and the present percentage of land assets of a trust that will attract duty will apply. The application of the vendor duty for property trusts was foreshadowed at the time of the budget, so it is really no surprise. The extension of the duty with the reduction of the 80 per cent land threshold to 60 per cent is not a surprise either, and can be justified to some extent by the Commonwealth Grants Commission penalties. Some investors will be disadvantaged by the new tax, as were small investors when the vendor tax was introduced. I spoke of some of the inequitable application of that tax at the time of its introduction and tried to do something for commercial properties.

In the broader scale of things, at times property investors have escaped being taxed. It is also true that at a national level too much money is invested in property as opposed to other industries. That investment rate distorts the tax system and the investment habits of Australians for the worse in a sense that too much money is going into housing and not enough into more productive investments and competing with the world economy. Given that if we need money we have to collect duties, I support the bill.

The Hon. MICHAEL EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [8.24 p.m.], in reply: I thank Ms Lee Rhiannon, Reverend the Hon. Fred Nile and the Hon. Dr Arthur Chesterfield-Evans for their contributions to this debate. I have always said that Hon. Dr Arthur Chesterfield-Evans is the wisest man in this Chamber. He exhibited his wisdom tonight with his complete support of the Government's bill. Of course, Reverend the Hon. Fred Nile is also wise, and he displayed that once again tonight. I thank also Ms Lee Rhiannon for her contribution.

The Hon. Catherine Cusack: It must be Christmas.

The Hon. MICHAEL EGAN: It is Christmas, and I believe in Christmas, unlike the Opposition who tried to abolish it yesterday by voting against Christmas. I support Christmas.

Reverend the Hon. Fred Nile: Hear! Hear! Why don't we have Christmas decorations outside? Some new decorations, with a nativity scene?

The Hon. MICHAEL EGAN: What a good idea. I will make sure that happens next year.

The Hon. Amanda Fazio: Can we have a live lamb?

The Hon. MICHAEL EGAN: No, I do not believe in live sheep exports, or anything of that nature. The Hon. Patricia Forsythe made the absurd statement that all investors are going to Queensland. That might be her wish.

The Hon. Patricia Forsythe: I did not say "all investors".

The Hon. Catherine Cusack: She said that investors are going to Queensland in droves.

The Hon. MICHAEL EGAN: The Hon. Patricia Forsythe intimated that investors are going to Queensland in droves.

The Hon. Patricia Forsythe: And it's true.

The Hon. MICHAEL EGAN: Is it true?

The Hon. Patricia Forsythe: Yes.

The Hon. MICHAEL EGAN: The problem is that that statement is not based on fact. One does not have to look too far to find the facts because every month the Australian Bureau of Statistics publishes these very figures. Since the mini-budget was introduced on 8 April the figures show that each month New South Wales is attracting more than $2 billion worth of investment in residential housing. That is a housing finance statistic.

The Hon. Patricia Forsythe: For their principal home, which is not subject to vendor duty.

The Hon. MICHAEL EGAN: No, the lending institutions in New South Wales are lending more than $2 billion a month for investment. That amounts to more than 41 per cent of the total amount going to investment housing in Australia. New South Wales accounts for 34 per cent of the Australian population and it attracts 41 per cent of the housing finance going to investors in Australia.

The Hon. Catherine Cusack: That is because of housing prices.

The Hon. MICHAEL EGAN: Housing prices? Did the Hon. Catherine Cusack say something about housing prices?

The Hon. Don Harwin: Point of order: My point of order is that interjections are disorderly at all times. The Treasurer, who unctuously lectures the Opposition during question time about interjections and tells his own Ministers not to respond to interjections, should not respond to Opposition interjections now.

The Hon. MICHAEL EGAN: In that case, members of the Opposition should not interject. Let me respond to the thoughts they have in their heads, which have something to do with housing prices. The tragedy of the matter is that over the past three or four years housing prices in this State—

The Hon. Don Harwin: Are you speaking to the point of order?

The Hon. MICHAEL EGAN: No, would the Deputy-President like to rule on the point of order? The simple rule is that you rule in my favour.

The DEPUTY-PRESIDENT (The Hon. Eric Roozendaal): Order! And so it shall be.

The Hon. MICHAEL EGAN: As I was pointing out, Mr Deputy President, in the past three or four years we have seen an explosion in house prices in not only New South Wales but also in some other States. So much so that the purchase of a home for most people is completely outside their means, particularly for first home buyers. In April the New South Wales Government was hit with the latest savage cuts from the Commonwealth Grants Commission. This year in real per capita terms New South Wales will receive $700 million less than it received three years ago. That is the result of the operation of the GST grants as they have been developed and the decisions of the Commonwealth Grants Commission, which were ratified by the political colleagues of members opposite.

New South Wales is $700 million worse off. The Government had to respond to that because obviously it has to pay its nurses, teachers and police, and it has to fund all the other public services in this State. The

Government also thought there was an ancillary benefit in the property tax changes that it was making. It wanted to tilt the playing field in favour of first home buyers, and that meant that an impost was placed on people like me who own a second property—an investment property. House prices were going through the roof because over the past few years the proportion of total housing finance going to investors had risen from about 20 per cent to about 50 per cent. So for every dollar lent to an owner-occupier a dollar was being lent to an investor. Of course, that was promoted by recent changes to capital gains tax laws.

The Hon. Patricia Forsythe: And superannuation.

The Hon. MICHAEL EGAN: Superannuation funds generally do not invest in residential housing. They might invest in investment properties but there are not too many superannuation funds that buy a home unit in one area, a house in another area, and a home unit in yet another area. Superannuation funds do not do that. I admit that they invest heavily in commercial properties but they do not invest in housing. Quite frankly, I am pleased at the way the housing market has responded, not so much to the property tax changes that this Government has made, but to the awarding and the action that the Reserve Bank took towards the end of last year. There has been a slow down in the housing market and that will affect stamp duty receipts this year and probably next year.

The other fact that people have to keep in mind is that the biggest social and economic disadvantage from which this great State suffers is the high cost of housing. A fascinating graph in Budget Paper No. 2 shows the connection between net interstate migration out of New South Wales and housing prices over the decades. It is almost an exact correlation. People are being priced out of the market and they are being forced to go to some of those mendicant States where housing is cheaper. We want people to stay in New South Wales. We want young families to be able to afford a house in New South Wales. That is why this Government abolished stamp duty for almost all first home buyers. Opposition members wanted an across-the-board cut of 10 per cent—a few hundred dollars benefit for young families buying their first homes, but a multi-thousand dollar benefit for their millionaire mates buying houses around Sydney's waterfront. Those are the people that Opposition members support; they do not support first home buyers.

The Hon. Amanda Fazio: Silvertails.

The Hon. MICHAEL EGAN: They support the silvertails.

The Hon. Don Harwin: Weren't you the one who abolished the premium company tax?

The Hon. MICHAEL EGAN: I am not only the one who abolished the tax; I am the one who introduced it. And I am the one who replaced it with the premium stamp duty rate for properties valued at over $3 million. I have enjoyed this debate. I thank Reverend the Hon. Fred Nile, Ms Lee Rhiannon and that wise man the Hon. Dr Arthur Chesterfield-Evans for their contributions to debate on this bill. I have always said that the Hon. Dr Arthur Chesterfield-Evans is a genius and I stand by that statement. I commend the bill to the House.

Question—That this bill be now read a second time—put.

The House divided.

Ayes, 25

Mr Breen	Ms Griffin	Ms Rhiannon
Ms Burnswoods	Ms Hale	Mr Roozendaal
Mr Catanzariti	Mr Hatzistergos	Mr Tingle
Dr Chesterfield-Evans	Mr Jenkins	Mr Tsang
Mr Cohen	Mr Kelly	Dr Wong
Mr Costa	Mr Macdonald	
Mr Della Bosca	Reverend Dr Moyes	*Tellers,*
Mr Egan	Reverend Nile	Mr Primrose
Ms Fazio	Mr Obeid	Mr West

Noes, 12

Mr Clarke	Mr Oldfield	
Ms Cusack	Ms Parker	
Mrs Forsythe	Mrs Pavey	*Tellers,*
Miss Gardiner	Mr Pearce	Mr Colless
Mr Lynn	Mr Ryan	Mr Harwin

Pairs

Ms Robertson	Mr Gallacher
Ms Tebbutt	Mr Gay

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time and passed through remaining stages.

SPECIAL ADJOURNMENT

Motion by the Hon. Michael Egan agreed to:

That this House at its rising today do adjourn until Thursday 9 December at 9.45 a.m.

HOME BUILDING AMENDMENT BILL

In Committee

Clauses 1 to 5 agreed to.

Ms SYLVIA HALE [8.43 p.m.]: I move Greens amendment No. 1:

No. 1 Page 3, schedule 1 [5]. Insert after line 24:

(8) The Minister may only enter into an insurance industry deed, or an agreement to revoke or vary such an agreement, with the approval of the Scheme Board.

(9) The Minister is to lay (or cause to be laid) a copy of any insurance industry deed, or agreement to vary an insurance industry deed, before both Houses of Parliament as soon as practicable after entering into the deed or agreement.

Essentially, this bill is extraordinarily un-even-handed. On the one hand, it requires builders and subcontractors to provide an extraordinary amount of information about their personal and financial details and the details of associated persons—whether they are business partners, de facto partners, wives, grandchildren or whatever. They must provide a host of information to the insurance industry. But when the insurance industry is, in turn, required to make available the policies that it adopts and the agreements that it enters into that must be kept a closely guarded secret. The public is not allowed to have any knowledge of the information that the insurance industry is required to provide. This amendment attempts to even up the process and say that if any deeds of agreement are supplied they should be available for public scrutiny.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [8.45 p.m.]: The Government does not support Greens amendment No. 1. In terms of the even-handedness to which the Ms Sylvia Hale referred, under the scheme as it was 12 months or so ago the experience of builders was similar to that which she described: in order to achieve insurance they were required to produce significant details about their financial situation. Many builders found this extremely onerous. The point of the industry deed is to put insurers on a level playing field and require them to make disclosures about the information they are seeking, why they are seeking it and to provide reasons why insurance might be refused, conditions might be imposed and so on.

In respect of the tabling of an industry deed before both Houses—I cannot speak for the other House but that is what the amendment appears to propose—I am happy to give a commitment to the Committee now that the Government will be prepared to provide copies of any industry deeds and to table them upon their completion or variation if the House sees fit. The Government is happy to do that. There are no State secrets in these industry deeds. The Greens amendment would be cumbersome and is simply not required. It is a public document.

Amendment negatived.

Ms SYLVIA HALE [8.47 p.m.]: I move Greens amendment No. 2:

No. 2 Page 3, schedule 1 [6]. Insert after line 26:

Insert instead "(if those claimants or persons are advised of the requirement to provide the information)".

This amendment is a courtesy. It could reasonably be assumed that any transfer of information from the insurer to the director-general is in the interests of a particular claimant or insured person. However, such persons should be advised as a matter of due process and courtesy.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [8.48 p.m.]: Greens amendment No. 2 would require the person to whom the information relates to be advised on each occasion that the information is provided. The amendment is not supported as it would prejudice investigations and be administratively difficult to comply with because many hundreds of complainants would be so affected. Further, if the Office of Fair Trading were required to analyse a range of claims relating to a particular builder, area or type of defects, it would become problematic, if not impossible, as approaches must be made to many claimants or others for permission to use this material.

A similar problem would arise where it is necessary to order the operations of insurers to test compliance with claims handling guidelines or compliant handling processes. It is not intended that individual information will be publicly revealed, and the Home Building Act contains confidentiality provisions to this effect. The proposed amendment is not supported because it would effectively be an invasion of privacy of every home warranty both claimant and insured.

Amendment negatived.

Ms SYLVIA HALE [8.50 p.m.]: I move Greens amendment No. 3:

No. 3 Page 4, schedule 1 [7], proposed section 103AD, lines 1-36. Omit all words on those lines.

The effect of this amendment is to delete proposed section 103. This is a pivotal clause. In effect, this allows insurance companies to exchange information between themselves to allow the insurance companies to provide each other with minute details and particulars that the applicant has provided to the insurance company. Proposed subsection (4) is particularly offensive. An insurer is not liable for any damage caused by the provision of information under this section to another insurer. Again the insurer gets everything and the insured gets nothing. The person applying for insurance has to provide all that information. The insurer can tell all that information to another insurer—not only information that they have at the time this legislation is passed but information they had in the past about that person.

There is no obligation on an insurer to make the person seeking insurance aware of the information. The bill exempts insurers from the provisions of the Privacy Act. The sensitive nature, quantity and extent of the information provided by applicants about themselves, their personal circumstances and their financial affairs, as well as detailed financial and administrative records about their business activity, should be subject to the privacy provisions. As I have said, subsection (4) is particularly offensive because the insurers are not to be held in any way responsible for anything that happens to that information, whether or not it is leaked.

Proposed section 77 contains a provision for retrospectivity that allows insurers to exchange information that was held prior to the commencement of this bill. There are absolutely no safeguards in the bill against the insurers adopting collusive practices. It allows insurers to tell each other, "We think this person is a poor risk. I would not bother insuring him if I were you." At the moment the home warranty insurers do not even provide premium schedules to applicants. They do not get copies of the premium schedules, nor are they permitted the freedom to move between insurance companies within one year. I suppose that is characteristic of a lot of legislation, but proposed section 77 is almost unprecedented and I think it should be objected to on the strongest grounds.

The Hon. JON JENKINS [8.53 p.m.]: I just want to speak generally on matters of insurance in this bill.

The CHAIRMAN: Order! You need to speak to the amendment before the Committee.

The Hon. JON JENKINS: I am speaking to the amendment, which concerns matters of insurance. It is almost impossible for small contractors to get insurance because there are no market processes that are currently available. It would be very hard to implement the legislation in all insurance matters unless the Government gives a guarantee as to how small builders in particular, such as plasterers or tilers, can achieve insurance in the first place.

Reverend the Hon. Dr GORDON MOYES [8.54 p.m.]: Part 6 of the Home Building Act requires consumers of residential building services and subsequent purchasers, owner builders, developers and persons supplying or erecting kit homes to take out home warranty insurance in respect to certain work. I support some of what Ms Sylvia Hale said. Nothing could be more devastating than to find out that one is employing a shonky builder. All one's assets are involved in a particular house and to discover that one is not properly covered or cannot claim against that builder would be a real concern. Section 103A of the Home Building Act enables the Minister to approve of kinds of insurance and insurers. Under this bill the Minister's decision to approve insurance and insurers will need to be done not by him or herself alone but in consultation with a proposed scheme board.

The bill sets up a home warranty insurance scheme board that will be responsible for providing advice to the Minister with respect to approvals of kinds of insurance and insurers, and also conditions relating to those approvals. This board will comprise the director-general and five persons appointed by the Minister who have knowledge or experience in insurance products or commerce. I think that initiative is a good move. The Christian Democratic Party has received information from the Insurance Council of Australia, over the hand of Alan Hansell, Manager in New South Wales and the Australian Capital Territory, informing it that the council and its members support the bill as presented by the Government to the House.

The bill as presented is a significant piece of legislation that is necessary to guarantee ongoing stability. That said, I can understand why the Insurance Council of Australia supports consideration of all of these issues. However, the bill raises real concerns for the Christian Democratic Party. The bill allows the Minister to enter into an insurance industry deed with insurers approved or seeking approval as insurers under part 6. The main intention behind this deed will be to set up a framework within which the business of home warranty insurance providers will be regulated. Coming directly to the point mentioned by the Hon. Jon Jenkins on this amendment, the bill inserts proposed section 103AD. This provision facilitates the exchange of information between insurers relating to a person who has applied for insurance.

The information must be relevant to the provision of home warranty insurance and includes, for example, information concerning the business, commercial, professional or financial affairs of a person that is relevant to the provision of home warranty insurance. These are very wide terms of reference indeed. The proposed provision states that an insurer who is requested to provide such information is required to do so despite privacy legislation that would prohibit that disclosure. That was a concern of Ms Sylvia Hale and I support her view. Section 121 of the Act prohibits the disclosure of trade secrets, information that is of commercial value or information concerning the business or financial affairs of the person from whom the information was obtained, unless the consent of the person is given or other legal excuse applies.

Moreover, an insurer is not liable for any damage caused by the provision of information under section 103AD to another insurer. The problem is that this opens up the whole field in the moving on of gossip, and that may create a problem for the people concerned. The bill proposes that protected information is generally not to be made available in any court, except if the Minister certifies it will be necessary in the public interest to do so. Again this confirms the Minister's wide-ranging powers in this area. I conclude by saying that the bill proposes certain penalties for persons who give false or misleading material statements in their application for home warranty insurance. But the onus is on the accused person to prove that the statement is not false or misleading in the particular. This constitutes a reversal of the traditional onus of proof where the prosecution has the evidential onus. As the Legislation Review Committee pointed out—and as is my opinion—the reversal of the onus of proof is within reasonable limits. However, it allows the possibility of leaked information that can ruin lives and businesses.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [8.59 p.m.]: I thank honourable members for their contributions. There seems to be some misunderstanding about what the proposed section will do. Regarding the reservations expressed by Reverend the Hon. Dr Gordon Moyes, the market practice guidelines require insurers to give reasons for decisions and to provide a complaint or review process. So the factual position is the opposite of that on which he bases his concerns.

In relation to the reservations held by Ms Sylvia Hale, might I say that preventing the exchange of information between insurers regarding the business and commercial affairs of clients will prevent insurers from properly assessing applications for insurance, and that will slow down the process or prevent builders from moving between insurers. Such a restriction would be an anti-competitive initiative and would adversely affect the assessment of eligibility and premium rates. To do as the honourable member suggests would defeat the

whole purpose of the bill, which is to create a proper market between insurers in the provision of home warranty insurance for builders. The problems that builders have been experiencing relate to the anti-competitive behaviour, until recently, of one or two players in the home warranty market.

To do as the honourable member suggests would lead to a series of companies operating as if they were a single insurer. This provision ensures that insurers will be forced to compete with one another in the premium rates that they offer, the service they offer builders, the promptness of their responses, and so on. If insurers are not allowed access to the claims histories of builders, insurers will not price their product in the way I have outlined. That will lead to higher prices for premiums, and we will be back where we started from. This provision is no different from persons applying for a green slip being required to disclose the age of the vehicle they wish to insure, the age of the driver and so on.

As a Parliament, we have agreed that the Act will allow insurers to set the price on those disclosed facts. The same thing, in a modified way, will happen in this particular provision of the bill being in place in the home warranty insurance scheme. If we do not have this provision, we will be back to the bad old days of two years ago, when many builders could not get insurance, the premiums they were being charged were at too high a rate, it took ages to get relevant coverage, builders lost clients, and some were forced out of business. This is the best way to ensure a healthy home warranty insurance market that is to the benefit of builders, whether they be small contractors or medium-size builders.

Ms SYLVIA HALE [9.02 p.m.]: I think it is a well-known fact that a large proportion of small builders have been driven out of the market because they could not obtain insurance. We know about the extraordinarily onerous provisions on builders to provide security. In fact, the whole system is geared to remove the risk from insurers and place it fairly and squarely on the shoulders of small builders, and therefore indirectly upon householders and others who engage builders, only for them to find that the insurance that covered them is not worth the paper it is written on. Look, for example, at proposed section 103AD (5) (b), which provides that the information that insurers can trade includes "information obtained in the course of an investigation of an application for [home warranty] insurance". How wide-ranging is that? That provision has no restrictions on the information gained from an investigation. It does not even provide that the information must be relevant. Insurers can trade any information obtained in the course of an investigation. They are not required to determine whether that information is accurate or otherwise.

This provision has nothing to do with encouraging competition between insurers. It has everything to do with removing the risk from the insurance companies. It is telling insurers that they can discuss any information, that they can let one another know everything they have found out about someone, and then the insurer can decide who it will or will not offer to insure. The way that insurance companies have acted to date shows that they cannot be trusted in this regard. The fact is that many builders are finding it so difficult to get insurance. This provision is a further guarantee that insurance companies will continue to enjoy their protected position.

Amendment negatived.

Ms SYLVIA HALE [9.05 p.m.], by leave: I move Greens amendments Nos 4 and 5 in globo:

No. 4 Page 5, schedule 1 [9], lines 19-23. Omit all words on those lines.

No. 5 Pages 5-7, schedule 1 [10], proposed section 121A, line 24 on page 5 to line 11 on page 7. Omit all words on those lines.

Greens amendments Nos 4 and 5 go to the same issue as did Greens amendment No. 3. We believe the bill contains insufficient provisions to provide adequate checks and balances to protect the interests of persons about whom information is gathered or held. We believe that the same reservations we have about proposed section 103AD are maintained in relation to the provisions sought to be amended by these two amendments.

Amendments negatived.

Schedule 1 agreed to.

Ms SYLVIA HALE [9.06 p.m.], by leave: I move Greens amendments Nos 6 and 7 in globo:

No. 6 Page 8, schedule 2 [1], lines 11-13. Omit all words on those lines.

No. 7 Pages 8 and 9, schedule 2 [3], proposed section 3AA, line 18 on page 8 to line 30 on page 9. Omit all words on those lines.

One of the problems with the bill is that its provisions apply to what is termed a "close associate". A close associate can be a partner of the licence applicant or holder. Subsequently, it appears to include a partner or a person in a prescribed relationship, such as a spouse or de facto partner, or a child, a grandchild, sibling, parent or grandparent. Obviously, the provision casts a very wide net. We cannot understand why family members of certificate holders, licence holders and licence applicants have found their way into this bill, which is about the regulation of an industry.

The entire concept of a "close associate" is poorly conceived and has more to do with criminal law than good government, oversight and regulation. There are existing powers available to both the Minister and the director-general to reasonably compel persons associated with a business to provide information and to assist with inquiries. We believe those powers should be exercised before resort is made to this new type of classification. There are a number of flaws in the bill and, because of consistent references to the activities of a close associate, there needs to be very strong justification for such a provision. I know the Government argues that provision is necessary to stop Phoenix companies arising—such that, if one company goes to the wall, then a second company can rise up to take its place, so that principals of the company or builder can be close associates.

We believe the current legislation already gives the Department of Fair Trading the power to remove a builder's licence. To extend this power unnecessarily to catch a child, grandchild or spouse would extend coverage of the bill to a range of people who do not necessarily have, and cannot be assumed automatically to have, any connection with the builder. No-one is suggesting that there are not shonky builders, but to cast the net so wide that it covers an entire category of persons is unnecessary. If the Department of Fair Trading were to exercise properly the current legislative powers it would be unnecessary to extend the complex provisions of the bill.

Reverend the Hon. Dr GORDON MOYES [9.10 p.m.]: I support the Greens amendments. Schedule 2 [4] inserts new section 20 (1) to provide that the director-general must reject an application for a contractor licence if, among other things, the director-general is not satisfied that the applicant is a fit and proper person. That description is used several times. What does "fit and proper person" mean? The bill states that in determining whether an applicant is a fit and proper person to hold a licence the director-general is to consider whether the applicant is of good repute, having regard to character, honesty and integrity. The guiding factors in assessing whether the person is a fit and proper person to hold a contractor licence are worthy, but they are subjective and nebulous. The director-general is given wide-ranging powers that affect directly whether a person may hold a contractor licence and, thus, be able to make a living.

The director-general may reject also an application for a supervisor, tradesperson or building consultancy licence if the director-general is not satisfied that the applicant is a fit and proper person to hold such a licence. This places the director-general in a position of being absolutely omniscient—knowing everything about people. This alarming measure is proposed also in schedule 2 [6], which inserts new section 20 (6). The provision states that the director-general may reject an application for a contractor licence if the director-general is of the opinion that it is in the public interest to do so on a number of grounds, including that the director-general considers that a close associate of the applicant who would not be a fit or proper person to hold a contractor licence exercises significant influence over the applicant or the operation and management of the applicant's business.

The close associate has been defined already as a business partner, but it may include spouse, de facto partner, child, grandchild, sibling, parent or grandparent. Does that mean I have to be really concerned about what my children or grandchildren are doing and that I am responsible for whether they can work? The immense power afforded to the director-general to decide whether to issue the contractor licence on the basis of whether his wife, for example, is a fit and proper person to hold a contractor licence is quite disconcerting. This is guilt by association. You lose out if you happen to have a grandchild or a sibling who is in trouble one way or another.

New section 35 enables the director-general to require an applicant for a contractor licence, or a close associate of the applicant, to authorise a third party to provide certain information, produce certain records to specified persons, or consent to the party giving the director-general financial and other confidential information concerning the applicant or the close associate of the applicant. This is all *1984* stuff. If information is not given under this new section the director-general may refuse to consider the application while non-compliance continues. Although transparency is encouraged, the provision gives the director-general enormous powers, and wherever great power is invested in one person it may lead to an abuse of power. I note my real concerns about the omniscience of the director-general.

The Hon. MELINDA PAVEY [9.15 p.m.]: Following discussion and deliberation on these amendments moved by the Greens, we agree with their argument on the basis that the definition of "close associate" would be difficult to apply, and could bring into the loop family members. We agree with the Greens that the entire concept of "close associate" is poorly conceived. We will support the Greens amendments.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.15 p.m.]: The Government does not support the Greens amendments. It is important in a broader context than the home owner's warranty insurance debate. I am sure Ms Sylvia Hale will have some interesting discussions with her colleague Ms Lee Rhiannon about the implications of the provisions for a wide variety of occupational health and safety issues, back payment of workers entitlements and a whole range of issues connected with the conduct of phoenix companies, which has become a problem not only for this Government but also for the Commonwealth Government and the Australian Taxation Office.

The powers proposed in the legislation will not be used in a draconian fashion. Although their drafting is sufficiently broad to allow the director-general wide-ranging powers, the reality is that the practice of phoenix companies and those sought to be identified and limited by these provisions are clear. They are subject to all sorts of protections by general appeal against capricious administrative decisions by the director-general. We could labour the point, but the well-intentioned concern to prevent *1984*-style powers overlooks the fact that a number of unsavoury practices are associated with the cottage building industry in relation to changing over of licences, changing of corporate identities, and in some cases serious abuse of consumer rights, employee entitlements and serious responsibilities for occupational health and safety.

There are tragic cases of people using phoenix-type strategies to avoid their obligations and consumer-type protection, in other words avoidance of the consequences of poor work and warranty by changing the identity of the builder. The decision by the Coalition to support the amendments is regrettable and, I would suggest, somewhat wrongheaded. Although I can understand the reservations of Reverend the Hon. Dr Gordon Moyes, I can assure him and any other member who thinks there is a basis for his concerns in principle that the bill has wide coverage and protections for anyone affected adversely. In the first instance there is a requirement for a written explanation to be given. There are a whole range of opportunities for people who are affected adversely to conduct appeals. The protection from inappropriate practices of phoenix operators must be balanced against the very low risk that the current or any future director-general will abuse the powers delegated by this legislation.

Ms SYLVIA HALE [9.19 p.m.]: I have been impressed by the fact that many reputable people in the industry have expressed concerns about this legislation. They are not fly-by-nighters or shonks; they are people who seem to me to be genuine small builders who are worried about the weight of additional legislation that is about to fall upon their shoulders. I have also been assured by groups such as the Master Builders Association and the Housing Industry Association that the Department of Fair Trading currently possesses the power to remove a builder's licence, should that action be warranted in the circumstances, and that that power is able to be exercised in relation to phoenix companies.

I ask the Minister to assure the Committee that the department does not possess those powers. If the department does not possess those powers, there indeed may be an adequate case for pursuing "a de facto partner who is living or has lived with him or her as his or her wife or husband on a bona fide domestic basis, although not married". The extent of this power seems to be extraordinary. I have been assured that the department can take action against phoenix companies, should it so wish. I ask the Minister to assure me and other members of the Legislative Council that the department does not possess those powers. If the department does not possess those powers, I am prepared to concede that there might be a need for them. However, if the department does possess those powers, I believe this provision is over the top and is unacceptable.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.21 p.m.]: I found it a little bit difficult to follow Ms Sylvia Hale's request. Clearly the director-general has only the powers that the Parliament determines he has. If the amendment is defeated, the director-general will not have the powers to act against phoenix companies that are ripping off consumers.

Question—That the amendments be agreed to—put.

The Committee divided.

Ayes, 14

Dr Chesterfield-Evans	Ms Hale	Ms Rhiannon
Mr Clarke	Mr Lynn	Mr Ryan
Ms Cusack	Ms Parker	*Tellers,*
Mrs Forsythe	Mrs Pavey	Mr Colless
Miss Gardiner	Mr Pearce	Mr Harwin

Noes, 21

Mr Breen	Mr Hatzistergos	Mr Tingle
Dr Burgmann	Mr Jenkins	Mr Tsang
Ms Burnswoods	Mr Kelly	Dr Wong
Mr Catanzariti	Mr Macdonald	
Mr Costa	Reverend Dr Moyes	
Mr Della Bosca	Reverend Nile	*Tellers,*
Mr Egan	Mr Obeid	Mr Primrose
Ms Griffin	Mr Roozendaal	Mr West

Pairs

Mr Gallacher	Ms Robertson
Mr Gay	Ms Tebbutt

Question resolved in the negative.

Amendments negatived.

Ms SYLVIA HALE [9.30 p.m.]: I move Greens amendment No. 8:

No. 8 Page 10, schedule 2 [6], lines 16-34. Omit all words on those lines. Insert instead:

(6) Without limiting this section, the Director-General may reject an application for a contractor licence if the Director-General is of the opinion that it is in the public interest to do so on the ground that an employee or proposed employee of the applicant is disqualified from holding a contractor licence, has had an application for an authority rejected on a ground relating to his or her character, honesty or integrity or has had an authority cancelled or suspended on any disciplinary ground.

The effect of the amendment is basically to eliminate paragraphs (b) and (c) of section 20 (6) and retain paragraph (a). The Greens amendment allows the director-general to reject an application for a licence if there are reasonable grounds to believe that the application has avoided disclosing any relevant past misconduct of the applicant or a close associate of the applicant. That casts an extraordinarily wide net. If the Government had wished to deal properly with the question of phoenix companies it should have crafted legislation to deal specifically with that issue rather than cast a net so wide that the past misconduct of a close associate of an applicant can be a reason to refuse a licence.

It is possible that a person could become a builder and engage in shonky dealings, and when that person's brother or grandchild—a fit and proper person with all the appropriate qualifications—applies to become a builder, that application is refused. Because of the activities of a sibling or grandparent an applicant may be denied the right to pursue that craft. The bill has been loosely drafted, and it strikes me as extraordinarily lazy. Obviously it is easier for the Government to take in a whole range of people rather than try to draft a bill that deals with a specific problem in a specific matter.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.32 p.m.]: Ms Sylvia Hale asked why the Government does not deal with the problems of phoenix companies. She then attempted to take away the only conceivable way of dealing with phoenix companies, which is the discretion of the director-general to make decisions about a close associate of an applicant. There seems to be some misunderstanding about the way in which this provision is to be applied. I do not suggest that a close associate be denied a business licence, or a relevant licence, simply because that person is related to someone who has either lost his licence or been subject to an inquiry about his licence because of an inappropriate breach of consumer legislation or the relevant provisions of the Act.

This provision applies to a person, qualified or not, who seeks to operate the licence over a builder who has acquired significant liability. This provision refers to the opportunities for changing or evading any definition under the Act or any framework in any Act, which are almost limitless, and the devices under which that can be done. Therefore, quite a robust regulatory regime is needed. For elegance it is regrettable that this is needed, but I give assurances to the House and to Ms Sylvia Hale that there are a large number of grounds of appeal. The grounds include, for instance, if a decision were discriminatory or capricious or in some way it offended the principles that Ms Sylvia Hale has enunciated.

More importantly, the provision sends a signal that so-called phoenix practices—in which family members, in-laws or other associates pass between them a licence to operate without necessarily passing on the relevant liabilities, leaving consumers stranded—will no longer be tolerated. The director-general will have the power to deal with them. I stress again that the director-general is construed in the Act as having a range of very independent powers, not subject to any political direction and not subject to direction by the Minister in regard to those powers. There can be no serious or imagined prospect of political involvement or discrimination. The protections are defined by the powers envisaged for the director-general to conduct. I believe they are sufficiently specific when it comes to the nature of the licence breaches to allow the director-general to exercise appropriately the discretion provided to him or her under the Act.

Amendment negatived.

Ms SYLVIA HALE [9.36 p.m.], by leave: I move Greens amendments Nos. 10, 11 and 12 in globo:

No. 10 Page 13, schedule 2 [14], proposed section 32B (5) (c), lines 1-5. Omit all words on those lines.

No. 11 Page 15, schedule 2 [19], proposed section 40 (1) (d), lines 1-5. Omit all words on those lines.

No. 12 Page 16, schedule 2 [28], lines 9-10. Omit "or a close associate of such an applicant or holder".

The three amendments refer to close associates. I believe the director-general should not be able to deny applications for a licence because he or she considers a close associate of the applicant is not fit to hold a licence. Nor should the director-general be able to deny an application for renewal of a licence because he or she considers a close associate of the applicant is not fit to hold a licence. Nor should the tribunal be able to make determinations based on the definition in the bill of "close associate".

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.38 p.m.]: I have very little to offer the Committee other than the concerns I have already expressed in relation to the previous amendments moved by Ms Sylvia Hale. I do not propose to belabour the point.

Amendments negatived.

Ms SYLVIA HALE [9.38 p.m.]: I move Greens amendment No. 13:

No. 13 Page 16, schedule 2 [29], proposed section 127 (8), lines 12-17. Omit all words on those lines.

The effect of the amendment is to delete proposed subsection (8) of section 127. The section overrides the provisions of the Privacy and Personal Information Protection Act. The tribunal should be obliged to abide by that Act.

The Hon JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.40 p.m.]: In the event that prosecution action or show-cause action is commenced, the affected parties are required to be provided with all the information upon which the grounds are based. At that time information that could be incorrect, such as that envisaged by Ms Sylvia Hale's amendments, would be able to be clarified or corrected. For those reasons the Government does not support this amendment. This provision was considered in some detail by the Legislation Review Committee, which had no objection to it.

Amendment negatived.

Schedule 2 agreed to.

Ms SYLVIA HALE [9.41 p.m.]: I move Greens amendment No. 14:

No. 14 Page 17, schedule 3 [1], lines 6 and 7. Omit all words on those lines. Insert instead:

Omit "Section 83" from the note to the section. Insert instead "Section 61A makes provision for suspension of a contractor licence by the Director-General and section 83".

This provision will result in the omission of any reference to the words "District Court" and the insertion of the words "Director-General". The bill seeks to transfer the power to appoint a controller or administrator to a company if a licence is suspended. At the moment the District Court has that power. The bill will remove that power from the District Court and give it to the director-general. Normally, when companies go into administration it is up to the court to appoint an administrator, unless the companies go into voluntary liquidation. Having regard to the powers that will be bestowed upon the director-general as a consequence of the passage of this bill, it is appropriate at least to have that external oversight of the court. It will now be up to the court to appoint a controller rather than that power being given to the director-general.

The Hon JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.42 p.m.]: The Government does not support this amendment. The usual practice on suspension proposals is to proceed under the provisions of the Fair Trading Act. All that this bill will do is make the provisions in the Home Building Act complementary with that legislation. The other requirement—the notice to show cause why disciplinary action should not be taken—has been issued. That procedure enables the affected licensee to apply to the Administrative Decisions Tribunal for the suspension to be lifted, pending determination of any disciplinary proceedings.

Amendment negatived.

Ms SYLVIA HALE [9.43 p.m.]: I move Greens amendment No. 15:

No. 15 Page 17. schedule 3 [4] and [5], proposed section 51 (2) (d) and (2A) (f), lines 17-32. Omit all words on those lines.

Proposed section 51 is extraordinarily heavy-handed. Representations have been made to members on the crossbenches to the effect that young people who get into difficulty with the law may subsequently try to rehabilitate themselves. It is not uncommon for people to work as builders labourers with a view to working their way up the ladder, getting appropriate qualifications and becoming a builder. This proposed section will prevent a builder from employing a person who has had an application for an authority rejected on a ground relating to his or her character, honesty or integrity—an extraordinarily subjective provision. Under this legislation young people who have gone onto the wrong side of the law will have very little chance of rehabilitating themselves and they will be punished twice for any offence that they might have committed. Under these provisions, they will not be able to attempt to rehabilitate themselves by engaging in building work and eventually becoming a builder. This is a most retrograde provision.

The Hon. JON JENKINS [9.45 p.m.]: This proposed section has some implementation problems about which I would like the Minister to comment. It is common ground that unlicensed contractors, whether they have been disqualified or they do not have a licence, may not have the required skills or experience to undertake building work. I support the efforts of the Government to stamp out unlicensed contractors. However, I hesitate to support the proposal in this bill that all builders have to ensure that their subcontractors have a valid licence, name, address, et cetera, until some sort of reasonable photographic licensing identification system is put in place, similar to the photographic licensing system that is being used by the Roads and Traffic Authority.

A builder's contractor's licence should display not only the holder's name, address and licence number; it should bear a photograph of the holder in the case of an individual or a logo in the case of a company. It is onerous and draconian to expect a builder to be able to confirm the identity of someone, check the validity of a licence and ensure that his or her address is correct. I understand that the Government may in the process of easing that burden in some way by implementing a modern type of licensing system, and I would like the Minister at least to indicate that. Perhaps at some future point in time the Government will look to placing the onus of producing a valid licence on the subcontractor rather than the builder. The contractor might be required only to produce a licence number, and if there is a problem with the licence number the department can then contact the contractor and say, "There is a problem with this person", and cause that person to produce his or her full licence. The onus should be on the subcontractor to produce, hold and maintain a valid licence.

The Hon JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.45 p.m.]: Current provisions relating to the prohibition on the lending of licences replicate provisions in relevant legislation relating to real estate agents. Those provisions will not adversely impact on or affect sole traders. Concern was also expressed about convictions for dishonesty within the past 10 years. It should be noted that the director-general has the power to determine that offences can be ignored when they are trivial or because some time elapsed since the date of the offence. These provisions cover both issues. The director-general will not be placed in a situation where he or she does not allow people to demonstrate that they have reformed, that some time has passed since their last offence, or that the offences relating to the holding of a building licence were trivial—the point referred to by Ms Sylvia Hale. I hope that my comments on those two matters satisfy honourable members.

Amendment negatived.

Ms SYLVIA HALE [9.48 p.m.]: I move Greens amendment No. 16:

No. 16 Page 18, schedule 3 [8], proposed section 56 (h) and (i), lines 16-24. Omit all words on those lines.

This amendment, which relates to the grounds for taking disciplinary action against the holder of a contractor's licence, seeks to remove paragraphs (h) and (i) of proposed section 56. Paragraph (h) states:

> that the holder does not meet the standards of financial solvency determined by the Director-General to be appropriate to the class of licence held.

People could be insolvent for any number of reasons. It might not just be because they are insolvent; it might be because they have a gambling problem or they have gone surety for someone else's credit.

The Hon. Melinda Pavey: For a car loan.

Ms SYLVIA HALE: For a car loan, for example, and suddenly they are called upon to pay and they do not have the wherewithal. This provision makes reference to contractors being required to be solvent. Why should contractors be required to be solvent when the builder should bear that responsibility? Surely the builder should bear the onus of that responsibility and not any contractor that he or she employs. This is another case of an extraordinarily wide net being cast and of phrases being used such as "financial solvency" that are not constrained in any sense. Again it is left to the discretion of the director-general. So much in this bill relies upon the good offices of the director-general and his ability or the ability of his officers to act in an impartial manner in all circumstances, and to apply themselves to the circumstances of each case. The delay in getting a licence is already inordinate. We have the feeling that a formal—if unspoken—set of criteria will be established and if people do not comply with those criteria, that is the end of the matter. This provision seems unnecessarily draconian and ill thought out

Amendment negatived.

The Hon. JON JENKINS [9.50 p.m.]: I move Outdoor Recreation Party amendment No. 1:

No. 1 Page 19, schedule 3. Insert after line 21:

> **[11] Section 61 Notice to show cause**
>
> Omit "14 days" from section 61 (3). Insert instead "28 days".

This amendment proposes that the response time for a builder or subcontractor to answer a notice of show cause be extended from 14 to 28 days. It is not reasonable to expect any business person to prepare evidence, attend meetings with legal representatives, perhaps engage technical advisers—in the architecture or engineering fields, for example—and prepare a response in conjunction with those legal representatives within 14 days. It is unreasonable to expect a builder or subcontractor to secure an appointment with a solicitor within 14 days or to engage an architect or engineer to verify certain parts of a building structure, for example. I ask the Government to explain how it expects people to show cause within 14 days.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.51 p.m.]: One of the objectives of the Act and the administration of the Office of Fair Trading in this aspect of its jurisdiction is to secure the rapid resolution of disputes. One way of doing this is to impose appropriate time frames. While the concerns of the Hon. Jon Jenkins are valid, I make it clear to him that the bill requires at least 14 days notice with regard to the show-cause provision. So the onus is on the department to give at least 14 days notice. This does not preclude the Office of Fair Trading from providing additional time to respond to a show-cause notice. Extensions are determined on the merits of the matter, and this bill envisages that that arrangement will continue.

I am advised that, operationally, 21 days notice is more commonly allowable in complicated matters. It is important that the Hon. Jon Jenkins understands—I am putting it on the record for this reason—that 14 days is the minimum time frame. The onus is on the department to provide at least that amount of notice. It then has the discretion to extend the notice period, depending on the submissions of those affected by the notice or the inherent complications associated with the matter.

The Hon. MELINDA PAVEY [9.52 p.m.]: The Opposition supports Outdoor Recreation Party amendment No. 1 for the very reason that the Government will not support it. The Office of Fair Trading has

14 days in which to show cause and has the discretion to extend that period if more time is required—for the good reasons that the Hon. Jon Jenkins outlined. We are talking about rapid responses. This bill was introduced rapidly without rapid consultation with industry. The Opposition is not happy with the rapidity of all this activity and we are certainly not happy with the idea that the Office of Fair Trading has the discretion to grant a consideration period of 14 days or more. The Opposition supports the amendment.

Amendment negatived.

The Hon. JON JENKINS [9.54 p.m.]: I move Outdoor Recreation Party amendment No. 2:

No. 2 Page 19, schedule 3 [11], proposed section 61A (1), lines 25-29. Omit all words on those lines. Insert instead:

(1) The Director-General may by notice in writing to the holder of an authority suspend the authority pending a determination by the Director-General of whether to take disciplinary action under this Act against the holder if:

(a) a show cause notice has been served on the holder under section 61, and

(b) the Director-General is of the opinion that there are reasonable grounds to believe that:

(i) the holder has engaged in conduct that constitutes grounds for suspension of the authority, and

(ii) it is likely that the holder will continue to engage in that conduct, and

(iii) there is a danger that a person or persons may suffer significant harm, or significant loss or damage, as a result of that conduct unless action is taken urgently.

The proposed power to suspend the licence of any builder for 60 days with no chance of appeal prior to the establishment of any offence is a power that I fear may be abused by both the Government and, more possibly, by any person who seeks to create havoc with another person's business. I was assured that the purpose of this provision is to allow the powers in the home building legislation to stand alone. I was also assured that this power would be used only in the most extreme cases when consumers are at significant risk from the licensee and that the bill does not introduce any new power as the power already exists to suspend a builder's licence under the Fair Trading Act.

That is sort of true. The test for suspending a licence under the Fair Trading Act is that significant harm, loss or damage will result from conduct that is likely to continue unless urgent action is taken. This test would be satisfied only in extreme cases and would limit the power of the director-general to suspend a licence without the immediate threat of harm, loss or damage. The proposed test does not incorporate an element of urgency but gives the director-general discretion to suspend a licence after notice to show cause has been served. The element of urgency to protect the consumer immediately is missing from the bill as currently drafted. This element of urgency must be in the test in order to protect vulnerable third parties who may be reliant upon the builder. These may include many subcontractors, their employees, their families and suppliers of materials. This step should be taken only in the most extreme cases. All such persons would be put at enormous financial risk if a builder were to be suspended by the director-general—in fact, there could be a domino effect across the industry. Accordingly, I propose that we remove the test from the Fair Trading Act and insert it in the building Act to provide the same level of extreme circumstances.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.57 p.m.]: The Government supports the amendment.

The Hon. MELINDA PAVEY [9.57 p.m.]: The Opposition supports the amendment.

Amendment agreed to.

The Hon. JON JENKINS [9.58 p.m.]: I move Outdoor Recreation Party amendment No. 3:

No. 3 Page 19, schedule 3 [11], lines 30-33. Omit all words on those lines. Insert instead:

(2) The Director-General may only suspend an authority under this section if the grounds for disciplinary action specified in the show cause notice have been established and justify the suspension or cancellation of the authority.

Under this proposed subsection the director-general may suspend an authority only if he or she is satisfied that the grounds for disciplinary action specified in the show cause notice would, if established, justify the suspension or cancellation of the authority. The amendment provides that the director-general may suspend an authority under this subsection only if the grounds for disciplinary action specified in the show cause notice have been established and justify the suspension or cancellation of the authority. It is an indication that one has to establish the grounds for a licence to be suspended.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.59 p.m.]: The Government does not support this amendment. Obviously it is related to Greens amendment No. 17. The difficulty with what is proposed by the Hon. Jon Jenkins is that there would be no effect to any suspension or cancellation. It would be impossible to achieve if it could not be established in the first instance. Unless I have a serious misunderstanding of the effect of the English language, the amendment must be defeated purely on logical grounds and not for any other drafting or political reasons.

The Hon. MELINDA PAVEY [10.01 p.m.]: The Opposition supports this amendment. Unlike the Minister, the Opposition can see logic in the director-general having good reasons to suspend an authority.

The Hon. JON JENKINS [10.02 p.m.]: This amendment is fairly technical. It states that the director-general may suspend an authority under this section only if the grounds for disciplinary action specified in the show cause notice, if established, justify the suspension. Surely the grounds for the show cause notice should already have been established. The suspension can occur without actually establishing the grounds for the show cause notice. It is a technical point.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [10.02 p.m.]: I have a problem with the phrasing of the amendment. Obviously the intention is to show cause for the commencement of the action, but that does not mean necessarily that the action requires a suspension. There are two separate processes occurring. The Government does not support the provisions because one is a condition precedent of the other, and that is where the confusion has arisen.

Amendment negatived.

Ms SYLVIA HALE [10.03 a.m.]: I move Greens amendment No. 17:

No. 17 Page 19, schedule 3 [11], proposed section 61A (3), line 35. Omit "60 days". Insert instead "14 days".

In effect this amendment provides that such an extension may not be imposed for a period of more than 14 days. It replaces the maximum 60 days suspension with a maximum 14 days suspension. The powers of the director-general to suspend a licence can have extraordinarily punitive repercussions. After all, 60 days is two months, and that is a major slab out of any person's working life. A suspension for that length of time can lead to extraordinary financial hardship, particularly if people have contracts that they are unable to complete on time, if they have employees for whom they cannot continue to find meaningful employment and if they have subcontractors with whom they have entered into arrangements.

If this provision proposed by the Government is agreed to, there will be potential for many builders to be plunged into bankruptcy and, in effect, to be punished for a misdemeanour or for behaviour of which they may not be guilty. In practical terms, 60 days is not a long time, but it would seem an awfully long time to a person who is running a small business upon which a number of people are dependent. This provision will effectively remove for that period not only the livelihood of the person running the small business but also the livelihoods of those who rely on the business for their income. If the period is reduced to 14 days, onus will be placed on the department to act speedily in the matter. If the department cannot get its act into gear in 14 days, that will say a lot about the department. A person who is the object of a suspension should not be placed in a position in which his or her livelihood is jeopardised for some reason that has yet to be established or proved.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [10.06 p.m.]: The concern appears to be that the director-general would be fairly capricious in the use of the authority provided for in this legislation. The amendment will reduce the suspension period from 60 days to 14 days. This would not work in practice because currently the director-general must give at least 14 days notice to a licensee to respond to a show cause notice, with further periods allowed for internal reviews of decisions and appeals to the

Administrative Decisions Tribunal. In practical terms, a licensee would be able to continue to trade and sign up more unsuspecting customers after having been required to show cause why his or her licence should not be suspended. That, of course, would lead to more consumer claims and more of the problems that this legislation is attempting to remedy.

It is important to understand that without the powers envisaged by this legislation and the proper protections that are provided for in this and associated legislation, some of the practices that have caused the problems identified by members in this debate will not be addressed.

The Hon. MELINDA PAVEY [10.07 p.m.]: The Opposition supports this amendment for the very reasons advanced by Ms Sylvia Hale. It is completely unfair that a business should be left for 60 days without the ability to earn while it is being investigated for a matter of which it could very well be innocent. In response to the Minister's argument relating to the period of 14 days to show cause, I argue that the Government should have come up with a more reasonable solution, and it should not have rushed this legislation through in the first place.

Amendment negatived.

Ms SYLVIA HALE [10.08 p.m.]: I move Greens amendment No. 18:

No. 18 Page 20, schedule 3 [11], lines 1-3. Omit all words on those lines. Insert instead:

(4) The Director-General must afford the person an opportunity to be heard during the period of suspension referred to in subsection (3).

This amendment indicates why our previous amendment should have been agreed to. Proposed section 61A (4) provides that the director-general is not required to afford a person an opportunity to be heard before taking action against the person under this section. That means that there is no requirement on the director-general to listen to any reasons why a builder may have engaged in behaviour that does not meet the appropriate standards set by the director-general. It is an unnecessarily heavy-handed provision that will suspend a builder for up to 60 days—that is, two months—without being able to state his or her case or without any right of appeal.

I cannot see any possible justification for not allowing a person to be heard and to provide an explanation. Obviously, the director-general does not have to reach the same conclusion as the builder might hope for, but at least natural justice requires that if a builder has a reasonable case to make, or believes he or she has a reasonable case to make, the director-general should be required to listen to it. That offers the person no more than natural justice. I cannot think of any reason to deny that right to a person who faces suspension and a serious loss of livelihood.

The Hon. MELINDA PAVEY [10.11 p.m.]: The Opposition supports the amendment.

Amendment negatived.

Ms SYLVIA HALE [10.11 p.m.]: I move Greens amendment No. 19:

Page 20, schedule 3 [13], lines 11 and 12. Omit all words on those lines.

I think this amendment is consequential upon a previous amendment relating to a reference to the director-general rather than to the District Court. I am not sure that this amendment remains relevant.

The CHAIRMAN: Order! It may not be, but it is not consequential.

Amendment negatived.

Schedule 3 as amended agreed to.

Ms SYLVIA HALE [10.12 p.m.]: I move Greens amendment No. 20:

Pages 23 and 24, schedule 4 [9], proposed section 127A, line 24 on page 23 to line 21 on page 24. Omit all words on those lines.

Proposed section 127A would place an extraordinarily onerous burden upon builders. It requires a builder to have a list of all subcontractors, with the names and residential addresses of all people who were on the site at

the time or who have previously been on the site. That is like asking doctors to have the names and addresses of every registered nurse that they worked with on a particular case. Those who have been to building sites or have any notion of what it is like on a building site would be very well aware that people are coming and going at all times. They include not only the builder and his direct employees, but probably subcontractors and their workers.

This provision would place an immense burden on a prescribed person. If inspectors go onto a site, it should be sufficient if the people on the site are able to produce and present their licences for inspection. But to expect a builder to be able to produce all the information provided for in the new section, particularly as there might be itinerant workers on the site whose addresses may change from week to week—given that the building industry is a major employer of casual labour—is an unnecessary imposition. This is an extraordinary bureaucratic and heavy-handed provision.

Under existing laws, contractors on residential building sites are required to be able to produce their licence or certificate for their respective trade. I believe that is sufficient. Head contractors, such as builders, should not be burdened with the administration of this new on-site register, as I believe that will be a virtually impossible task. It will be impossible for those persons to comply with the legislation, and it is unreasonable to expect them to do so.

The Hon. MELINDA PAVEY [10.14 p.m.]: The Opposition supports the amendment moved by the Greens.

The Hon. John Della Bosca: I think you wrote it!

The Hon. MELINDA PAVEY: It is an eminently sensible amendment—which is probably why the Minister thinks I wrote it. Placing an onus on builders to keep the names and address of anybody who has worked on a building site is unreal. Let me use an analogy. It would be like requiring the Hon. Eric Roozendaal, as the builder of the Labor Party, to record the names and addresses of anybody who walked into the Sussex Street office—any developer making a donation, or any person who wanted to do business at Sussex Street, or anyone who entered the building would be forced to have their names recorded.

The Hon. Michael Egan: Absolutely!

The Hon. MELINDA PAVEY: I would like to see that document! I think it would be fascinating. I believe that even the Hon. Eric Roozendaal and the director of the Labor Party have the right to some privacy. This is a very onerous provision of the bill, and the Opposition supports this Greens amendment.

The Hon. JON JENKINS [10.15 p.m.]: Earlier I made a suggestion about having a licence scheme similar to that for motor vehicle drivers licences. All a builder would have to do would be to keep a photocopy of the licence in his files, and that would satisfy the requirements very quickly and very easily.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [10.16 p.m.]: Notwithstanding that useful intervention about a perhaps better administrative way to do this, I want to respond briefly to this new Green-Coalition position on this matter. I am a little confused. My head is indeed spinning because I think Ms Lee Rhiannon would argue an opposite case on most occasions. I make the point that this provision applies only to those who directly contract in a line of contract with a builder. It does not involve everyone on site, and it is no more or less than the obligations that a builder would have in regard to the Australian tax Act and all of the relevant corporations laws and business laws under the Federal jurisdiction and the relevant State laws in relation to occupational health and safety and a whole range of other matters.

Amendment negatived.

The Hon. JON JENKINS [10.17 p.m.]: I move the following further Outdoor Recreation Party amendment:

Page 23, schedule 4, line 17. Omit "with any other person" and insert instead "any natural person" wherever occurring.

This amendment seeks to clarify the position with regard to the lending of licences. I will give the Government a scenario to address. If you are a sole business person working for yourself, say for instance as a plasterer, and your income reaches a certain point, it makes both tax sense and legal sense to form a company and to operate

under the guise of a company. However, if you continue to work using your personal builder's licence under the company rules, then you cannot—and I would like the Government to clearly and absolutely clarify this—be charged or convicted for lending your licence to the company. Otherwise, you could be in jeopardy of immediate disqualification of your licence. So, if you are a sole trader or a partner in a company, you can still use your personal builder's licence to operate your building services under the company's name.

Amendment negatived.

Schedule 4 agreed to.

Schedules 5 to 7 agreed to.

The Hon. JON JENKINS [10.09 p.m.]: I move the following additional Outdoor Recreation Party amendment:

Page 39, schedule 8, line 13. Omit "dishonesty" and insert instead "fraud".

There is some concern with this part of the bill. Again I will give a scenario. A person may have done something silly in their youth, perhaps involving joy-riding in a car when 15 or 16 years old.

The Hon. Michael Egan: Or may even have handed out how-to-vote cards for The Nationals in Dubbo.

The Hon. JON JENKINS: Exactly. The problem is that they might do something they may later regret in life. For the rest of their youth they might be model citizens, they may finish their schooling or TAFE course in building, apply for a builder's or contractor's licence and find that the idleness or otherwise of their youth prevents them from obtaining one. I ask for the Minister's reassurance on this issue. Section 2 of the Act modifies the provision by referring to the trivialities of the acts or omissions giving rise to the offence. I would like the Minister's clarification that they are after the habitual fraudster, someone who has history of fraud or dishonest behaviour, rather than someone who has made a simple mistake at some point in his youth.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [10.20 p.m.]: If we adopted the member's amendment the bill would allow breaches of the Corporations Law or other relevant law, including criminal law, which are otherwise serious crimes, to be excluded under the Act. However, I point out to him and reaffirm that trivial offences, which are broadly defined, are excluded already under the provisions of the bill. I have referred to that during the course of debate.

Amendment negatived.

Schedule 8 agreed to.

Schedule 9 agreed to.

Title agreed to.

Bill reported from Committee with an amendment and report adopted.

Third Reading

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [10.22 p.m.]: I move:

That this bill be now read a third time.

Ms SYLVIA HALE [10.22 p.m.]: It is appropriate at this stage in view of the amendments moved by the Greens that we put our position on the bill on the record. For that reason, I will speak as quickly as possible because of the lateness of the hour. The bill is yet another attempt by the Government to patch up the debacle that is the builders warranty insurance—a mess of the Government's own making that has been dragging on for years. The Government continues to blame the crisis on factors beyond its control, factors such as the collapse of HIH Insurance. These factors may indeed have exacerbated the problem, but the underlying fundamental

cause for the current hardship being felt by builders and consumers in New South Wales is the decision taken by State governments in New South Wales, Victoria and Western Australia to privatise the builders warranty insurance scheme. Until 1997 New South Wales had a perfectly functional builders insurance scheme. Underwritten by the Government, it was insurance of first resort and provided both builders and consumers with adequate protection. First introduced in 1972 and later amended significantly in 1987 with the establishment of the Building Service Corporation, and again in 1990 it protected consumers from incomplete and faulty work while offering builders accessible affordable insurance.

The system certainly had its limitations and could have been improved in a number of areas, but in 1997 the Government threw the baby out with the bath water by disbanding the scheme altogether. Gripped by the fever of economic rationalism, small government and privatisation, the New South Wales Government closed down the scheme and left builders insurance to the private sector. The result has been an unmitigated disaster. The number of insurance companies willing to offer insurance cover has been abysmal, resulting in almost no competition and a virtual monopoly by a handful of insurers. The cost of premiums has skyrocketed and insurers have imposed draconian requirements on builders, including a requirement that builders provide collateral to cover them against any possible claim. Thousands of builders have been unable to secure insurance. The Builders Collective of Australia, an organisation established specifically to represent small builders suffering under the current scheme, estimates that up to 59 per cent of small builders have been culled from the industry due to inaccessibility of insurance. The Builders Collective of Australia states:

> The industry is now split between those who are able to obtain home warranty insurance and those who cannot. There are estimates of anywhere between 10-50 percent of builders who cannot obtain insurance and therefore cannot work despite being fully and properly licensed.

To add insult to injury, the level of cover under the current scheme has fallen dramatically, to the point where consumers are now only covered in cases where the builder has died or become insolvent or bankrupt. The scheme has been labelled a cruel hoax, with consumers not realising they have effectively no cover against shoddy workmanship until the time comes to make a claim. The only people who have done well from the switch to the current scheme is the insurance industry, who, not surprisingly, in the wake of the twin towers attack, has remodelled the scheme to reduce its own level of risk. Unfortunately, this has been at the expense of consumers and builders. Along the way, the Government has sat back and watched as the insurance industry has become the de facto regulator determining which builders will trade and which will not. Virtually everyone except the insurance industry has labelled the current system a failure: the Master Builders Association, the Royal Institute of Architects, the Australian Consumers Association, social justice groups, lawyers, builders, consumers, you name it.

The bill is the legacy of the fundamental error made by the Government in 1997. The error was to privatise home building warranty insurance. The Government knows the consequences of this decision have been a disaster. Since its introduction in 1997 we have witnessed tinkering and tampering in a series of attempts by the Government to fix a fundamentally flawed system. Within two years of its introduction the Government made significant changes to the initial Act, including removing the requirement for developers to have insurance and placing full responsibility on builders.

The Hon. Tony Kelly: Point of order: Madam Deputy-President, I draw your attention to previous rulings of the President. The prime purpose of the third reading of the bill is to ensure that members have a last opportunity to oppose the legislation. It is not to treat the House to another second reading speech.

Ms SYLVIA HALE: To the point of the order: The purpose of my speech is to show why I believe this legislation is totally unacceptable. The bill fails to respond to the real problems that confront the industry. I have outlined the problems in the course of these remarks. My remarks indicate how this bill is a further tinkering and tampering and an attempt to patch up an unworkable scheme.

The Hon. Amanda Fazio: To the point of order: I support the point of order taken by the Minister for Rural Affairs. As members are well aware, Ms Sylvia Hale did not have her speech with her at the time the second reading debate concluded and she is trying to make her second reading contribution now. That is cheating and she should not be able to do so. I ask that you uphold the point of order.

The DEPUTY-PRESIDENT (The Hon. Kayee Griffin): Order! I uphold the point of order. The speech of Ms Sylvia Hale sounds to me like a speech more appropriately delivered at the second reading stage of the bill and is out of order.

Motion agreed to.

Bill read a third time.

ADJOURNMENT

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [10.31 p.m.]: I move:

That this House do now adjourn.

HUNTER REGION CRIME

The Hon. ROBYN PARKER [10.31 p.m.]: I have spoken several times in this place about policing in the Tilligerry Peninsula, and the level of crime and limited police resources within the lower Hunter command, of which Tilligerry is a part. A steering committee was established in the area which has received widespread community reaction and support. The response from the Government has resulted in the temporary transfer of three extra police to the area, only to have two of them taken away from 30 December, the Christmas-New Year period in which many holidaymakers head to Port Stephens. I cannot understand the logic. John Brogden and shadow police Minister, Peter Debnam, have joined me in several meetings with residents in the Tilligerry, and we continue to give them our support in their pursuit of a greater police presence in what is a huge local area command.

A Newcastle residents' group and a Bar Beach residents' group have taken the lead from those in the Tilligerry because they, too, have concerns about crime and antisocial behaviour on their streets. After years of writing to the Minister for Police seeking more police numbers for Newcastle and receiving an inadequate response, those two residents' groups have joined to form the Newcastle Safe Streets Committee. On 22 November I attended a meeting held by the steering committee, together with a number of local Newcastle residents, all of whom were looking for comprehensive solutions to disorderly conduct on the streets of Newcastle in the early hours of the morning. It was disappointing that a representative of NSW Police did not attend the meeting to answer some of their questions and contribute to the debate. From every meeting I have attended and from every group I have spoken to about crime in the area I have heard example after example of individuals and families being subjected to crime in their community and their homes, as well as on their homes. Some people are too frightened to go outside. Many have suffered personal injuries and property damage. All of them have had enough.

I am talking about Newcastle and Port Stephens, yet the stories I have heard sound more like out-takes from scripts in a United States gangster film. The most noted incident of unprovoked violence of recent years happened in 2002 when a former South Newcastle rugby player, Peter Parr, was walking with a friend from the Great Northern Hotel to the Holiday Inn in Newcastle. He saw a man arguing with a girl and pushing her around. When he tried to intervene, about 20 boys and girls emerged and beat Mr Parr and his friend to the extent that Mr Parr now has permanent numbness on one side of his face. There is a great deal of anecdotal evidence about these types of incidents in Newcastle, but the facts cannot be denied. On 11 November the Newcastle *Herald* revealed that the city's local area command had double the number of assaults at licensed premises in Kings Cross, The Rocks, Surry Hills and Sydney.

Ambulance officers have noted an increase in the number of assaults and the level of violence over the past five years. John Hunter Hospital trauma staff are busiest in the early hours of Saturday and Sunday mornings. Monday's edition of the Newcastle *Herald* reported that a resident of Stockton hired full-time security staff to guard his family after he was abused and bashed unconscious outside his home on 7 November. It was noted that he was a Labor candidate in the local government elections, but I do not know whether that had anything to do with it. Perhaps one of the other factions of the Labor Party came to visit him. No matter who you are, it is not good enough. Official police figures quoted in the same article reveal that crime in Stockton and across the whole command is falling. The experience of residents in the Tilligerry is similar to that of those in Stockton: they stop reporting crime because they are aware that a police car from a distant suburb would take about 20 minutes to arrive. What is more, those committing the crime also know that a police car will not be able to respond before they can move on.

At night communities like Stockton and the Tilligerry are dependent on patrol cars that may be based 15 or 30 kilometres away. If that car is out, they could be even further away. In 2001 residents of the Tilligerry went so far as to offer to pay for a police officer to be stationed locally at night, but the State Government refused. This was an act by a desperate community, rejected by a Government desperate to save face because accepting such an offer by residents would be to accept that it had failed. It is no surprise to the people of the Hunter and Port Stephens that the Government has failed them on police numbers and failed them by not providing them with safe communities. Since last year the number of police officers in Newcastle has decreased

by 16, it has decreased in the lower Hunter by 3 and it has decreased in Lake Macquarie by 7. Police officers do a great job in our community with limited resources. These communities recognise and appreciate that. But what they do not appreciate is that the priorities of Bob Carr and his Minister for Police are so out of step with the real needs of their communities. [*Time expired*.]

SYDNEY JEWISH MUSEUM

The Hon. ERIC ROOZENDAAL [10.36 p.m.]: On Sunday 28 November I had the privilege of addressing the annual general meeting of the Sydney Jewish Museum, which is located in the Sydney suburb of Darlinghurst and was founded in 1992 by John Saunders, an Australian Holocaust survivor. As a memorial to both the Holocaust and the history of the Australian Jewish community the museum tells two important stories. The first story, that of the Holocaust—or Shoah as it is known to the Jewish people—is one that must always be told. The museum is a memorial to the tremendous suffering of those who had their lives taken and the some 30,000 survivors who chose to start a new life in this country. The other story the museum tells is that of the journey and development of the Jewish people as a community in Australia in the two centuries that have passed since 16 Jewish convicts arrived with the First Fleet. The history of the local Jewish community is an important part of a larger story, the history of multiculturalism in this country.

Being a multicultural nation is a great strength. However, there are occasions when the mixing of different cultures, values and even religions create challenges to social harmony. The Jewish Museum is more than just a memorial to the terrible events of the past. It is also a reminder of the importance of social tolerance to a collective future. The key lesson to be learnt from the museum is that social institutions are not always enough to protect minorities, that modern societies, even democracies, can descend into hatred and division if extremism and intolerance are allowed to develop. One of the aims of the Sydney Jewish Museum is to educate younger generations of this fact. The museum offers a broad range of educational opportunities for school students, including guided tours of the museum's exhibitions. These tours are led by volunteers, many of whom are Holocaust survivors.

The personal accounts of these volunteers are particularly useful in helping children to understand past events and to make sense of the vast collection of documents, artefacts and audiovisual displays that have been put together by the museum's team of staff and directors. During the past year more than 10,000 schoolchildren passed through the museum's doors, and still a greater numbers of students will visit in future years as more teachers and principals come to realise its unique educational value as an excursion destination for children of all ages. But the museum is also of great value to adult visitors, of which there were about 20,000 in the past year. One of the outstanding features of the facility is its relevance to visitors of all ages, backgrounds and interests. Another excellent facet of the museum is the constant updating of its exhibitions, which is one of the reasons so many visitors return on multiple occasions and its membership is particularly large for an institution of its size.

A particularly promising upcoming exhibition will commemorate the Australian war crimes trials, which is being staged with the assistance of the New South Wales Ministry of the Arts. A variety of special events are being planned for the coming year to mark the sixtieth anniversary of the Allied liberation of Europe. I encourage all members of this House to take the opportunity over the next year to experience the museum for themselves, and add their names to the growing list of public figures who have demonstrated their support. Our Governor, Marie Bashir, described her visit as a moving and unforgettable experience. Kim Beazley said he believes the museum has an important contribution to make so that future generations never forget. The Premier is also a great fan and supporter of the facility.

The Hon. Duncan Gay: Did you look at my contributions?

The Hon. ERIC ROOZENDAAL: No, I did not, but I am sure they were quite sensible. Mr Carr said:

> I hope the exhibition is well visited. It deserves to be.

But perhaps the most powerful accounts of the museum have come from thousands of schoolchildren who visit each year. These children may lack the Premier's eloquence, but their youthful innocence and the sincerity of their remarks demonstrate the true value of the museum as an educational tool. These are the words of one young visitor:

> Our visit to the Jewish Museum was one of the most, if not the most, humbling and inspirational experiences of my life. The museum is just fantastic and the volunteers are unbelievable. Thank you so much for teaching me about humanity and the importance of love and educating me about this terrible page of history.

I commend the work of staff and the directors of the Sydney Jewish Museum, especially the many volunteers who give up many hours of their own time to assist, and also the many donors and supporters who make sure that the museum continues to function. It is a great asset for our States that will assist in educating future generations of children about the history of the Jewish community and continue to remind all of us of the high price we pay when we allow intolerance to fester in our society.

EUREKA STOCKADE ANNIVERSARY

The Hon. JON JENKINS [10.41 p.m.]: Last week I went to Ballarat. I was invited to the 150th anniversary of the Eureka Stockade. It was a simple and moving ceremony without political interference. Although I was not an official guest I did speak briefly with Premier Bracks, who was also in attendance, along with several other dignitaries. It was good to see so many people out early in the morning to commemorate and celebrate the beginning of democracy in Australia. In fact Peter Lalor, who was the leader of the Eureka Stockade, eventually became the Speaker of the Legislative Council of Victoria. However, as uplifting as it was it was equally disappointing to see the extremists from both sides of politics trying to claim the spirit and symbol of Eureka for their own perverted causes.

While I was in Ballarat I was also pleased to spend some time with Mr Barry Cohen, the retired Federal environment Minister of Franklin River and Great Barrier Reef fame. Along with Mr Cohen I attended the inaugural Eureka Forum on Land Management. The forum was attended by an incredibly diverse group of people interested in land management in Australia. There were prestigious scientists, forestry managers, farmers, environmentalists, recreationists and several political and press figures. Many people spoke on the current issues facing land managers in this country. During the course of the forum it became obvious that people from every corner of the land were of one voice: the extreme environmentalists have been lying to and deceiving the public in order to gain political power.

As a direct consequence of these extremist ideology management principles many of our native animals and our precious environment are being destroyed. The common thread throughout all the presentations was the way the extreme environmentalists are willing to lie and deceive in order to gain political influence. They do this through an enormous funding base and highly professional negative campaigning. Let me give two simple examples. The first example is the Murray River. The extremists continue to rant about the death of the once mighty Murray. Note the emotive use of words. Just recently the most prestigious environmental organisations—the Wilderness Society, Greenpeace and the Australian Conservation Foundation, of which I am a member—quoted in their seminal document:

> The once mighty Murray River is dying, on current trends Adelaide drinking water from the Murray River will be too salty to drink two out of five days by 2020.

But as the figures from the Murray-Darling Basin Commission in September 2004 showed very clearly, the Murray River has not become progressively less salty over the last 20 years. In fact there is less than half the salinity that there was 20 years ago. Do honourable members honestly believe that Greenpeace, the Wilderness Society and the Australian Conservation Foundation did not know this? Of course they knew it! However, they decided to deliberately lie and deceive, and to run negative campaigning before the Federal election in order to help their political masters. The second example deals with koalas. Recently an article appeared in Sydney's main daily paper lamenting the fact that most of the koala colonies left on the coast of New South Wales were on private land. The emphasis of the article was along the traditional green extremist ideology in respect to land clearing on private land.

However, the article failed to mention that the New South Wales National Parks and Wildlife Service owns nearly 50 per cent of the coastline. How is it possible to own nearly half of the unspoiled and undeveloped, and unmanaged, coastline and not have koalas in the national park estate? There are only two possibilities: either the national park estate is so badly managed in respect of fire and feral animals that there are few koala colonies, or it deliberately lied for political purposes and tried to deceive the public into thinking there is some massive environmental crisis with koalas. How hypocritical it is that the Greens on the one hand profess truth and honesty and openness, and on the other hand practise outright deception in the most cynical and despicable negative campaigning agendas.

Many people at the forum were people I profess to represent. They fall into two broad categories. The first category is rural people who have been ravaged by the extreme environmentalists on the one hand and deserted by their traditional political support on the other. These are farmers, foresters, beekeepers and other landowners and managers in rural areas. They are also the people who enjoy using public land for recreational

purposes, whether it be camping in the bush somewhere or throwing in a line with the kids. They are horseriders, cyclists, canoeists, hikers, cross-country runners and anyone else who enjoys the natural environment.

These groups feel that they have been betrayed by their traditional political support base, that is, The Nationals for the rural people and the Australian Labor Party [ALP] for the city people. What has happened to the once-strong parties who supported their people with such vigour? They both appear to have rolled over and become subservient on one hand to extremist Greens and on the other to the Sydney-based chardonnay-sipping intelligentsia. But this brings me back to the Eureka Stockade and the events of 150 years ago. These people stood up for something they believed in. This seminal point in Australian history started to move towards representative democracy. It is happening again. I am sure the major political parties can sense the groundswell out there. That is why the ALP lost so dreadfully in the recent Federal election and it is the reason The Nationals are losing their traditional country-based support. They are not listening to the people!

DOWNIE PASTORAL COMPANY

The Hon. RICK COLLESS [10.45 p.m.]: I bring to the attention of the House an intolerable situation with respect to the treatment of Peter and Paul Downie, of Downie Pastoral Company at Forbes. These two brothers and their families run a dairy farm on the South Condobolin Road west of Forbes, an area that has been drought declared for 48 months out of the last 48 months. A Department of Land and Water Conservation hydrogeologist confirmed, in a letter to Downie Pastoral Company on 13 December 2002, that a part of the property was outside the embargoed area and that they were entitled to apply for an irrigation bore in the unembargoed area, known as zone five. The Downies applied for a bore licence on 24 December 2002 for the purpose of watering pasture and fodder crops for their dairy cows. This bore is to supplement their surface water allocation from the Lachlan River, which has had a zero allocation for the last three years.

In July 2003, the Downies were advised that the hydrogeologist had recommended the allocation of a 183 megalitres industrial licence for their dairy to be attached to a bore on the unembargoed portion of their property. On 10 December 2003 the Downies again contacted the department and were advised that other work had priority over bore licence applications, and the applications had to be shelved until the workload reduced. I met with Peter and Paul Downie at their property on 11 December 2003, only a few days short of 12 months after they had initially applied for the licence. I wrote to Minister Knowles on 15 January 2004 outlining the history and the Downies' plight with their water problems, and received a reply on 23 April 2004 advising that there were a number of applications to be assessed before Downie Pastoral Company's application could be processed.

On 4 June 2004 and 23 September 2004 I placed a series of questions on notice in an attempt to determine when this application would be assessed. On both occasions the Minister's answers were minimalist and less than satisfactory in so far as they did not clarify the situation at all. I wrote again to Minister Knowles on 15 November 2004 outlining my concerns about the unsatisfactory time taken in assessing the application. I also wrote to the Minister's office requesting an audience with the Minister to further discuss the application, to which a reply was received on 18 November 2004 advising that the meeting had been scheduled for Wednesday 8 December 2004 at 4.30 p.m. On Friday 3 December 2004 the Minister's office called to say that the Minister was unable to be at the meeting, but it would be attended by the Minister's Chief of Staff, Sarah Taylor, and probably Deputy Director–General, Peter Sutherland, or the next in line to him in that section of the department.

Although disappointed that the Minister had reneged, I rang the Downies, who indicated they still wished to meet with the chief of staff and the deputy director-general. They indicated they would be leaving from Forbes at about 5.30 a.m. to 6.00 a.m. on 8 December to ensure they would arrive here on time. It was with great disappointment that I heard my answering machine messages at about 8.30 this morning. One message, received from the Minister's office at 5.45 last night, advised that the meeting had been cancelled. After much discussion with the Minister and Sarah Taylor, she agreed to arrange for the Manager, Resource Access, Mr Rex Steele, to meet with us this afternoon. Rex Steele was most helpful and I believe we will work through a solution to the Downies' problem. But one issue that needs to be addressed is the fact that when constituents make an appointment to meet with a Minister, that appointment should be honoured. If the Minister has to break the appointment and delegate to his chief of staff, that appointment should not be broken under any circumstance.

The Downies travelled more than 400 kilometres to meet with the Minister. To be rebuffed by the Minister a week before the meeting is disgraceful, but to be further rebuffed by the bureaucrats less than

24 hours before the meeting is absolutely unacceptable. It just proves to the people of western New South Wales yet again the contempt in which Carr Government Ministers and their senior bureaucrats hold them. It is simply not good enough. I would like to put on the record the constructive meeting I convened with Mr Rex Steele and the Downies, and I call on the Minister to now make sure that this matter is resolved to allow this important dairying business to access sufficient water to allow them to survive the continuing drought conditions they are suffering.

ION AUTOMOTIVE LTD

The Hon. PETER PRIMROSE [10.49 p.m.]: It is just over two weeks to Christmas. This morning more than 3,000 workers, including more than 700 New South Wales workers in Albury, woke up to the news that they no longer have a job. Against a background of Federal Government neglect of the manufacturing sector, it will surprise no-one in this Parliament that the National Secretary of the Australian Manufacturing Workers Union [AMWU], Doug Cameron, has already been actively working to secure jobs and entitlements for more than 3,000 workers at Ion Automotive Ltd, after the company announced this morning that it had been placed into administration by its banks. Unlike the Federal Government, Doug Cameron recognises that working together on this issue is vital, because as the company is a major player in the car components manufacturing industry, saving the jobs and skills of workers at Ion is also a matter of national interest.

Doug Cameron also has called on the Federal Government to initiate talks with major car companies to ensure that existing contracts are honoured. The Federal Government is in a prime position to work with the company's banks in putting together a rescue package that will ensure the future of the company and assure the income security of more than 3,000 workers and their families in the lead-up to Christmas. Doug Cameron's call for Federal Government intervention is not only in the interests of the Ion workers and their families, but it is also a matter of regional and national interest for this company to continue to operate, and indeed to grow. As the major union representing workers at Ion, the AMWU is meeting with the administrator to do everything possible to secure the jobs and entitlements of workers at Ion.

Yet while the AMWU is working to secure jobs for Australian workers and their families, and retain skills in the Australian labour market, it seems that the workers at Ion and their families have become irrelevant to the Federal Government. The Federal Minister for Industry, Tourism and Resources, Ian Macfarlane, was out of town when the announcement regarding Ion was made. After initially agreeing to meet the union, the Minister's advisers have cancelled the meeting. While the Minister is missing in action, Doug Cameron and the AMWU are warning of the inevitable flow-on effect of job losses at Ion. As a major regional employer, Ion is essential to the economic base for the entire region. Job losses will not be restricted to people directly employed by Ion. While the Federal Government likes to claim the people of regional New South Wales as its own, what has happened at Ion is a very practical and painful example of how the Federal Government once again has let down the people of regional New South Wales.

It is time that the absent Minister and the Federal Government of which he is a part recognised that it is not enough to just tell the people of regional New South Wales that they will be looked after. What has happened at Ion should not have been allowed to happen. But now that it has, consultation with all the players—including the union—is essential. I strongly urge the Federal Minister for Industry, Tourism and Resources to meet with the National Secretary of the AMWU, Doug Cameron, as a matter of priority and to work with him, not only in the best interests of the workers at Ion and their families, but toward a strategic industry policy that will ensure that this tragedy is not repeated for other Australian workers and their families in other parts of regional New South Wales.

CARRIE'S PLACE CO-OP LTD

Ms SYLVIA HALE [10.53 p.m.]: Last week I visited Carrie's Place in Maitland. The objective of Carrie's Place Co-op Ltd is to provide temporary accommodation support for women and their dependent children during times of crisis. While I was there I met with the support workers, Lili Crockett and Susan Francis. I spent some time discussing the difficulties confronting Carrie's Place and the declining level of assistance, which is being matched by an increasing level of demand. I was given a copy of the annual report of Carrie's Place and I will read from a section of it because it highlights the crisis that exists in the provision of crisis accommodation. The report sets out statistics on difficulties confronting women with children and states:

> Every year it gets harder for women to obtain independent housing, be it in the private rental market, through the Department of Housing or Community Housing organisations. During this financial year, matters have reached crisis point. A large majority of families who moved into caravans, to other refuges or to stay with family or friends would have preferred their own rental space if they had been successful in securing a home.

> This year's figures would be worse, if Carrie's Place had not secured the additional medium term house in Thornton and the lease of 5 bed-sits for single women, somewhat obscuring the real outcomes for service users.
>
> If one disregards all exit housing provided by Carrie's Place, then only 2 women (one single, one with children) were able to obtain permanent independent housing. This also means that to 52 or 96% of women did **not** find a place to live outside of Carrie's service delivery.
>
> The lack of affordable housing constitutes one of the most detrimental barriers to women achieving independence, safety and security. Sometimes, women become so disillusioned that living in violence is seen as a much easier if not their only option. However, despite all these obstacles women and their children are facing, it is remarkable that, contrary to common belief and myths, only 14% chose to return to their partners.

The report then discusses turn-away statistics, which relate to people who are turned away because the refuge is unable to help them. The report states:

> During this period 416 women who sought accommodation at Carrie's Place had to be turned away. 127 were single women and 288 women had 524 dependent children. We also turned away 1 single male who was referred to our service.
>
> 289 women were escaping domestic violence, 127 women presented as homeless.

The statistics relate to people for whom the crisis accommodation was not able to be provided. The difficulties associated with finding accommodation are reflected in the maximum periods for which residents stay. The number of maximum stays for residents has increased from six to eight weeks to three months. Over the past few months the *Maitland Mercury* has published a series of articles in an attempt to draw public attention to the plight of people who need crisis accommodation, and it should be congratulated. A young journalist at the *Maitland Mercury*, Emma Swain, has been very conscientious in highlighting the problems. One of her articles is headed "Young family faces a long housing wait", and states:

> A YOUNG Maitland mum has been forced to live with her ailing father and seriously ill brother while she continues to search for emergency housing.
>
> Alison Stace, 25, and her two young sons —Jake two-and-a-half and Braith one-and-a-half —have moved in with her family at Butterwick, near Woodville, while the young family awaits public housing.
>
> But for Ms Stace this is not an ideal situation.
>
> "I started looking for public housing in August when I found out I had to leave my rental home but I've had no luck whatsoever," Ms Stace said.
>
> "Now I am stuck out here at Butterwick and it's very stressful. My father has just had a heart attack and my brother suffers from muscular dystrophy so they don't need my two boys running around causing them stress."
>
> Ms Stace said during the past few months the Department of Housing has offered her some financial assistance but there are no homes for her to move into.

[*Time expired.*]

PARLIAMENTARY LIBRARY STAFF MR GREIG TILLOTSON AND DR DAVID CLUNE

The Hon. DON HARWIN [10.58 p.m.]: All members of Parliament rely heavily on the assistance we receive from the staff in the Parliament's building and, in terms of our contributions to debates in the Chamber, particularly the assistance received from staff of the Parliamentary Library. The library has gone through a very difficult time in the last year and its two senior managers, David Clune and Greig Tillotson, have played a key role in ensuring that those difficulties have not disrupted our work. As a member of the Library Committee I saw this first-hand. I congratulate both of them on recently passing an important milestone—30 years of service as members of the library staff.

I salute their professionalism and thank them for their assistance and friendship, which has stretched over the almost 20 years that I have been associated with the Parliament, first as a staff member and now as a member of this House. Greig is one of the most sincere and genuine people I have ever met. His crucial role is appreciated by all members. My colleague the Deputy Leader of the Opposition tells me that he is a Newingtonian.

The Hon. Michael Egan: He has done well regardless, has he not?

The Hon. DON HARWIN: One of my best friends is a Newingtonian and he has many of Greig's fine qualities. I also serve with David on the Sesquicentenary of Responsible Government's History Project

Committee, and regard him as probably the principal catalyst behind this very worthwhile initiative, and in the preparation of an excellent three-volume work, *The People's Choice*, which is supported by the Centenary of Federation. I am looking forward to David's book on the history of our Parliament, which he is writing with Gareth Griffith. It is one of the sesquicentenary committee's major projects. David is also co-editing what will be an important reference work containing biographical sketches of each New South Wales Premier since 1856. I have made many comments about the importance of encouraging the study of our history. I salute our parliamentary historian, Dr David Clune, for the work he is doing in ensuring that future generations will be able to read about the history of politics and government in our State.

The Hon. MICHAEL EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [11.00 p.m.]: I wish to associate the Government with the remarks made by the Hon. Don Harwin. Both Greig and David have been very loyal servants of the Parliament and are very fine members of the library staff. The Parliamentary Library has served all members of this Parliament very well over a number of years. They are two of the people I remember being here when I first attended the Parliament in 1978, and there are not many people left from that era.

The Hon. Duncan Gay: They are both younger than you, though.

The Hon. MICHAEL EGAN: They are both much, much younger than me and much more intelligent than any of us.

The Hon. Amanda Fazio: Speak for yourself!

The Hon. MICHAEL EGAN: I think what I have said is true. All members of this Parliament are indebted to both of them.

Motion agreed to.

The House adjourned at 11.01 p.m. until Thursday 10 December 2004 at 9.45 a.m.