LEGISLATIVE COUNCIL

Thursday 30 March 2006

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

The Clerk of the Parliaments offered the Prayers.

CRIMES (SERIOUS SEX OFFENDERS) BILL

CHILD PROTECTION (INTERNATIONAL MEASURES) BILL

MOTOR ACCIDENTS (LIFETIME CARE AND SUPPORT) BILL

MOTOR ACCIDENTS COMPENSATION AMENDMENT BILL

Bills received.

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

Motion by the Hon. Tony Kelly agreed to:

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

Bills read a first time and ordered to be printed.

ENVIRONMENTAL PLANNING AND ASSESSMENT AMENDMENT BILL

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

GENERAL PURPOSE STANDING COMMITTEE NO. 2

Extension of Reporting Date

Motion by the Hon. Patricia Forsythe agreed to:

That the reporting date for the reference to General Purpose Standing Committee No. 2 relating to the Budget Estimates and related papers be extended to Thursday 11 May 2006.

GENERAL PURPOSE STANDING COMMITTEE NO. 3

Report: Budget Estimates 2005-2006

The Hon. Amanda Fazio, as Chair, tabled report No. 16, entitled "Budget Estimates 2005-2006", dated March 2006, together with transcripts of evidence, correspondence and answers to questions taken on notice.

Report ordered to be printed.

The Hon. AMANDA FAZIO [11.05 a.m.]: I move:

That the House take note of the report.

Debate adjourned on motion by the Hon. Amanda Fazio.

STANDING COMMITTEE ON LAW AND JUSTICE

Report: Community Based Sentencing Options for Rural and Remote Areas and Disadvantaged Populations

The Hon. Christine Robertson, as Chair, tabled report No. 30,entitled "Community Based Sentencing Options for Rural and Remote Areas and Disadvantaged Populations", dated March 2006, together with transcripts of evidence, submissions, tabled documents, answers to questions on notice and correspondence.

Report ordered to be printed.

The Hon. CHRISTINE ROBERTSON [11.06 a.m.]: I move:

That the House take note of the report.

Debate adjourned on motion by Hon. Christine Robertson.

COMMITTEE ON CHILDREN AND YOUNG PEOPLE

Report: Review of the 2004/05 Annual Report of the Commission for Children and Young People

The Hon. Jan Burnswoods, as Chair, tabled report No. 6/53, entitled "Review of the 2004/05 Annual Report of the Commission for Children and Young People: Transcript of Proceedings, Written Answers to Questions on Notice and Minutes", dated March 2006.

Ordered to be printed.

The Hon. JAN BURNSWOODS [11.06 a.m.]: I move:

That the House take note of the report.

Debate adjourned on motion by the Hon. Jan Burnswoods.

COMMITTEE ON CHILDREN AND YOUNG PEOPLE

Report: Review of the 2004 Annual Report of the Child Death Review Team

The Hon. Jan Burnswoods, as Chair, tabled report No. 7/53, entitled "Review of the 2004 Annual Report of the Child Death Review Team: Transcript of Proceedings, Written Answers to Questions on Notice and Minutes", dated March 2006.

Ordered to be printed.

The Hon. JAN BURNSWOODS [11.07 a.m.]: I move:

That the House take note of the report.

Debate adjourned on motion by the Hon. Jan Burnswoods.

PETITIONS

Freedom of Religion

Petition praying that the House reject legislative proposals that would detract from the exercise of freedom of religion, and retain the existing exemptions applying to religious bodies in the Anti-Discrimination Act, received from **Reverend the Hon. Fred Nile**.

STANDING COMMITTEE ON SOCIAL ISSUES

Reference

The Hon. JAN BURNSWOODS [3.11 p.m.]: I inform the House that on 28 March 2006 the Standing Committee on Social Issues received the following reference from the Minister for Industrial Relations:

1. That the Standing Committee on Social Issues inquire into and report on the impact of Commonwealth WorkChoices legislation on the people of New South Wales, and in particular:

   (a) the ability of workers to genuinely bargain, focusing on groups such as women, youth and casual employees and the impact upon wages, conditions and security of employment,

   (b) the impact on rural communities,

   (c) the impact on gender equity, including pay gaps,

   (d) the impact on balancing work and family responsibilities,

   (e) the impact on injured workers, and

   (f) the impact on employers and especially small businesses.

2. That the committee report by Thursday 23 November 2006.

FAMILY IMPACT COMMISSION BILL

Debate called on, and adjourned on motion by the Hon. Tony Kelly.

CRIMES AMENDMENT (PROTECTION OF INNOCENT ACCUSED) BILL

Debate called on, and adjourned on motion by the Hon. Don Harwin.

SMOKE-FREE ENVIRONMENT AMENDMENT (REMOVAL OF EXEMPTIONS) BILL

Second Reading

Debate resumed from 9 March 2006.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [11.12 a.m.]: The strategy of the tobacco industry was revealed in the Roper report of 1978. The report related to a study of 2,500 people aged 17 years and over. Its recommendations in regard to the marketing of cigarettes were to subtly suggest that smoking was part of the initiation into adult life and to link the habit with adult customs, such as drinking and sexual activity. Pubs and their discos are, of course, a vital part of this, as is marketing using models and film product placements that target kids and give tobacco a rebellious image. Kids need to rebel in order to assert themselves. It is part of the transition from doing what they are told to making their own decisions. It is part of growing up and so the tobacco industry targets peer group leaders.

Peer pressure has some magic force that cannot be resisted. Kids will always do what their peer group leaders do. They are following their own age group, which they trust to lead them into adulthood against the existing hierarchy, that is, parental and societal authority figures. What the health forces have to realise—and I am still not sure that all of them do—is that the battleground is the minds of the peer group leaders. The tobacco industry wants to make smoking cool and rebellious; the health forces must make it dumb and only for the gullible. Peer group leaders will lead kids' behaviour as they have always done. Kids will not reject their peer group leaders in regard to tobacco when they follow that peer group in every other aspect of their adolescent decisions.

The key to what kids do is what adults do—not what adults say to do, what adults actually do. Governments and oppositions who say they are opposed to smoking but make regulations to allow smoking forever, and spend less than 0.01 per cent of the health budget on smoking prevention strategies, are seen as phonies by kids, and the kids are right. The Government is sending the message that it says one thing but does another. Smoking is linked to drinking because pubs are adult by definition. You have to be 18 years old to get in and that is where you can smoke. I recall a nine-year-old girl from a family that might have been considered as being from the wrong side of the tracks asking, "When can I smoke? All the other kids do it." "Not yet," was the parental reply, but no time was specified. Of course, it would not have mattered if it had been specified. Here was a kid who would smoke as soon as she was able, whatever her parents said.

The position of pubs and clubs, and their smoking meccas, are very important. These are the areas that keep smoking "normal". It is not normal to roll up dead leaves in paper, put the paper in your mouth and, after lighting it, suck in the smelly smoke. Every sense that one has tells us that this is not good. It stings the mouth and eyes, it smells foul, burns the tongue and causes coughing fits. Why do we have senses? Do we eat food that

tastes "off", or use chemicals that make our eyes stream? Smoking is even less normal now that we know that 55 years ago it was shown by the scientific community to cause cancer—the scientific community on whom we rely for a sensible approach to our society and the planet. But it is still normal in a statistical sense to go into a pub and light up with a group of other addicted people.

Pubs keep adults smoking. For some extraordinary reason the health forces tell us that Australia is doing very well compared with other countries, and praises a fall in the smoking rate of 1 per cent a year. If 20 per cent of the population did not wear seat belts and every time they were involved in a car accident they splattered their brains on the windscreen and smashed their chests on the steering wheel, as used to happen, no-one would say "Gee, 20 per cent of the population is not wearing seat belts, but do not worry, we are undertaking a bit of education and the rate is coming down by 1 per cent a year." Of course not! The Government would say, "This is an outrage. Let us do something about it," and would introduce penalties and create some "norms". It would run an education campaign and think it had done badly if the rate did not drop by 80 per cent or 90 per cent in a year.

I remember when we ran the campaigns against tobacco consumption in the early 1980s and the BUGA-UP people met in coffee shops to talk about trying to get people to stop smoking, we thought that, with a decent blitz of a campaign and the imposition of some bans on smoking in public places, the rate would drop by at least 40 per cent in the first year. We also believed that that 40 per cent per year could be sustained for several years. I think that is true. I believe if you make a serious attempt to change behaviours you can change them. The committee inquiring into smoking, of which I am a member, has heard evidence that with 1 per cent we are doing pretty well by world standards. It is simply not good enough and it basically shows how the paradigms can shift.

During the course of a debate in this House yesterday on a motion for disallowance of regulations relating to a smoke-free environment, members of this House continued to talk about smoking-related diseases. Here is a phrase from the 1960s, a tobacco industry phrase. The tobacco industry refused to admit the evidence that tobacco caused disease. They said "No. There has been some increase in disease, perhaps. It would seem that smoking is higher in those groups and there is a relationship, but we do not know what the relationship is. It certainly is not the cause."

Health practitioners still use phrases such as "smoking-related". That does not mean "smoking-caused". Sir Richard Doll, the late epidemiologist and the greatest scientist not to be awarded a Nobel Prize, in his paper on the 10 elements of causation said that the relationship between smoking and illness was so strong that the word "causation" should be used in common parlance. Once again, the paradigms have not caught up with reality.

Where is our Government leading us on this issue? Nowhere. It continues with its tobacco-sourced funds and supervises the frittering away of taxpayers' money and people's lives. It fiddles while cigarettes burn. My bill stops the farce. The Smoke-free Environment Amendment (Removal of Exemptions) Bill means just that: a smoke-free environment. It will no longer be the smoky environment Act. It will no longer be the vehicle for the exemption of pubs and clubs from bans on smoking. It will no longer be the vehicle for Ministers to do shady deals with the Australian Hotels Association and Clubs New South Wales and to foist on the State misnamed smoke-free regulations, which allow indoor areas to be reclassified as outdoor areas.

Tobacco industry documents indicate that after the rise of the non-smokers rights movement in the 1960s and the Roper report in the late 1970s, the industry expected that smoke-free laws would be in place by the mid-1980s. A majority of people supported that measure because it was good for public health. What happened? The tobacco industry successfully delayed bans on smoking beyond its wildest dreams. Twenty years have elapsed since the mid-1980s, and we are still waiting. As a health activist, I confess that I thought the Government would act too. In 1983 BUGA-UP invited the media, the advertising industry and the tobacco companies to meet us at Moore Park Road, opposite the Sydney football stadium, at 10 o'clock on a Saturday morning to discuss the morality of tobacco advertising and observe the techniques of tobacco billboard painting. Five camera crews attended and three police cars drove past, observed what we were doing and kept going. We assumed the authorities were not willing to prosecute us. That was clearly the case because that would mean that governments would have to act. For the benefit of members who are interested in the history of that incident, it was aired on a BBC Panorama program by a man called Rose.

No-one realised how slow the Government would be to act. No-one believed that governments were so easily bought and so venal. No-one thought that democracy was so brittle that a small group could do so much

against the public interest with so little money. The amount spent by the Australian Hotels Association and tobacco companies on the two major parties in New South Wales in 2004-05—which is the last year the figures are available under our slack disclosure regime—was $450,000. The cost of smoking to the New South Wales economy—according to figures from Collins and Lapsley and accepted by the Department of Health—is $6 billion. Yet the major parties continue in the sick Rum Corps tradition. The tragedy is that in our binary system the supposed Opposition is also bought. There are no lofty discussions about progress on this issue. There is only mudslinging between the two old major parties: "We're better than they are."

It is time for political reform in New South Wales. The single-member electorates, which deliver 100 per cent of the power from 40 per cent of the primary vote, are a major barrier to democracy. The lower House is a farce with its 93-person rubber stamp. I do not pretend that the Smoke-free Environment Amendment (Removal of Exemptions) Bill can fix that. It can only deliver smoke-free air, as the name of the original bill suggests. It can stop the endless procrastination on obtaining smoke-free air. It can give the people what the health advocates have sought for 55 years and the majority of people have wanted for 30 years. It can save a lot of lives and a lot of money. It can reset the norms to their proper place.

I could go through the bill clause by clause, but that is not necessary. What is important is the simple concept of the bill. The purpose of the bill is to remove exemptions and make "smoke-free" mean "smoke-free". That should have been done years ago. The purpose of the bill is to save lives and to make the Government and the Opposition agree on getting a smoke-free environment for the good of all. I commend the bill to the House.

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

TRADE UNION MOVEMENT

The Hon. AMANDA FAZIO [11.25 a.m.]: I move:

That this House:

(a) notes the Prime Minister's recent comments that greater trade union involvement in industrial relations policy making poses a threat to business and the Australian economy,

(b) notes that with two million members, the trade union movement is the largest community based organisation in Australia, and

(c) condemns the Prime Minister for his attempt to portray two million hardworking Australians as a threat to the national interest.

I am proud to move this motion, which I gave notice of on 31 August 2004 in response to comments made by the Prime Minister during the last Federal election campaign. His comments gave a clear indication of the way in which he views the role of trade unions in Australia and showed his pathological and ideological dislike of the organised labour movement. Let us look at some other comments by the Prime Minister about the union movement during the 2004 Federal election campaign. On 2 September he stated:

> And the other reason why I believe interest rates would be higher under a Labor Government is that they would go back to union control of the industrial relations system. And in the process they would destroy the productivity gains of the last 8½ years, which have underpinned real wage growth, which has not been inflationary. And if we got an outbreak of inflationary wages growth, the Reserve Bank would have no alternative but to respond with a much tighter monetary policy, which, of course, is higher interest rates. So my argument is not based on fantasy, it is based upon a proper assessment of what Labor did when it was last in office and a reasonable interpretation and application of the alternative industrial relations policy that they would introduce. It seems to me to be the most grievous of all contradictions that at a time when only 17.5 per cent of the private sector work force of this country belongs to a union, the Labor Party intends to hand back control of our industrial relations system to the union movement. Surely we have moved on. Surely we have recognised that the days of a centralised wage fixation system are behind us.

It is interesting to note that the Prime Minister does not talk about what percentage of the public sector work force are union members. He grasps for the lowest statistic he can use to try to back his argument. Disgracefully, the Prime Minister has used the orderly industrial relations system that served Australia very well to engender fear in voters in the mortgage belt. His campaign before the last Federal election was all about demonising the unions, and scaring people in the mortgage belt by playing on their fears that the union movement would somehow jeopardise the economy of Australia. In a radio interview on 3 September 2004, in response to the question from Neil Mitchell, "Prime Minister, you agree not everything about unions is bad?", the Prime Minister stated:

> Neil, I agree with you that not everything about unions is bad and I know some people will find it hard to believe but I do respect the role and the right of unions to organise and to advocate the causes and the interests of their members. And unions historically have played a positive role in the development of our society. That is my very strong view.

In light of his actions since he won the Federal election, I can only say that may be his very strong view, but it is a very strong hypocritically held view. In relation to Federal Labor, Mr Howard went on to state:

> And I also base my claim on the fact that they're going to embrace an industrial relations policy which will hand back control of industrial relations to the unions and if that happens we could return to the days of inflationary wage rises. We can have wage rises in this country that are based on productivity, but if they're not based on productivity they are inflationary and the Reserve Bank retaliates by lifting interest rates.

That is the nub of his criticism of the union movement and of the two million members of unions in Australia at the time. His criticism was that somehow they would be responsible for an increase in home mortgage interest rates. That was clutching at straws; it was an appalling scare campaign and insult to union members across Australia.

Let us look at the nature of the Prime Minister's comments about the union movement. First, he has recognised the legitimate role of trade unions to organise and advocate for their members. It seems that the criticism of the role of trade unions was simply designed to raise the spectre that wage increases could lead to an increase in interest rates. He had no hard evidence. These comments can be seen as nothing more than an attempt to demonise the union movement and to scare voters in swinging seats, which are, in the main, in the mortgage belt. That was an appalling thing for the Prime Minister to do and it was typical of the Federal Government's continuing election scare campaigns. It does not have valid policies to offer to the people, so it just scares them. I personally find some of the Prime Minister's comments and the actions of his Government very scary—but not in the way he intends.

We should examine the very proud history of the trade union movement in Australia. Many things that we take for granted have been won by the union movement over the past two centuries. These include the right of workers to form a union that elects its own independent representatives; awards to ensure that employers observe minimum wages and working conditions; equal pay; long service leave; pay loading for evenings; nights and weekends; paid public holidays; periodic wage increases; maternity, adoption and parental leave; annual leave and leave loading; protective clothing and equipment provided by employers; occupational health and safety laws; compensation for injuries; occupational superannuation; the right to notice and to be consulted about changes at work—for example, new technology, planned retrenchments, new working arrangements—and personal carers leave. These are all things that we take for granted, and they are being dismantled as I speak. These are things that we take for granted that would not be enjoyed by the Australian people if it had not been for the struggles of unions and their membership.

We often shake our heads and tut-tut about the terrible conditions in which people work in other countries and try to make ourselves feel morally superior by purchasing fair-trade goods. The only difference between what we condemn in many overseas and third world countries and what we enjoy here at home is that unions have worked hard to raise our living standards. Through organised labour we have won rights and conditions that set us apart. We owe a debt of gratitude to the union movement for these gains and should not condone or support offhand any generalised criticisms of unions and their members by ideologically driven, neoconservative sycophants like John Howard.

Unions have been around for a long time. Early British immigrant workers brought the idea of unionism to Australia. Unions in this country date back to 1788. New South Wales was settled as an English penal colony after the landing of Captain Phillip on 26 January 1788. The majority of first fleeters, the convicts, certainly deserve to be called workers. Their struggles were a lead-up to unionism in Australia. One of Australia's first industrial disputes was the convict strike of 1791. The convicts demanded a daily issue of rations, not a weekly issue. The larger unions in Australia formed in the 1850s. These were craft unions—that is, they were unions based on a particular trade or craft, for example, carpentry, engineering and so on. Early trade unions saw their main purpose as protecting employment conditions. Unions also acted as friendly societies to enable employees to help each other in times of hardship, such as when unemployment or sickness struck because in those days there were no unemployment benefits or sickness pay.

Early unionists campaigned strongly to have working hours reduced. From these early beginnings came the demand—not granted universally until very recently—for an eight-hour day and a 40-hour week for all workers. I am afraid that we will soon be looking at those as the halcyon days of the union movement given what is now happening to the work force. In the 1880s and 1890s, the first unionisation of general non-craft workers took place. During this period the first general workers' unions were formed. Whereas the early craft unions were state-based, the general unions quickly developed branches in different states, and Australia had its first national unions. I will not go into more detail about the historical importance of the trade union movement

and the gains it has made for workers and more generally for the way of life that we all enjoy here in Australia, because I know some of my colleagues will be addressing that issue in detail.

I will address the major issues, such as workplace safety, that impact across Australian society. One such example is asbestos. Who took the lead in that case? It was the union movement. Who will be continuing to monitor what happens? It will be the union movement. The union movement has recognised that many of the people who were affected by asbestos were not directly employed in the asbestos industry. It has gone in to bat for compensation and recognition for the women who washed their husbands' overalls when they came home from working in factories and mines with their clothing covered in asbestos. The union movement did that. The managers of James Hardie should be hanging their heads in shame. That is typically what all employers would have done if it had not been for organised unions. We would still have children down mines. The rate of social improvement won by unionised labour and the way in which it protected the interests of the most vulnerable in society can never be underestimated. Yet, to suit his short-term political agenda, the Prime Minister said that greater trade union movement involvement in industrial relations policy making posed a threat to business and the Australian economy. What a joke! Any threat to the Australian economy is a threat to the workers of Australia. They would not be creating a threat that would cause them damage.

The union moment in Australia has shown that it is a very productive and socially responsible organisation in many other areas. We know that through organisations such as Australian People for Health Education and Development Abroad [APHEDA], which is the overseas arm of the union movement, much good work is done in underdeveloped countries, and that work is supported by members of the union movement. Many social benefits, apart from direct impacts on the working conditions of union members and other workers, have been won by our trade union movement, and all members of the Labor Party are very proud of it. At the time Mr Howard was making his comments about the dangers of the trade union movement—2004-2005—the rate of industrial disputation in Australia was at a record low. Let us look at the declining level of industrial disputation as reported by the Australian Bureau of Statistics. It stated:

> The levels of industrial disputation in Australia had declined significantly in recent decades. In the past, high levels of industrial disputation have acted as a major disincentive to investment and adversely effected Australia's export performance and the economy generally. Declining strike action has occurred at the same time as a rise in collective and individual workplace bargaining.
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> In the March 2004 quarter, 9.3 days were lost per 1,000 employees. This compares to 104.6 days lost in the December 1992 quarter. The strike rate for 2003 was 53 working days lost per 1,000 employees, a moderate rise from 32 working days lost per 1,000 employees in 2002 which was the lowest level of disputation recorded for a calendar year since records began in 1913.

This is a clear demonstration of the way in which unions, employers and the industrial relations system had been working well together and that the union movement did not pose any sort of threat to the Australian economy. I will now refer to the way in which unions can have a greater positive impact on the Australian economy and on the Australian way of life than it has been given credit for by the Prime Minister. We must view his comments in the context in which they were made.

As I said, this was part of a general scare campaign. It was put about on the basis of a leaflet, distributed by the Victorian branch of one union, which asked that consideration be given to revising the industrial relations system in Australia. That was latched onto by the Prime Minister and the Federal Minister for Industrial Relations during the election campaign, and they then ran with it. They created a massive scare campaign that somehow the Federal Labor Opposition was committed to a complete overhaul of the industrial relations system and to handing back all power to the unions. That was never Labor's policy; it was never supported in public by the Federal Leader of the Opposition or by any member of the Federal frontbench. Nobody supported that. As I said, that was one small leaflet that was put out in the lead-up to the election campaign by the Victorian branch of a union.

The way in which that bit of information was manipulated to generate the scare campaign about interest rates simply goes to show that during election campaigns, rather than watching developments elsewhere in Australia, we ought to be looking at developments that occur overseas. We ought to be looking at the sort of smear campaigns that are run so effectively by the Republican Party in the United States. We know that there is a lot of cross-fertilisation of ideas between the Republican Party in the United States and the Liberal Party in Australia. We have only to look at the one glowing demonstration, which is the fact that one of John Howard's sons was working for the Republican Party during the campaign in the United States. It simply shows the way in which we are rapidly importing the sorts of tactics that we often used to joke about in terms of American politics. We can see firsthand that this is the sort of campaigning we will have to put up with in the future.

By attempting to demonise the two million hardworking members of unions in Australia, the Prime Minister has shown that he has no ethics in relation to the tactics he will resort to in order to scare people into not voting against him. That is what it is about. The Prime Minister wants people to feel that there is a steady keel, that everything is going okay, that you cannot possibly contemplate voting for anyone else, because if you do your whole life will fall apart. Interest rates will go up, you will not be able to afford to pay your mortgage, and so on. That sort of stuff shows the Federal Government's absolute lack of fresh policies and fresh ideas to bring to the Australian people.

As I said, in Australia we have a very proud record of the positive impacts of the union movement. We know exactly how the union movement has improved the working conditions of Australians everywhere. We know how the union movement has contributed to the greater social benefit in Australia. Yet, for the sake of a cheap political shot, the Prime Minister makes the sorts of comments he made in the lead-up to the 2004 Federal election. Paragraph (c) of my motion condemns the Prime Minister for his attempt to portray two million hardworking Australians as a threat to the national interest. These are the same people to whom the Prime Minister goes to great lengths to prove he is there to represent. In the past we had the spectre of honest John, the little Aussie battler who worked hard for the working people. I have never heard such hypocrisy in all my life! As a result of some of the more recent changes, the message will sink through to the Australian people that that was probably hypocrisy at the highest level.

I am perfectly aware that it would not matter what I said, or how factual or pragmatic it was, members opposite would simply vote along party lines to support their great leader, John Winston Howard, the man who went to Canterbury Boys High School and now feels compelled to provide most of the education funding to elite private schools rather than to the public system that did him well. We also have John Howard the honest man, who said he would move to Kirribilli House to allow his children to finish their schooling in Sydney. I do not think any of his children are still at home. Not one of them is under 21, probably none of them, apart from Melanie, lives in Australia, and yet the Prime Minister still lives in Kirribilli House. How honest is that? So we need to put the Prime Minister's comments in perspective.

If it were the case that this was the first time the Prime Minister had misled the Australian people in relation to policy issues, perhaps it would be a case of shock horror. But, unfortunately, this is just one of many misleading comments the Prime Minister has made, one of his many attempts to scare the people of Australia into supporting him rather than looking at the valid alternative that was put forward at the time. We all know that Australia's pride in the high rate of home ownership in this country is very strong. We all know that in Sydney, in particular, average working people are mortgaged to the hilt to buy a family home. We also now know that a lot of people in Sydney, because of property price rises, will never be able to afford to buy a home in Sydney, and that somehow they feel they are second-class citizens because of that. The Prime Minister has played on all of these concerns in what amounted to a very cheap political stunt.

I have selectively quoted a few occasions on which the Prime Minister directly made the link—I believe, not very well—that the unions would be flexing their muscles more under a Federal Labor Government and that therefore interest rates would rise and people would lose their homes. The Prime Minister said that so many times, it became one of the main mantras. Every time he did a doorstop, every time he did an interview, it was the same line—the same lie—put out there to the Australian public. That is appalling. It also shows his lack of confidence in his own workplace relations Minister that he did not even bother to get that Minister—whose name people would not remember anyway—to run the line for him because he is so ineffectual. So the Prime Minister was out there doing his best to scare the voters into backing him again. After he won the Federal election, he announced a whole lot of policies that had never been mentioned fully during the campaign. The *Age* editorial of 18 October 2004 stated:

> Despite industrial relations failing to hold prominence during the election campaign, the historical battleground was one of the first targets identified by John Howard as a priority of his fourth term of government. The questions are: will the Prime Minister, in seeking an even more flexible workplace, undermine Australia's ethos of egalitarianism? Just how far down the deregulatory path will the Coalition take us? Mr Howard will draw great confidence from Australia's economic ledger. Record profits and productivity, real wages growth, low inflation and interest rates, and very low levels of industrial disputation.

Encapsulated in that editorial is the simple fact that the industrial relations system was working well. The unions were not being irresponsible, there were very low levels of industrial disputation, and there was good wages growth. The unions were not running wild. This was simply a made-up argument to scare people. I know that some members opposite do not want to believe what I have had to say today, so I ask them to listen carefully to what the Prime Minister had to say in the "Great Debate". In that debate he said:

> We've seen interest rates at their lowest level in 30 years and that means that paying off a home is 22 per cent easier now than it would have been if the old rates had obtained. We've seen business investment climb. We've seen real wages rise by over 13% and the main reason that they have risen by so much, in other words the main reason why we've been able to pay ourselves more without creating more unemployment is that we've run an industrial relations system based on high productivity. Now that will be threatened if there is a change of government because the Labor plan is to hand back control of the industrial relations system to the union movement, and we'll go back to a situation where you have inflationary wage rises and if that happens the retaliation from the Reserve Bank will be a lift in interest rates."

The Prime Minister makes one very honest statement there, when he says, "… we've been able to pay ourselves more without creating more unemployment …" When he used the word "we", I think he was seeing himself in the role of the chief executive officer of a company. I think that must have been it, because we all know that he aligns himself more with employers than he does with average working people. As I said before, there was no Labor plan to hand back control of the industrial relations system to the union movement. That was an outright lie. That furphy that he ran through the election campaign was based on one leaflet from one union branch in Victoria—one leaflet that was not endorsed by the Labor Party and not incorporated into policy. It was a desperate attempt to scare the people of Australia about interest rates while at the same time praising the industrial relations system for delivering good wages outcomes for workers.

The industrial relations system can work well only when there is co-operation from all parties involved—that is, from the unions and the employers. I believe that the Prime Minister stands condemned by his own words. He has lied to and misled the Australian people, and in doing so he has misrepresented the policies of the Federal Labor Party. He has denigrated the two million members of unions in Australia. He has denigrated the good, socially responsible and co-operative work undertaken by unions in Australia. He has ignored the social benefits that Australian society has accrued as a result of the hard work of the union movement. He has ignored the fact that since he became Prime Minister there has been a decline in industrial disputation, and we did not have a situation where the unions were running wild. I am the first to admit that on occasions some unions in the past did cause unnecessary disputes, but that was not the case at the time. This was a total fabrication; a cheap political stunt.

As I said, the Prime Minister conducted a scare campaign, plain and simple, and an unwarranted attack on the union movement—a denigration of the working people of Australia and the organisations that represent them in the industrial system. As I said earlier, the unions have brought us a raft of benefits that we all take for granted, a raft of benefits that we are gradually losing and, if honourable members read the papers this week, perhaps not so gradually losing. But these are the sorts of things that everybody takes for granted and that we are all going to lose. These are the great benefits of the trade union movement; these are the things that the unions have done to make sure that we have a stable and a pretty egalitarian society. But these are the sorts of thing that John Howard will throw in the rubbish bin when it suits him.

More is the pity that the media did not pick up on what the Prime Minister had to say and question him on it a little more, but I am afraid whenever members of the media tried to they just got an answer to a question that was not asked—the typical stunt and the typical ploy that members of the Federal Government continue to indulge in. I just draw an analogy: if the Prime Minister criticised any other organisation with two million members in Australia he would have been howled down. He would not have done it. But John Howard has a pathological hatred for the union movement. It is an ideological thing. It is that classic scenario where someone comes from a working-class background and tries to claw his or her way into the upper middle-class. Such people feel a need to kick off all the trappings of their former life; they feel a need to make sure that they differentiate themselves from their working-class origins; they try a little too hard to show their upper middle-class friends that they are really one of them.

We have to remember that the person who made these comments came out of the Sydney suburban area, did not come from an upper middle-class background and did not go to a private school. If you spoke to a really old-time trade union member, that person might well say to you that these are the sorts of comments that come from the mouth of a class traitor who wants to show that he is not a member of that class anymore. That is probably correct, but it also shows somebody who is so driven by ideology that he will do or say anything to try to attack his ideological opponents. He will do and say anything, regardless of the cost to the Australian community, and he will implement policies that do not necessarily make any sense in relation to what is best for this country and what is best for the employers in this country because he simply wants to prove an ideological point.

All I can say about the Prime Minister's actions in this regard is that he stands condemned. I seriously urge all members to think about this. I know that Coalition members will vote along party lines and I know they will say what a wonderful man John Howard is—they have to do it. If they really believe that, they are as

pathetic as he is. I urge all members to support this motion and to listen carefully to the contributions of my colleagues, who will speak in greater detail about the benefits and achievements of the trade union movement. Unions will go on strong. John Howard should stand condemned.

The Hon. GREG PEARCE [11.55 a.m.]: That was probably the most unfortunate contribution I have heard in my time in the House.

The Hon. Duncan Gay: Jan Burnswoods hasn't spoken yet!

The Hon. GREG PEARCE: I agree, Jan Burnswoods has not spoken yet. The speech of the Hon. Amanda Fazio would not have got a pass if she were a first-year industrial relations student asked to write a nineteenth century class warfare claptrap speech. The speech was confused, contradictory and dreadfully repetitious. It was beneath the Hon. Amanda Fazio. I am absolutely astonished that the honourable member would waste the time of the House with such a bunch of claptrap rhetoric. I have not heard such claptrap rhetoric for a long time—she whinged so openly about the defeat of the Labor Party at the 2004 Federal election. Her speech is an argument for the House to make a new standing order to ensure that Government members are not able to bring on private members' motions, because they just waste the time of the House and the money and funds of the people of this State.

The Hon. Amanda Fazio admitted that she was selectively quoting—I have never heard anyone admit that they are basing their speech on selective quotations. I was really astonished because much of what she selectively quoted was praise of the Federal Government's record over the past 10 years. She explained how the Howard Federal Government had made a significant contribution to the economic growth and prosperity of this country. I agree with the honourable member: that has been the result of having 10 years of the Howard Government. It is a compliment to the Howard Government, to the Liberal and National parties, that we have seen such growth in productivity in the country. I will not selectively quote the Prime Minister; I will inform the House of a few things the Prime Minister has said. And what better place to start than when the Prime Minister announced the workplace reforms in May 2005? He said:

> These reforms represent the next logical step towards a flexible, simple and fair system of workplace relations. Australia must take this step if we are to sustain our prosperity, remain competitive in the global economy and meet future challenges such as the ageing of our society.

That is what it is all about. That is what every commentator with any experience and with any knowledge of the economic system in the world applauds.

[*Interruption*]

The PRESIDENT: Order! I call the Hon. Rick Colless and the Minister for Roads to order for the first time.

The Hon. GREG PEARCE: Reform of the industrial relations system in this country has been recognised as essential by both sides of politics for decades. I point to major changes that were initiated in the early 1990s at both the Federal and State levels. When Federal Labor was in office in the early 1990s those reforms were aimed at reducing rigidities and enhance flexibilities in the system in the belief that it would lead to increased productivity and improvement in the competitiveness of Australian businesses in both domestic and international markets. That is what the Federal Labor Government was looking to achieve and what the Federal Howard Liberal-National Government has achieved over the past decade. One should not forget that in the early 1990s reforms were being made at a time of economic recession and growing problems with the balance of payments. Also, employer groups and the Australian Council of Trade Unions supported those reforms. In 1993 the Keating Federal Government enacted Federal laws that allowed for the making of certified agreements, which were agreements setting the wages and all or some employment conditions in single businesses.

Pursuant to section orders business interrupted.

QUESTIONS WITHOUT NOTICE

M5 EAST TUNNEL AIR POLLUTION

The Hon. MICHAEL GALLACHER: My question without notice is directed to the Minister for Roads. In relation to health complaints experienced by M5 East tunnel users, does the Minister recall stating in the House on Tuesday: "I challenge the honourable member to produce some of those cases. Where are they?

They do not exist because he made them up." Given that new documents show hundreds of health complaints recorded by M5 East tunnel users on the RTA pollution line in 2002 and 2003, will the Minister now admit that he has misled the House and betrayed the New South Wales public?

The Hon. ERIC ROOZENDAAL: I thank the honourable member for his question about the important issue of the M5 East, which is of great concern to the community of New South Wales and one that I have had a lot to say about in previous weeks and which I will continue to talk about. It is important when the Leader of the Opposition is quoting from documents handed to him by the Greens that he at least gets the information right about the particular complaint line, which is run by the Environment Protection Authority, not the Roads and Traffic Authority [RTA]—just a minor point—and that he actually look at what is in the documents. Most of the complaints were lodged through a petition process, and we know how petitions are often generated.

The Government is aware of the issue with the M5 East haze. The Government has always set as a priority road safety and the health of the community and motorists of this State. That has always been our position and why there is continuous monitoring of the standards within the M5 East. Those standards are published daily on the RTA web site and are available freely, in the same way that the health department has conducted inquiries into the quality of air within and external to the tunnel, and continues to monitor that regularly. Those are important points. The monitoring, which is done by the operators, is all published. Monitoring external to the tunnel about the ambient quality and monitoring within the tunnel are all on the public record, as are the Health Department inquiries into the quality of air both inside and outside the tunnel.

It is important to understand this unholy alliance between the Opposition and the anti-car organisation, the Greens. It is an interesting alliance, because Lee Rhiannon announced the other day that the Greens policy was for no more motorways. It is interesting that the Liberal Party has joined with the Greens in this campaign against motorways. They want to condemn the people of this city to no further modernisation of the road system, no more orbital systems, so that residents travelling on surface roads will continue to suffer, as they would have if the M5 East had not been built. The M5 East takes 100,000 vehicles a day off the surface roads, so the suburbs of Rockdale, Beverley Hills, and Arncliffe, which had to endure this sort of traffic on a daily basis, no longer suffer from that level of vehicle traffic.

[*Interruption*]

The PRESIDENT: Order! I call the Hon. Melinda Pavey to order.

The Hon. ERIC ROOZENDAAL: This is a classic example where members opposite refuse to accept that the Government is modernising the Sydney road system. They refuse to accept that the orbital system and the Lane Cove tunnel, which will be a critical part of that, and expansion of the Gore Hill Freeway will improve the flow of traffic through this city and, at the same time, improve the quality of life for people in Rockdale, Beverley Hills and Arncliffe.

[*Interruption*]

It is disgusting that members opposite mock working-class areas. The Hon. Greg Pearce thinks that life ends at Rushcutters Bay Park.

SENIORS WEEK

The Hon. HENRY TSANG: My question is directed to the Minister for Ageing. What is the Iemma Government doing to celebrate New South Wales Seniors Week 2006?

The Hon. JOHN DELLA BOSCA: The Iemma Government, as part of its ongoing commitment to acknowledge and celebrate the contributions of older people in New South Wales, continues to hold a number of events and the very popular concert series. This year New South Wales Seniors Week will be held from 2 April to 9 April. This year is the start of a new three-year campaign with the theme Live Life.

The Hon. Charlie Lynn: What else do you do with it? Die Life?

The Hon. JOHN DELLA BOSCA: In about six months the honourable member can be part of the focus groups and then he can have input into changing the theme. But for the next three years the theme is Live

Life. More than 500 events will be held in metropolitan and regional New South Wales. Feature events include the Premier's Seniors Week gala concerts; the New South Wales Seniors Week achievement awards ceremony, where 59 seniors will be honoured for their achievements; the Young at Heart Film Festival, Sydney's first ever seniors film festival; the great Seniors Week comedy debate entitled "60 is the new 40", featuring some of Australia's best stand-up comedians; Elders Yarn Up events held across New South Wales specifically for Aboriginal and Torres Strait Islander elders; and the Public Trustee's TechnoSeniors, where 50 hands-on computer workshops for seniors are held across New South Wales. By far the most popular event on the Seniors Week calendar is the Premier's Seniors Week gala concert series. This Year 20,000 tickets were snapped up in four hours. The concert is entitled "Back in the Swing", which pays tribute to the masters of swing and will be held at the Entertainment Centre.

The Hon. Charlie Lynn: Senior swingers.

The Hon. JOHN DELLA BOSCA: I am talking about "swing", the musical style of the 40s, rather than "swing", the personal style of the 60s. Do not get excited, Charlie. The concerts aim to promote and celebrate the diversity of older people in our community; provide an enjoyable opportunity for getting together, both with older people and across generations; provide a creative and high-quality entertaining concert event for seniors; and celebrate older people and the continuing contribution to family, friends, workplaces and communities. This year's concerts feature some of Australia's best musical talent, including Rachel Beck, Simon Burke and Tom Burlinson.

It is a mammoth task to assist and transport around tens of thousands of older people and people with a disability for three concerts in 30 hours. Careful planning and co-ordination between government agencies will ensure that there is minimum disruption around the city, and again this year extra transport services will be provided. Also, 400,000 official event programs have been printed for distribution through Coles and Bi-Lo stores across New South Wales and 120,000 copies of the program have been inserted into the Australian seniors newspaper. Other distribution points will be at libraries, RSL and bowling clubs across New South Wales and via venues and event partners. The Live Life campaign is designed to welcome the first of the baby boomers, who are turning 60 this year, to challenge perceptions around ageing and to celebrate the active lives of older people.

The Hon. Melinda Pavey: You are getting there.

The Hon. JOHN DELLA BOSCA: I am the last of the baby boomers.

The Hon. John Ryan: Not quite the last.

The Hon. JOHN DELLA BOSCA: Just about.

The Hon. John Ryan: It goes to 1963.

The Hon. JOHN DELLA BOSCA: The Hon. John Ryan takes a very broad view of the baby boomers. The New South Wales Seniors Week Ambassador Program has 25 ambassadors, who are also lending their names and faces to the Live Life campaign. The program aims to present a wide variety of people who have a high profile in their community and embrace the idea that seniors can still lead active, healthy and educative lifestyles.

PORT BOTANY TRUCK MOVEMENTS

The Hon. DUNCAN GAY: My question without notice is addressed to the Minister for Roads. How does the Government intend to handle the 750,000 annual truck movements in and out of Port Botany if the Minister bans trucks emitting too much smoke from using the M5 East tunnel? What action is the Minister taking to ensure that such a ban will not further add to Sydney's traffic gridlock? Given that smoky trucks are of concern to all Sydney motorists, what action is the Minister taking to ensure that smoky trucks are not using other unfiltered tunnels, such as the Sydney Harbour tunnel, the cross-city tunnel and the yet to be opened Lane Cove tunnel?

The Hon. ERIC ROOZENDAAL: The Deputy Leader of the Opposition does not understand where or how trucks move in Sydney so he just names a few tunnels, such as the Sydney Harbour tunnel, and says that trucks must go through a tunnel. If he had done any research he would know that most trucks go through the M5 East tunnel.

The Hon. Duncan Gay: I have a heavy vehicle drivers licence so I would know more than you.

The Hon. ERIC ROOZENDAAL: The Deputy Leader of the Opposition may well have a heavy vehicle drivers licence. The way he is going in here he will need another career. The issue about the expansion of Port Botany—

[*Interruption*.]

I am talking about what the colleagues of the Deputy Leader of the Opposition are doing to him. The honourable member failed to mention that the plan to expand Port Botany, which is the gateway to the economy of this State, is almost a two-decade strategy to give the New South Wales economy the strength it needs for the future. The honourable member may well be aware of the New South Wales Government's plan to shift a number of the boxes arriving through Port Botany to rail. Indeed, he would be well aware of the Government's policy to develop an intermodal strategy throughout the State to accompany that. Of course, that does not gel with his attempt to scare the people of this State. He cannot grapple with the fact that it is a long-term strategy.

[*Interruption.*]

We know the Greens do not want to build more roads; people will have to carry their stuff around by hand. The Greens policy is to ban all roads because they are anti cars. The issue of smoky trucks or trucks that do not meet the Euro 5 standard is important, which is why the Roads and Traffic Authority is working closely with the Environment Protection Authority [EPA] to develop an appropriate strategy to help people who own older trucks to retrofit appropriate devices so that they do not pollute to the same level they do now. We are looking for a co-operative approach between the trucking industry, the Transport Workers Union and the EPA.

The Hon. Duncan Gay: When will it happen?

The Hon. ERIC ROOZENDAAL: The processes are ongoing. We will tell the House about them in due time. We have a genuine commitment to resolving the issues because we respect the important roles the trucking industry and the rail industry play in the development of the New South Wales economy.

PUBLIC DENTAL HEALTH SERVICES

Ms SYLVIA HALE: I direct my question to the Minister for Health. Yesterday, in reply to my question about public dental health services, the Minister criticised the Commonwealth Government because it "shovelled $150 million into the 30 per cent health insurance rebate". Will the Minister, in making representations to the Commonwealth Government and to his Federal Labor colleagues, urge them to abandon the health insurance rebate because it results in a massive redirection of funding away from essential public health services?

The Hon. JOHN HATZISTERGOS: I did not get to complete my answer yesterday because the honourable member did not bother to ask me a supplementary question. I am pleased that she has now offered me the opportunity to finish what I was saying yesterday. My concern is not so much with the private health insurance rebate; I recognise that it serves a purpose. My concern is that the $100 million that was given as part of the Commonwealth dental program was abandoned by the Commonwealth—actually, it was $350 million that went into subsidising dental health insurance. My argument is simply this: Why abandon the people who rely on the Commonwealth dental program in order to give those who can afford private health insurance a subsidy of 30 per cent?

I have another concern about it. As the Private Insurance Ombudsman indicated in his report last week, the rebate that is given to people with private dental insurance is about 50 per cent. It might interest the honourable member to know that 17 per cent of the people waiting on public dental waiting lists have private health insurance. The honourable member knows that from the dental inquiry. I simply ask where the priorities should be. If the Commonwealth is subsidising private health insurance to give people an opportunity to access private dentistry, do it realistically so that those 17 per cent of people are not on public dental waiting lists.

NATIONAL LIVESTOCK IDENTIFICATION SYSTEM

The Hon. TONY CATANZARITI: My question is directed to the Minister for Primary Industries. Will the Minister update the House on the ongoing rollout of the national livestock identification system and recent measures to assist the industry?

The Hon. IAN MACDONALD: Unlike some people, the Hon. Tony Catanzariti has been a strong supporter of the National Livestock Identification Scheme [NLIS] since its inception. The national livestock identification system for cattle is a critical tool for our beef and dairy producers, providing them with sophisticated and efficient electronic trace-back systems for the life of our cattle. The NLIS cannot prevent the source of disease or other animal health issues, but it can help us quickly and efficiently identify the source of problems should they ever arise. This will be critical to the confidence of the industry and consumers. The New South Wales Labor Government has been steadfast in working with industry on the staged roll out of this important initiative. Indeed, the State Government allocated $5.4 million to the roll out, and the industry has provided another $1 million to assist with implementation. As honourable members will recall, the State Government negotiated a very successful tag subsidy scheme that allowed producers to access individual electronic tags at $2.60 each.

The Hon. Duncan Gay: Which was dearer than anywhere else!

The Hon. IAN MACDONALD: This was $1 under the market price at the time. The great thing about it was that it drove down the price for other manufacturers.

The Hon. Duncan Gay: And left a lot of retailers with stock on hand.

The Hon. IAN MACDONALD: I acknowledge that interjection. The Deputy Leader of the Opposition is a fool. The NLIS has been one of the most successful measures ever adopted in industry. More than eight million tags have been sold since we started the roll out, and more than 50,000 industry producers have bought tags. Has one ever come across a more successful system than that?

The Hon. Duncan Gay: What about the small operators in regional New South Wales who have been left destitute?

The Hon. IAN MACDONALD: The Deputy Leader of the Opposition continues to carp about any little thing he can find, for example, someone who was unable to get tags at one particular point. He has had no positive input into the NLIS. How has he been rewarded? Producers have ignored his carping and carrying on, and they have got on with the business of providing the best trace-back system in the world. Last year New South Wales also presented a solid business plan to the Commonwealth and was successful in receiving $3 million over the next three years to help support a range of new and ongoing measures. As a result of our efforts, I recently announced that the State Government would oversee a new subsidy scheme to assist producers in the uptake of NLIS reading equipment.

Since January of this year stock owners have been required to report all property-to-property movements to the NLIS database. Indeed, approximately 40,000 individual cattle are scanned each week in New South Wales sale yards. Reading equipment, such as a wand or panel readers, will help to ensure that movements are reported quickly and accurately. Through a new $300 subsidy, we can encourage producers and producer groups to invest in the reading equipment needed to make the overall system more efficient. This will also give producers the technology to enhance on-farm management of their herd. Application forms for this scheme are available on the New South Wales Department of Primary Industries web site or through local rural lands protection board offices.

Today I can also announce that stock agents are eligible for a $1,800 subsidy on the purchase of NLIS reading equipment. This program acknowledges the role agents play in the ongoing success and adoption of NLIS across New South Wales. Agents have also gone to great lengths to ensure that their clients are aware of their NLIS responsibilities, and this scheme will help them to meet some of their associated costs.

Stock agents can use the subsidised reading equipment for on-farm drafting and it is now mandatory under the National Livestock Identification System when overseeing property-to-property transfers of livestock. The amount of the subsidy also recognises that stock agents have more extensive requirements for the readers they use. Interested stock agents can contact the Australian Livestock and Property Agents Association or the New South Wales Department of Primary Industries for more information. [*Time expired.*]

NATIONAL WATER INITIATIVE

Reverend the Hon. Dr GORDON MOYES: I ask the Minister for Justice, representing the Minister for Water Utilities, a question without notice. Is the Minister aware of reports that suggest that New South

Wales, amongst other States and Territories, may be stripped of control over water supplies if it fails to meet commitments under the Federal Government's National Water Initiative? What measures is the New South Wales Government currently taking to meet key targets under the Federal initiative? Why have these measures failed to reach these key targets? What plans does the Minister have to improve the approach to meeting these targets?

The Hon. TONY KELLY: The question would be more appropriate for the Minister for Primary Industries.

Reverend the Hon. Dr GORDON MOYES: I am happy for him to answer it.

The Hon. Rick Colless: He won't be able to answer it.

The Hon. IAN MACDONALD: I will be able to answer it. In answer to the first question, there have been discussions with the National Water Commission in relation to its attitude to a number of issues. The commission has indicated to us that it would require certain elements of the National Water Initiative to be implemented in the way it believes they should be. For instance, it has indicated an attitude in relation to the issue of the environmental standards that were released for the water sharing plans. In relation to a number of the commission's other initiatives, it has indicated to us that it would consider penalties of one form or another, or denial of access to resources for various projects under the National Water Initiative [NWI]. So, yes, there have been indications in those areas.

So far as stripping of controls over water supplies is concerned, that has certainly not been raised. So far as that part of the question is concerned, that is not anything that has been indicated to us. In meeting the key targets under the NWI and the Council of Australian Governments [COAG] agreement, that is the 500 gigalitres for the Living Murray initiative, for instance, as the honourable member would know, the Government has announced that an anabranch project is underway—a $54 million project to save 47 gigalitres in the Darling River. That is the first major project that is underway. Victoria and other States have other projects.

We believe we are on track to meet these targets.. We have a number of other proposals that are going forward to the National Water Commission [NWC] and I believe those projects will help us to meet those commitments. But let's face it: the Federal Government's attitude to water and to a lot of other issues is becoming increasingly one of a heavy stick used against the States in relation to their policy settings. The Federal Government has made it clear that if we do not go the way it thinks we should, it will exercise a penalty regime in relation to our water issues.

The Hon. Duncan Gay: Did you blokes sign off on this, or not?

The Hon. IAN MACDONALD: Signing off on a $500 million program is one thing. It is another thing altogether for the Federal Government to come along and, having taken the money that was deliberately set aside for the competition payments, put only $400 million of it into a new fund, and then say to the States "If you do not do it precisely the way we want you to do it, we will deny you access or fine you." I think that is absolutely outrageous. Members of The Nationals should be very clear that the States have control of water. We will continue to have control of water and these petty attitudes that the Commonwealth takes towards fining the States is completely inappropriate and using the National Water Commission to do that is an absolute disgrace. We are working on appropriate projects under the National Water Initiative, which will mean that we will meet our commitments to the Living Murray.

The PRESIDENT: Order! I call the Hon. Rick Colless to order for the second time.

M5 EAST TUNNEL AIR POLLUTION

The Hon. CATHERINE CUSACK: My question without notice is directed to the Minister for Roads. Is the Minister aware of a brochure on the M5 East Freeway page of the Roads and Traffic Authority web site, entitled "Staying Safe in Sydney's Tunnels"? Is the Minister also aware that this brochure advises motorists to "take your sunglasses off" and to "always leave your radio on" but does not advise motorists to wind up windows or close air vents to reduce exposure to tunnel fumes? Given that there have been hundreds of health complaints as a result of exposure to pollution in the tunnel, will the Minister now admit that he has neglected to warn New South Wales motorists about the potential health risks of travelling in the tunnel and how to avoid them?

The Hon. ERIC ROOZENDAAL: The M5 East has taken 100,000 vehicles per day out of stop-start traffic on the surface roads throughout the area. St George's Road, Stoney Creek Road and Forest Road are just some of the roads where local residents and communities have benefited from the M5 East tunnel. Reducing pollution from vehicle emissions and pollution from homes and businesses along these road corridors is of massive benefit to the community and to the people of this State. The road, of course, has been an outstanding success. It is utilised every day by more than 100,000 vehicles.

[*Interruption*]

Oh! The Hon. Patricia Forsythe speaks from the corner. Welcome back, Patricia, in your twilight period. I am advised that the RTA constantly monitors world's best practice in terms of air quality standards in relation to the tunnel. As I have stated previously, the quality of air within the tunnel and the quality of air outside the tunnel are regularly monitored, continually monitored, to ensure that they meet the appropriate World Health Organisation standards. Indeed, NSW Health undertook a study of air quality inside the M5 East tunnel and its July 2004 assessment of in-tunnel air quality was released to the public and the media and is still available on the NSW Health web site if anyone is interested in it. Of course, what I say to the Opposition—

The Hon. Duncan Gay: Point of order: My point of order is relevance. The question was about the fact that winding up car windows was not referred to on the brochure. It is interesting to note the Minister's claims of success, but it goes nowhere near the question, which asked why winding up the windows was not part of the safety hints on the brochure.

The PRESIDENT: Order! As I have ruled on many occasions, when giving their answers Ministers may make general comments about the questions asked of them. The Minister is in order.

The Hon. ERIC ROOZENDAAL: NSW Health has advised motorists to wind up their windows.

The Hon. Duncan Gay: Why is it not on the brochure?

The Hon. ERIC ROOZENDAAL: I am glad the honourable member asked that because, if you go to the RTA web site—no doubt someone assisted Ms Cusack to use the web site—and look under "air quality" it is clearly there on the RTA web site.

The Hon. Duncan Gay: The safety brochure. Go to the safety brochure. Why is it not on the safety brochure?

The Hon. ERIC ROOZENDAAL: There it is. Would you like to see it? I am happy to table it.

The Hon. Catherine Cusack: The Minister is completely misleading the House. This is the RTA's M5—

The PRESIDENT: Order! The member will resume her seat. A point of order cannot be taken on the basis that a member is misleading the House. The Minister has the call.

The Hon. Catherine Cusack: This is the M5 East web site.

The Hon. ERIC ROOZENDAAL: I have it right here in front of me, Catherine. Right here. Here it is. This is about commonsense. If you are stuck in traffic on a surface road or in a tunnel and there are heavy emissions from vehicles, of course you are going to wind up your windows, of course you are. It is commonsense. That is what I say to the motorists—it is simply commonsense.

WORKERS COMPENSATION SCHEME REORMS

The Hon. EDDIE OBEID: My question without notice is directed to the Minister for Commerce. Will the Minister advise the House of improvements to the State's workers compensation scheme?

The Hon. Duncan Gay: You did that yesterday.

The Hon. JOHN DELLA BOSCA: I thank the Hon. Eddie Obeid for his question and commend him for his ongoing interest in workers compensation. As the Deputy Leader of the Opposition indicates,

improvements to the WorkCover scheme are a regular part of the public affairs of New South Wales. Honourable members will be aware of the Government's ongoing commitment to ensuring that we have a fair and just workers compensation scheme that provides appropriate care and support for injured workers and an efficient, cost-effective and fair system for the payment of premiums by employers. As a result of the Government's 2001 reform legislation, which was opposed by the Opposition, and the ongoing effort to improve value for employers and injured workers, the WorkCover balance sheet is at its strongest in over a decade.

Reverend the Hon. Fred Nile: Supported by the Christian Democratic Party.

The Hon. JOHN DELLA BOSCA: I acknowledge the interjection of Reverend the Hon. Fred Nile.

[*Interruption*]

We will win over Ms Lee Rhiannon one day. It is the right course for the workers. Costs, delays and disputes have been significantly reduced, injured workers are getting medical and financial support much faster and the scheme is covering its costs. The Government's reforms in 2001 streamlined the workers compensation system, increased benefits in the statutory scheme, sped up settlements by cutting out legalistic red tape and put in place a fair and efficient dispute resolution model. These changes have delivered positive benefits to injured workers, including a 58 per cent reduction in workers compensation disputes from 8,000 per quarter to 3,400; faster access to benefits, with more than 60 per cent of injured workers receiving benefits within seven days of injury; and a substantial reduction in the reporting time for workplace injuries. The reforms have also ensured that workers who are seriously injured are not disadvantaged by a significant increase in the maximum lump sum payment for permanent impairment and pain and suffering from $171,000 to $250,000. As a further result of the Government's hard work, yesterday the Premier announced a 10 per cent reduction in workers compensation premium rates, which will start from 30 June 2006.

The Hon. John Ryan: Following our policy.

The Hon. JOHN DELLA BOSCA: I cannot believe the Hon. John Ryan said that. The reduction applies to all WorkCover industry classification rates and is on top of the 5 per cent reduction announced by the Premier in November 2005.

The Hon. John Ryan: That was in the press release.

The Hon. JOHN DELLA BOSCA: That is the problem with members of the Opposition. They think a press release is a policy. The Hon. John Ryan and Peter Debnam pulled that stunt yesterday. Next they will tell the Minister for Natural Resources that their water policy is to make water flow uphill.

The Hon. John Ryan: Point of order: The Minister's statements are not relevant. It is a pity he was so embarrassed by the revelation yesterday that he has to complain about it today. His remarks are not relevant to the question that was asked.

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

The Hon. JOHN DELLA BOSCA: I will, of course, abide by your ruling, Madam President. The Hon. John Ryan made a disorderly interjection and I foolishly responded by making the point that Opposition members simply hold a press release and say, "This is our policy." They are not prepared to put in the hard work—six years of reforms and the disciplined exercise of improving the system and devising a plan. We have undertaken a reform and improvement program. We did not issue a press release stating that we will reduce premiums by 10 per cent. Actuarial advice that we had at the time Mr Debnam issued his press release indicates that his proposal would repeat the mistake that the Coalition made that placed the scheme in the state it was in when it was in government. [*Time expired.*]

JAMES HARDIE AND ASBESTOS-RELATED DISEASES LIABILITY

Reverend the Hon. FRED NILE: I ask the Minister for Industrial Relations a question without notice. Is it a fact that the Federal Treasurer has rejected the request from James Hardie for special tax concessions on asbestos victims payouts? As a result of that decision, what is the current position of asbestos victims in New South Wales in regard to receiving their compensation?

The Hon. JOHN DELLA BOSCA: I feel some sympathy for the Federal Treasurer today. The only time I ever had much to do with him, he supported my ideas on the Snowy water agreement and was prepared to put the Commonwealth's money where its mouth is. However, today he is doing what all of us from time to time have to do, that is, have a fun time with the Treasurer, the Hon. Michael Costa. I am sure he is enjoying every minute of his dealings with the Hon. Michael Costa. The Federal Treasurer deserves whatever he gets.

I thank Reverend the Hon. Fred Nile for his question about the attitude of the Commonwealth Government to payouts by James Hardie. The Federal Treasurer has pulled the wrong rein. He is on a losing streak. First, the Prime Minister has said that he will stay around. That is a shame for the whole country, but it is of particular shame for the massive ego of Peter Costello. Clearly, he is in a very grumpy mood because the Prime Minister has decided to stick around a while longer as leader of the Liberal Party and the Federal Treasurer will not get his much coveted chance as Prime Minister. I think he is distracted and making some poor calls. He has made a poor call on the GST. I am sure the Hon. Michael Costa will aggressively make some points to the Federal Treasurer today. I am sure he will do a good job of bending the Federal Treasurer's ear and explaining to him how much he has got it wrong on the guaranteed minimum amount, the Grants Commission and the GST. I caught a news report in which the Leader of the Opposition indicated some support for our position on the GST.

The PRESIDENT: Order! I call the Hon. Catherine Cusack to order.

The Hon. JOHN DELLA BOSCA: The Federal Treasurer has compounded his pulling on the wrong rein by not hauling the Australian Taxation Office [ATO] into line. It is clearly in the public interest to make sure that James Hardie, or any other organisation for that matter, makes its compensation payments. After a lot of hard work by our Government, the advocates for the victims and the Australian Council of Trade Unions to negotiate a better package of outcomes for James Hardie victims, all the Commonwealth Treasury had to do was come to the party and acknowledge the existing precedence in the interpretation of taxation arrangements for companies making such payments.

Those entreaties have fallen on deaf ears. The Federal Treasurer has not bothered to read the brief and has decided he will not go out of his way for the thousands of victims of asbestos disease, not only the people currently suffering but those who over the next 30 to 40 years will unfortunately manifest the symptoms of mesothelioma and asbestosis. The Federal Treasurer will not go out of his way for them. I have good news for Reverend the Hon. Fred Nile, who is passionately interested in this issue, and for the House: the Government remains confident that the deal for asbestos victims is sufficiently robust to overcome this negative attitude by the ATO and the Federal Treasurer, and that we will be able to make sure that James Hardie asbestos victims are adequately compensated.

WOODSTOCK DISABILITY SERVICE

The Hon. JOHN RYAN: My question without notice is directed to the Minister for Disability Services. Is the Minister aware of the Woodstock Disability Service, which operates an early intervention and disability preschool in Albury? Does the Woodstock service currently operate rent free on land owned by the Department of Health, and is this 40 hectares of land earmarked for sale? When will the land be sold, and has he spoken to the Minister for Health about providing a capital grant to the Woodstock service so that it can relocate? What plans has the Minister made to support people with disabilities in Albury if the land is sold and Woodstock is forced to close because it has no premises from which to operate?

The Hon. JOHN DELLA BOSCA: I have not had discussions with the Minister for Health about the specifics of the Woodstock respite centre. As the honourable member is aware, I have a significant plan to provide support for families, including those dealing with disabilities, across New South Wales, not only in Albury.

[*Interruption*]

The honourable member has confused two things. I explicitly heard him say that in the question. He must be confused or perhaps I misheard him. As I always do, I will get a full briefing on the matters the honourable member has raised and will make the information available to him and to the House as soon as practicable.

POPULATION HEALTH SURVEY

The Hon. CHRISTINE ROBERTSON: I direct my question to the Minister for Health. Will the Minister acquaint the House with the results of the latest New South Wales Population Health Survey?

The Hon. JOHN HATZISTERGOS: I am pleased to inform the House about the following results collected in the 2005 reports on adult health by area health services. The people of New South Wales are getting healthier, smoking less and exercising more and not as many people are indulging in excessive alcohol consumption. These are positive and encouraging results regarding our health behaviours. People are starting to take note of our good health messages. I have always believed that Australians are good at heeding messages, as has been demonstrated not only by antismoking campaigns but also campaigns relating to skin cancer, AIDS-HIV and a variety of other health issues. However, we must continue to take responsibility for our own health and the health of our children.

The latest data shows that the rate of smoking has decreased by 2.2 per cent since 2003, and more households are now smoke free—some 86 per cent. Part of that success can be attributed to the Car and Home Smokefree Zone campaign, which ran from 2002 to 2005. NSW Health and non-government partners orchestrated this highly successful campaign to stop parents smoking around young children in the car and at home. It is estimated that a majority of cars—some 84 per cent—are now smoke free. More of us are eating enough fruit and increasing our physical activity, and the level of risky alcohol drinking has decreased by 10 per cent compared to the rate in 1997. However, despite the number of people doing exercise steadily increasing, only half the population is reported doing enough to keep fit and healthy. Of course, I exclude the Hon. Melinda Pavey, who is a regular in the gym, and the Hon. Michael Gallacher. It is encouraging to see that more people are exercising.

The Hon. Rick Colless: What has the Hon. Melinda Pavey done to deserve that?

The Hon. JOHN HATZISTERGOS: She knows that she is one of my favourites in this place. Just under half of all respondents reported being either overweight or obese. Standout features of the 2005 data show: a decrease in smoking—just over one in five adults aged 16 and over reported they were current smokers; a decrease in at-risk alcohol drinking—nearly one-third of adults reported risk-drinking behaviour, but the proportion of people reporting it has declined steadily since 1997; an increase in daily fruit intake—just over one-half of adults reported eating the recommended daily fruit intake of two serves, and since 1997 that has increased steadily; an increase in adequate levels of physical activity—just over one-half of all respondents aged 16 years and over reported undertaking adequate levels of physical activity; an increase in influenza immunisation—among adults aged 65 years and over, nearly three-quarters reported they had been vaccinated against influenza in the past 12 months, that is 74.7 per cent and indicates a steady increase since 1997 when the figure was 57.1 per cent; and an increase in household smoke alarm ownership—more than three-quarters of households have a smoke alarm, that is 77 per cent and steadily increasing since 1997 when the figure was 58.2 per cent. New South Wales hospitals also received an exceptionally high rating, with nearly 92 per cent of patients rating the care they received as excellent, very good or good.

While the figures in the 2005 reports on adult health by area health services are encouraging, there is more that can be done. The Government will continue to target the major risk areas of alcohol, obesity and smoking through a range of strategies, and I trust the people of New South Wales will actively take responsibility for their health such that future results will be even better.

M5 EAST TUNNEL AIR POLLUTION

Ms LEE RHIANNON: I direct my question to the Minister for Roads. Does the Minister stand by his statement that the M5 East tunnel abides by World Health Organisation air pollution standards given that an email from Roads and Traffic Authority Motorways director, Les Wielinga, sent on 25 April 2002 at 15.38, states:

> We have also had a number of complaints of headaches, dizziness and nausea by emergency services personnel and the operator's staff. More stringent OH&S measures are being put in place to protect BHEgis staff but we are further examining the public health aspects, including monitoring variables other than carbon monoxide in the tunnel during both normal operations and incidents.

If the Department of Planning's audit report found monitoring of particulates and nitrous oxides has been discontinuous and erroneous, how can the Minister say that the standards have been applied? When will the Minister filter the tunnel?

The Hon. ERIC ROOZENDAAL: I thank the honourable member for her question. The issue has obviously been canvassed broadly in the public arena and in this Chamber. My advice is that at all times there is continuous monitoring within the M5 East tunnel to ensure standards are met. Of course, these standards are set

independently of the Roads and Traffic Authority. In addition, a complaints line is run independently on behalf of the Environment Protection Authority for those people who may have been impacted upon. I cannot respond about the specific case that the honourable member has raised, but I am happy to take the question on notice and provide further information.

Ms LEE RHIANNON: I have a supplementary question. Will the Minister release the complaints that have been registered about this tunnel from 2003 to today?

The Hon. ERIC ROOZENDAAL: I have answered the honourable member's question.

REGIONAL COMMUNITIES CONSULTATIVE COUNCIL

The Hon. PENNY SHARPE: I direct my question to the Minister for Rural Affairs. Will the Minister update the House on the recent initiatives of the Regional Communities Consultative Council?

The Hon. TONY KELLY: Most country members would be aware of the important role played by the Regional Communities Consultative Council [RCCC]. A fantastic initiative of this Government—something The Nationals members never contemplated when they were in government—the RCCC is all about keeping the lines of communication open between the Government and country families and businesses. One focus area for the RCCC is changing the mindset about what it is like to live in country New South Wales. Many positive initiatives have been implemented in country New South Wales, but more often than not the stories are never told.

It does not help that we have a rural-based party—albeit a shrinking one, the former Country Party—obsessed with the cross-city tunnel rather than standing up for the bush. All that members opposite do is carp on about the cross-city tunnel. Eastern suburbs tunnels may be of concern to the honourable member for Vaucluse, but they are hardly high on the list of importance for the people of Condobolin or Mungindi. Thankfully, this Government believes in talking up country New South Wales and taking up the issues of concern to country people. That is why it established the RCCC in the first place and continues to support its fine work. Keeping in touch and talking to people in communities across the State is vital.

The Hon. Rick Colless: The people of Mungindi also want to use the tunnel when they come to the city.

The Hon. TONY KELLY: I acknowledge that interjection. The key to this is simply sitting down, listening and working with country communities, to tackle their issues. The RCCC does that to perfection. In the past 12 months, the RCCC has been to Yamba, Woolgoolga, Braidwood, West Wyalong, Walgett, Moree, Barradine, Gwabegar, Yetman, Bogan Gate, Condobolin, Lake Cargelligo, Rankin Springs, Weethalle, Ardlethan, Eugowra, Mungindi, Lightning Ridge and recently Coffs Harbour and Macksville. The RCCC is not only a conduit for the community to raise issues, it is also a source of practical information and advice. For example, the members of a playgroup at Mudgee wanted to know where to get funding to cover their outdoor playground area, and the people of Yetman needed to fix their community hall. These are the sorts of projects and communities that have been helped by the RCCC.

The council cannot be everywhere, so the RCCC also has a 1800 telephone number that provides free call access to this information and advice, no matter where people live. But we all know that we cannot simply wave a magic wand and solve every problem overnight. Often it is only by persisting, following leads, and chasing requests that solutions are found. In 2003 the RCCC undertook consultations with Nowra community groups. The council spoke to a group of young people who preferred to do community volunteer work rather than school sport. After much legwork and working with other government agencies a pilot program in five country high schools evolved, where students were offered New South Wales Rural Fire Service training as part of school sport. That program has been extended this year.

The RCCC, like many individuals and groups in country New South Wales, has been a quiet achiever. Its achievements may not be as obvious as this Government's record budgets in rural health, education, law and order, and emergency services, but they do matter and they are of tremendous importance to country communities. I thank particularly the 14 members of the RCCC, drawn from right across country New South Wales, for their ongoing role in listening to the needs of country communities, providing advice, and seeking practical solutions.

FEDERAL GOVERNMENT INDEPENDENT CONTRACTORS LEGISLATION

The Hon. IAN WEST: My question is addressed to the Minister for Industry Relations. What effects will be Federal Government's proposed independent contractors legislation have on New South Wales workers and families?

The Hon. JOHN DELLA BOSCA: Members of this House, like millions of Australians, are already hearing of the dire consequences of WorkChoices. Taking their cue from the Federal Minister, Kevin Andrews, unscrupulous employers are already dismissing Australian workers because they do not like them. But members are less aware of what is around the corner for 10 per cent of Australia's work force who work as dependent contractors. Last month Tooheys brewery announced that 60 contractor beer delivery drivers would not have their contracts renewed from July this year. Many of these Australian family-owned businesses have given up to 40 years of service to Tooheys. In turn, they and their families have each invested hundreds of thousands of dollars to set up their businesses to work solely for Tooheys. This represents more than $20 million collectively.

Fortunately, at least for the time being, these drivers will have access to the New South Wales Industrial Relations Commission to remedy any unfairness from this situation. The New South Wales Act provides for an inexpensive mechanism to compensate drivers for their loss by allowing the review of unfair contracts and hearings of claims of loss of goodwill. But this is all set to disappear under the Howard Government's proposed Independent Contractors Act. This threatened legislation will remove any meaningful protection that dependent contractors have against capricious behaviour by large corporations. It will also strip them of their ability to be represented by the organisation of their choice, in this case the Transport Workers Union of Australia. Their only resort will be to run long and expensive individual legal cases for civil remedy in the Supreme Court or equivalent jurisdictions.

This threat is yet another outrageous act on the part of the Federal Government against Australian workers and their families. It is not how Australian small business owners should be treated. In the trucking industry, if there are no minimum conditions, drivers will have to work more hours for less money. That means more fatigue and more road fatalities. Without the ability to bargain collectively, drivers would be thrown into an auction market where they would lose out on remuneration for their work and would be forced to cut spending on vehicle maintenance. There would be a race to the bottom dollar in a bid for trucking contracts, leading to further deregulation of the transport industry, increased driving hours, and the demise of fatigue safety standards.

We are already starting to hear of the damage that the WorkChoices legislation is doing to this country. Many people would not realise that it will even have significant effects on road safety. The Iemma Government calls on the Leader of the Opposition to stand up for New South Wales and pledge not to hand the families, employees and small businesses of this State to the Commonwealth's unfair and divisive system.

AUDIT OF EXPENDITURE AND ASSETS

The Hon. GREG PEARCE: My question is directed to the Minister for Commerce, Minister for Finance, and Minister for Industrial Relations. Is the Minister aware that the audit of expenditure and assets recommended that agencies should review their industrial instruments to identify restrictive practices and impose new and innovative employment practices and rostering strategies? What action has the Minister taken to implement this proposal?

The Hon. JOHN DELLA BOSCA: The Hon. Greg Pearce has correctly quoted, at least in part, the Government's response to the audit of expenditure and assets. As I think the House has previously been advised, the purpose of the audit is to provide advice to the Government on the emerging pressures on the budget, as well as opportunities for cost savings, and improved efficiency and financial management. The Government's response to the audit was outlined in detail in the economic and financial statement delivered by the Premier on 26 February 2006. The Government will adopt a number of measures as a result of the audit, one of which was described in part by the Hon. Greg Pearce.

Action is already under way to achieve savings through adopting better practices in the procurement of goods and services. Many of these provisions are already in place. Indeed, this morning I attended a briefing, made available by my agency, the Department of Commerce, with the providers of information technology services to Government, to tell them that we were adopting a set of new procurement procedures that we anticipated would save between $25 million and $75 million a year across all agencies for the purpose of the

provision of information and communications technology, specifically Voice Over IP and basic telecommunications services.

We are obviously going through a review of accommodation management, whereby a lot of work has already been done, mainly by the Department of Commerce, working particularly with smaller agencies but also with some of the larger agencies, to get better value for both accommodation and travel services where they are required, and more efficient examination and monitoring of what travel is required by the various public sector agencies. Public sector recruitment has been well and truly canvassed. It is implied in the honourable member's question that a series of major changes have occurred to the public sector redeployment and relocation policy, on which we worked co-operatively with the trade unions and our work force to reduce some functions as required by government, and to achieve the efficient reallocation of available resources within the public to new functions.

Obviously, procurement and utilisation of information technology has its parallel in the examination of rostering and other arrangements within government. There is an ongoing review of all those rostering arrangements. For example, in one of my agencies, the Department of Disability Services, Ageing And Home Care, over the last few weeks and months a significant review of rosters across all the agency's services has been taking place, and significant savings have been achieved. Of course, that makes funds available not only for the more efficient allocation of budget resources but also for the core business of those agencies. Parallel exercises are being undertaken across all government agencies at the moment, and obviously the detail of those exercises will emerge over the next six to 12 months, in the life of this budget cycle.

PACIFIC HIGHWAY UPGRADE

The Hon. JENNIFER GARDINER: My question without notice is directed to the Minister for Roads. Is the Minister aware that the *Northern Star*, in an article headed "No answers Eric", put to him a series of questions that were unanswered? Did they include: "Do you think it is possible to have the entire length of the Pacific Highway made dual carriageway within 10 years? If not, what is a realistic timeframe?", "Do you know when building of the Ballina bypass will begin or when it will be completed?" and "What is your stance on tolls to fund the Pacific Highway upgrade?" Has the Minister yet answered the *Northern Star's* questions? What are the answers?

The Hon. ERIC ROOZENDAAL: I am not a regular reader of the *Northern Star*.

The Hon. Duncan Gay: You're not a regular reader of anything.

The Hon. ERIC ROOZENDAAL: Quite the contrary. I read a number of things of interest to me. I am advised that planning approval for the Ballina bypass has been granted, and detailed investigations are now being undertaken as quickly as possible. Property acquisitions and preliminary earthworks have been budgeted for and are progressing. Initial works over critical soft soil areas are scheduled to commence later this year. On 23 December 2005 the New South Wales and Federal governments announced a $960 million program to upgrade a further 64 kilometres of highway to dual carriageway by mid-2009.

It is a good demonstration of co-operation between the New South Wales Government and the Federal Government to get a good outcome for the people of New South Wales. The Ballina bypass is included as part of this program. The route options for Tintenbar to Ewingsdale include an alignment option between Sandy Flat Road and Ross Lane. The review process for this route will not affect the timing of the Ballina bypass project. The 2005-06 budget allocation for the Ballina bypass project, as shown in Budget Paper No. 4, is $5 million.

On 23 December 2005, the New South Wales and Federal governments announced the signing of a memorandum of understanding to explore funding options to accelerate the completion of the Pacific Highway to dual carriageway. Under the memorandum of understanding a working party of technical and financial experts has been established to explore future options. The first meeting of the working party took place on 2 March. One of the options to be explored will be private sector involvement in the construction of the undeveloped sections of the Pacific Highway. If the private sector becomes involved, a toll would be required on new or upgraded sections. A free alternative route would be provided for local traffic. At this stage no decision has been made on obtaining assistance from the private sector to finance the upgrading of the Pacific Highway. The signing of a memorandum of understanding to explore funding options is a demonstration, yet again—

The Hon. Michael Gallacher: Of your reading prowess!

The Hon. ERIC ROOZENDAAL: No, it is a demonstration of the New South Wales Government and the Federal Government working together to get a better outcome. Next week I will meet with the Federal roads Minister, Mr Lloyd, to canvass some of these issues and put to him how important the issue of roads is to the New South Wales Government, and to ensure that we have quality and safe roads in this State. The New South Wales Government remains committed to the development of an effective and safe road network for the whole community and motorists to enjoy.

The Hon. JENNIFER GARDINER: I ask the Minister for Roads a supplementary question. Will the Minister tell the House when the Ballina bypass is expected to commence?

The Hon. ERIC ROOZENDAAL: I have already answered the question on the Ballina bypass.

The Hon. JOHN DELLA BOSCA: I suggest that if members have further questions, they place them on notice.

SNOWY HYDRO HISTORICAL CENTRE PROPOSAL

The Hon. JOHN DELLA BOSCA: The Hon. Melinda Pavey asked me a question yesterday—and in doing so I think she won the Hon. Dr Arthur Chesterfield-Evans parliamentary question prize for the week—on a Snowy Hydro historical centre at Jindabyne. I advise the member that a display already exists at the visitor centre in Jindabyne run by the National Parks and Wildlife Service. This is in addition to Snowy Hydro's excellent Information and Education Centre in Cooma, which amazes and informs about 25,000 to 30,000 visitors each year. The $30 million recently committed by the Government is targeted at, and will remain specifically for, environmental projects. The rest of the answer I gave the honourable member is accurate for all other purposes.

CAMDEN BYPASS AND CAMDEN VALLEY WAY LINK ROAD

The Hon. ERIC ROOZENDAAL: On Tuesday 28 March, in relation to a question relating to the proposed Liz Kernohan Way, the Hon. Greg Pearce asserted that development of the proposed Liz Kernohan Way had "stalled because of the failure of the Roads and Traffic Authority [RTA] to make a determination of the access between Liz Kernohan Drive and the Camden bypass and to provide the funding required for the upgrade of the Camden bypass".

Firstly, I am advised that the proposed link road between the Elderslie and Spring Farm developments in south-west Sydney is the responsibility of, and is being fully funded by, the developers of those estates. The Hon. Greg Pearce would have known that. Secondly, a road safety study, which was needed before any decisions on a safe and workable design could be made, was only received by the RTA's Sydney regional office at Blacktown last Friday, 24 March. This road safety study was requested by the RTA three months ago. As the Camden bypass has a speed limit of 110 kilometres an hour where the proposed Liz Kernohan Drive will connect, it was necessary for Camden Council to commission a road safety report to investigate what speed limit and other road safety changes would be needed for the project to proceed. As I said earlier, I am advised the RTA received this report only last Friday, 24 March.

[*Interruption*]

The honourable member asked the question. I am giving him the answer and he just sits there yapping away. Once the report has been considered, the council, developers and the RTA will be in a better position to make a decision about the most appropriate design for the road.

Questions without notice concluded.

[*The President left the chair at 1.05 p.m. The House resumed at 2.30 p.m.*]

WORKCOVER AUTHORITY

Report

The Hon. Tony Kelly tabled the following paper:

Occupational Health and Safety Act 2000—Report of WorkCover Authority of New South Wales entitled "Lane Cove Tunnel Collapse and Subsidence: 2 November 2005", dated 27 March 2006

Ordered to be printed.

TRADE UNION MOVEMENT

Debate resumed from an earlier hour.

The Hon. GREG PEARCE [2.31 p.m.]: This motion typifies what thinking people know about the union movement, that is, it is not an entirely negative thing. However, we object to the collectivist, lowest common denominator approach of the union movement. It is forever trying to dumb down the community, and this motion is a good example of that. I shall refer to comments by the Hon. Kevin Andrews, Minister for Employment and Workplace Relations about WorkChoices, unions and employer associations in a press release dated 9 October 2005. He stated:

> The Australian Government's WorkChoices reforms recognise the important role that unions and employer associations play in our society.
>
> Despite what our critics say, the Government will put in place a system under WorkChoices where unions play a key role.
>
> Under WorkChoices, unions and employer organisations will continue to be able to represent their members. The essential features of the current system will be maintained:
>
> - unions and employer organisations can still be registered under the Workplace Relations Act so that they can represent their members in matters before the Australian Industrial Relations Commission;
> - unions will still be able to act on behalf of employees in negotiating collective agreements …
> - unions will still be able to enter workplaces to investigate a suspected breach of the Workplace Relations Act or to hold discussions with employees in accordance with the law.

The Federal Government acknowledges the role of the union movement in representing some of its members, but the union movement does not perform very well with respect to industrial relations policy. The starting point is that Australia is a nation of 23 million people and cannot afford to have seven industrial relations systems. Indeed, a number of prominent Labor leaders have acknowledged that fact. For example, Bob Carr, the former Premier, when speaking about national industrial relations several years ago, stated:

> In a nation of 17 million people struggling to modernise its economy, seven separate systems of industrial relations are an absurd luxury.

At the Victorian conference of the Labor Party the year before last Steve Bracks said:

> The Victorian ALP supports in principle the concept of a single national system of industrial relations, and it always has. It can deliver benefits to both employees and employers by creating a uniform national framework for dispute resolution and the application of minimum employment standards that can be more easily complied with and enforced.

On 20 February 2005 the then Federal shadow Minister for Industrial Relations, Stephen Smith, stated on the *Sydney Sunrise* television program:

> It is possible to consider, in the abstract or hypothetically, a single unitary system. It's not a novel policy idea.

Last year Bill Shorten said:

> It seems absurd that there are more than 130 pieces of State and Federal legislation pertaining to industrial law.

The list goes on. In 2000 the then Attorney General, Jeff Shaw, in an address to the Business Council of Australia, stated:

> … the corporations power has been liberally interpreted by the High Court and can sustain legislation designed to regulate the employment relationships between a corporation and its workforce.

Many prominent thinking members of the Labor Party have recognised the need for industrial relations reform. How could they not do so when organisations such as the Organisation for Economic Co-operation and Development [OECD], when WorkChoices was announced, praised the proposed changes saying that they would help fight inflation. The OECD urged the country to bed down the changes as quickly as possible to keep a lid on wages growth and moderate the inflationary effects of high oil prices. In November 2005 the OECD went on to state:

> Rapid implementation of the planned industrial relations reform would also help, as it would also promote productivity gains and sustain unit labour cost growth.

Most recent thinking from the unions deserving of mention are comments by ACTU Secretary, Greg Combet, who was quoted yesterday as saying that with the new system in force since Monday, the labour movement had to move forward rather than seek to return to the pre-2006 industrial relations system. He, too, accepted the fundamental nature of industrial relations reform in Australia as an open trading economy. Thinking members of the trade union movement are embracing reform and they have good reasons to do so. Although the Hon. Amanda Fazio was at pains to quote certain statistics, she did not quote the most recent statistics in relation to trade union membership in Australia.

Only this week the Australian Bureau of Statistics reported that union membership rose to 1.911 million in the year to August 2005. That is slightly lower than the two million to which the Hon. Amanda Fazio referred but it is close enough. The salient figure from the Australian Bureau of Statistics is that the share of the work force represented by unions slid from 22.7 per cent in August 2004 to 22.4 per cent. So the share of the work force represented by unions has continued a downward slide. The editorial in yesterday's *Australian Financial Review* gave some interesting reasons for that. It stated:

> The ACTU's problem is that more than three times as many workers continue to vote with their feet by declining the generous offer of union membership. They do so because they know that in a competitive global economy unions are no more able to save jobs than governments are able to create them, and in many cases they are better off relying on their own wits.

The editorial further stated that a second illustration came from the ACTU, and referred to the report of the ACTU secretary, Greg Combet, giving Federal Labor the green light to ditch the old workplace relations system, with its 4,000 awards and eight or nine Federal, State and Territory tribunals, and fashion an alternative system. As I said, according to Mr Combet, that was necessary, having regard to the open trading nature of the economy. So there it is. Trade union membership is declining because many sensible workers understand, as do some trade union leaders, that in the modern world and Australia's economy we must focus on productivity and being competitive. That is the purpose of the Prime Minister's industrial relations reforms.

The Hon. Amanda Fazio commented on home affordability. Home affordability is a major problem in New South Wales because of the Labor Government's mismanagement and high-taxing record. New South Wales has the highest taxes of any State or Territory in Australia, and much of that has been focused on the property sector. I am astonished that the Hon. Amanda Fazio would even dream of mentioning these matters in a week when the Property Council produced a report showing that the cost of government fees and taxes on new blocks of land was in the vicinity of nearly $200,000 in Sydney's north-west and south-west, at a time when the property market is struggling to recover from the death blow imposed by the Labor Party with its disastrous vendor tax, and at a time when the Labor Government is trying to recover from its greed and insensitivity in relation to land tax. In the 2005-06 budget the Labor Government abolished land tax thresholds, and for the first time land tax was imposed on an extra 400,000 mums and dads and small investors in New South Wales.

If Labor members want to talk about home affordability, bring it on! The record is absolutely clear. Members opposite cannot spin that one! The community well and truly understands that the home affordability problem is a result of the Government's high taxation policy and its vandalism of the property market. It is even more potent at a time when people are starting to question whether the Labor Government has any control whatever over Sydney's future growth. The metropolitan strategy was dragged out by Frank Ernest Sartor—he is not really earnest—last year.

The Hon. Rick Colless: He is not frank either.

The Hon. GREG PEARCE: He is not frank or earnest. However, there was no transport policy to accompany the metropolitan strategy. Anyone who has looked at the north-west and south-west growth areas will see that, while there is a great deal of spin and trumpeting by this Government, infrastructure, community services and so on are simply not there. As a result of the election of the Howard Liberal-Nationals Government, the true position in Australia is remarkable when one considers the areas that impact on the declining percentage of union members. Since the Federal Labor Government was thrown out the number of Australians in work has increased from 8.3 million to 10 million. When Federal Labor lost office the unemployment rate was 8.2 per cent; it is now 5.1 per cent, which is incredibly low.

When Federal Labor lost office the number of long-term employed was 197,800; that has come down to 95,800. When Federal Labor was in office, the standard of living in Australia was eighteenth in the OECD; it is eighth in the OECD now. Real wages growth—this is a key factor—was 0.3 per cent under Federal Labor; that has gone up to 15.9 per cent last year. The most recent figures show that real wages growth under the Liberal-Nationals Government led by John Howard is 10.8 per cent. One could not ask for better than that in this modern community. This motion must be rejected. The House should recognise the great work of the Howard Liberal-Nationals Government.

The Hon. KAYEE GRIFFIN [2.46 p.m.]: The Hon. Amanda Fazio said that honourable members would comment on the historical significance of trade unions. I shall refer to the 1850s. An excerpt from a book that was published by the Granville Technical College management certificate class of 1975 explains many changes for which we can thank the trade union movement, such as conditions of employment and rates of pay.

The Hon. Duncan Gay: Point of order: I draw your attention to the state of the House.

The DEPUTY-PRESIDENT (The Hon. Amanda Fazio): Order! There being eight members present, there is a quorum.

The Hon. KAYEE GRIFFIN: One section of the book contains the rules that applied to the clerical staff of Dalgety's in the early 1850s, and states:

- Godliness, cleanliness and punctuality are the necessities of a good business.
- On the recommendation of the Governor of this colony, this firm has reduced the hours of work, and the clerical staff will now only have to be present between the hours of 7am and 6pm on weekdays. The Sabbath is for worship, but should any man-of-war or other vessel require victualling, the clerical staff will work on the Sabbath.
- Daily prayers will be held each morning in the main office. The clerical staff will be present.
- Clothing must be of a sober nature. The clerical staff will not disport themselves in raiment or bright colours, nor will they wear hose unless in good repair.
- Overshoes and top-coats may not be worn in the office but neck scarves and headwear may be worn in inclement weather.
- A stove is provided for the benefit of the clerical staff. Coal and wood must be kept in the locker. It is recommended that each member of the clerical staff bring 4 pounds of coal each day during cold weather.
- No member of the clerical staff may leave the room without the permission of Mr Ryder. The calls of nature are permitted and the clerical staff may use the garden below the second gate. This area must be kept in good order.
- No talking is allowed during business hours.
- The craving for tobacco, wines or spirits is a human weakness and, as such, forbidden to all members of the clerical staff.
- Now that the hours of business have been drastically reduced, the partaking of food is allowed between 11.30am and noon, but work will not, on any account, cease.
- Members of the clerical staff will provide their own pens. A new sharpener is available on application to Mr Ryder.
- Mr Ryder will nominate a senior clerk to be responsible for the cleanliness of the main office and the private office, and all boys and juniors will report to him 40 minutes before prayers, and will remain after closing for similar work. Brushes, brooms, scrubbers and soap will be provided by the owners.
- The new increased weekly wages are as hereunder detailed:

Junior boys to 11 years	- 1.4d
Boys to 14 years	- 2.1d
Juniors	- 4.8d
Junior clerks	- 8.7d
Clerks	-10.6d
Senior clerks	-21.1d

- The owners hereby recognise the generosity of the new labour laws, but will expect a great rise in output of work to compensate for these near utopian conditions.

It seems hard to imagine that these new labour laws were considered near utopian. This example proves how the union movement has contributed and evolved over the decades. The rules for the clerical staff of Dalgety's applied only to men. Back in the 1850s the rights of female workers were non-existent. This all changed when a woman by the name of Edna Ryan started her long career in fighting for the rights of women. Edna was born in 1904. She was the tenth of 12 children and she was raised in the working class suburb of Pyrmont. Her mother worked from 3.00 a.m. to 8.00 a.m. every morning cleaning offices for local companies. This meant that Edna was raised by her elder sisters, who all encouraged her to complete her education.

In 1916 she won a scholarship to attend the Fort Street Girls High School but, unfortunately, she had to leave school four years later when her mother became ill. After leaving school she started work as a clerk to

help financially support the family. Edna's first political memory was of her involvement in the anti-conscription campaigns in 1916 and 1917. She also attended the first Australian International Women's Day demonstration in Sydney in 1928. In 1952 Edna co-founded the first Workers' Educational Association residential school for mothers and children, which enabled working women with children to attend classes. Having left school at only 14 Edna fought passionately for a woman's right to education. From 1956 to 1965 she was also an alderman on Fairfield Council and then she became the first woman president of the Local Government Officers' Association.

All her life Edna was an active feminist and political activist. She fought for the rights of women and she played an instrumental role in the struggle for equal pay rights, which eventually led to a historic equal pay decision in 1974. The following year she published her first book with Anne Conlon titled *The Gentle Invaders—Australian Women at Work 1788-1974*. Nine years later in 1984 she published another booked called *Two-thirds of a Man*, which highlighted the plight of working women in the laundry, retail and tobacco industries in the early twentieth century. She was an effective advocate for the Women's Electoral Lobby and was instrumental in the fight for maternity leave, equal pay and in highlighting the disadvantages associated with enterprise bargaining.

In her book *Two-thirds of a Man*, Edna goes into great detail about the Arbitration Act 1901. She highlights the obstacles that faced the women who worked as laundresses, tailoresses, shop assistants and tobacco workers, and their dealings with the Arbitration Court. The book also recounts their graphic accounts of their treatment in the workforce and their struggle to survive. In 1892 the Trades Dispute Conciliation and Arbitration Act was introduced. However, Parliament failed to initiate measures to fully enforce the Act. As a result, in the first year of the new Act the Arbitration Court had 16 applications submitted by employees and two were settled. In the next cases, formal applications were lodged, but employers refused to take part in any negotiations.

The failure of the previous Arbitration Act during 1892 and 1900 was largely due to employers refusing to comply with the Arbitration Court. In 1899 the Conciliation and Arbitration Act gave the Minister for Labour the power to mediate any industrial dispute. However, this also failed because employers were still unwilling to follow the directions of the Minister. Following these dramatic years the Arbitration Act 1901 came into force on 10 December 1901. Conciliation and wage boards were not provided for in the Act and compulsory arbitration by the court was the one method for dealing with all disputes. Industrial agreements could be made voluntarily by the parties and could also be registered with the court, and were enforceable as an award of the court.

The new legislation made international news when in 1905 an article in the Bulletin of the Bureau of Labour in Washington described the New South Wales industrial Arbitration Act as "the most radical arbitration law in the world". Between February and May 1902 certain procedures had to be followed before the new court could be assembled, but once the court was established trade unions flourished. In 1902 union membership was approximately 58,200 and only two years later union membership had increased to approximately 68,6000. This new law had brought about drastic change for workers in New South Wales. It ensured that employees were given a fair hearing and employers were made to listen and respond in accordance to the courts ruling. This book is an insight into what it was like for workers during this historic era in Australian industrial history.

Apart from being a successful writer Edna was also the first woman delegate to the unions' annual conference in 1963 and she was later elected to the Municipal Employees Union of New South Wales Executive [MEU]. In recognition of her years of dedication to the union movement the MEU established the Edna Ryan annual memorial award. The award is presented following a lengthy selection process to a female member in recognition of her activities and achievements. Edna passed away at age 92 after having lived a very rewarding and rich life fighting for the basic rights that many women of today take for granted. It was a great pleasure for me when I was an organiser with the MEU to be able to meet Edna Ryan on a number of occasions at conferences. I consider the work she did over many years was just amazing, particularly her work for women in relation to their working rights, maternity leave and a range of other issues that she fought for.

The history of women in the union movement dates back to 1916 when a member of the Bega branch of the MEU whose husband had enlisted for service in World War I was elected as secretary during her husband's absence. Mrs Evans was recorded as being the first woman in New South Wales to be appointed to an official union position. Margaret Feld was another woman who played a role in the union movement. Margaret served with the MEU for 13 years from 1977 to 1990. She was also a very valuable local contact for members employed in local government and was active in the local labour movement. Anyone who has worked in local government will realise that it was dominated by males, particularly because of the divisions between the

salaried and wages staff. It was wonderful for women who worked in local government to have women such as Edna Ryan and Margaret Feld supporting them.

Going back even further we see that the union movement played a significant part in fighting for the rights of the worker. One of the first strikes took place as early as 1791 over the allocation of rations. Then there was the Castle Hill rebellion in 1804 where workers protested against their conditions. In 1828 the Masters and Servants Act of New South Wales became law. That Act made it possible for masters to imprison servants and withhold any earnings if a servant damaged property or refused to work. In 1830 the Shipwrights Union was formed, followed shortly by the Boat Builders Union and the Cabinetmakers Union. The Mutual Protection Society was formed in 1843 to protect the interests of the middle and working classes in New South Wales, and the following year the Early Closing Movement sought a reduction in the daily working hours from 14 to 12 hours.

From the 1850s to 1900 the trade union movement developed in Australia. Whilst the British had outlawed unions until the passing of the Trade Union Act in 1871, this did not impact on union involvement in Australia. The sole purpose of the early trade unions was to protect employment conditions. Unions also doubled up as a social point of contact for workers who were facing illness, unemployment and hardship, as there was no government assistance or sick pay. The early unions fought to have working hours reduced. Through the 1960s the hot issue was equal pay for women. In 1969 the Australian Council of Trade Unions [ACTU] initiated a test case to abolish the 25 per cent difference between male and female wages. In January of that year the Commonwealth Arbitration Court decided that women should receive the same rate of pay as men if it could be proved that women were doing the same work as men.

In the October of that year the court ruled that women would get 85 per cent of the male rate and that their pay would gradually increase until January 1972, when they would be rewarded with equal pay to their male colleagues. At the time some employers protested against this ruling by claiming that such a move would have a negative effect on the employment of women. That has clearly not been the case. Another major obstacle that faced many women in the workforce was the right to return to work once they have had children. In 1973 maternity leave was introduced for government employees. The Government recognised that working women had every right to return to work after the birth of their child but it was not until 1979 that the private sector followed suit and introduced its own maternity leave entitlements.

The role of the union movement throughout our history is substantial and varied. Unions were set up by employees who wanted to protect themselves from exploitation and to help them secure and maintain their pay and working conditions. Unions enable employees to work together with employers to find suitable resolutions to disputes and promote a fair and balanced workplace.

Some of the working standards that we take for granted were initiated as a result of input from unions. For example, today it is compulsory for employers to pay superannuation for their employees, which goes into a fund for preservation until the worker's retirement. Prior to 1986 only a select group of employees received such a benefit. Following a decision in the national wage case, it became compulsory for all workers to receive 3 per cent in superannuation benefits. Occupational health and safety is now a vital part of every work environment. It is now a legal requirement for employers to provide workers with a safe workplace. Employers must ensure that staff have safe, functional equipment, adequate training and appropriate supervision. Further, employers must ensure that the workplace is free from occupational health and safety issues, such as bullying, harassment and discrimination.

As well as superannuation and occupational health and safety laws, other achievements by the union movement include workers compensation; annual leave and other forms of leave such as long service, parental, sick, bereavement and carer's leave; paid public holidays; the 38-hour week; penalty rates for overtime and weekend work; standards of workplace amenities; and the awards system which ensures that all employees are protected against being underpaid by their employers. These entitlements are now common and somewhat expected from our employers. It is hard to imagine that many years ago some employers strongly opposed and even fought against these entitlements. Luckily for today's workers, over the years the union representation has been strong and determined in fighting for basic rights for workers.

With more than two million members, the union movement still provides workers with the assurance that they have the support they need to maintain their work and pay conditions. Australian workers have a fundamental right to work in a fair, safe and just environment. Their work and pay conditions should be protected and they should have the right to engage the unions to negotiate on their behalf with employers. Over

the decades workers and unions have fought for fairness and equality in the workplace. It is only fitting that the rights of today's workers are restored so that they do not have to fight like our ancestors did over the past 150 to 200 years for employees' rights. The significance of the union movement throughout our history has made our nation what it is today. The passion of the trade unionists should not be doubted or undermined.

Over the years conciliation and arbitration commissions across Australia may not have always agreed with the trade unions when they sought pay increases or improved working conditions for their members. However, the conciliation and arbitration process has been a fair system. That process has seen equal pay for women, better working conditions and maternity leave. Further, when women return to work from maternity leave they are able to return to the same job on the same pay rates and conditions. When employees fall ill or are injured, they are able to take sick leave or other leave provided to them under award provisions and they know that their jobs will be available when they are able to resume work. If a person became ill and took sick leave for treatment and recuperation, it would be a frightening situation to find there was no job to return to. Most people—whether they live in a single person household or an extended family household—would be concerned that they could not maintain their family and home because they did not have the salary to adequately provide for them.

The trade union movement in Australia has played a major role in the working conditions of employees over the past two centuries. I believe that people will continue to be union members and see the trade union movement as an important organisation. Some people can fight for their rights on an individual basis; others cannot and need assistance. The trade union movement has always been there for such people. In matters where conciliation or arbitration is needed, a third party deals with the case in a fair manner. I hope that process continues so that the workers of Australia are treated fairly and do not feel compelled to give up conditions because they do not have the protection and support that previously has been provided to them by the trade union movement.

The Hon. IAN WEST [3.05 p.m.]: I am pleased to contribute to the debate on this motion. I congratulate the Hon. Amanda Fazio on raising this issue and the Government members who have spoken to the motion. The motion is in three parts. The first part notes the Prime Minister's comments that greater trade union involvement in industrial relations policy making poses a threat to business and the Australian economy. That is like saying we should take pregnant women out of maternity wards. To say that the trade union movement should not have an equal and greater role in industrial relations policy making in this country is laughable. There are two basic stakeholders in the game: employees and employers. The Prime Minister says that one of the stakeholders, the employees, and the organisations that represent them, should not have a stake in the game. To say to organisations that represent employees in this country that they cannot take part in discussions on industrial relations policy ignores reality. One can only ignore reality for so long before one becomes irrelevant and redundant. That is exactly what will happen to whoever holds this philosophy. Such a philosophy cannot be sustained.

When we look at industrial relations in New South Wales over the past century back to the commencement of its infancy in 1850s, the two stakeholders have not changed. They are the same then as they are now and as they will be in another 100 years' time. As I have said, those stakeholders are the employees and the employers. In New South Wales 61 peak organisations representing employers are registered under the New South Wales Industrial Relations Act. There are 61 unions representing employers before the Industrial Relations Commission. There are 51 employee organisations registered under the New South Wales industrial arbitration legislation. Those organisations will represent their constituent bodies for decades to come. For the Prime Minister to say that half of the industrial relations system in this country is irrelevant is fantasy.

I refer honourable members to the Federal Cabinet—I will not bother referring to the New South Wales shadow Cabinet—and the organisations of employers, or the trade unions of employers, that they represent are obvious. Let us have a quick look at who represents whom. John Anderson and a number of others are active members and officeholders of the National Farmers' Federation. It is also interesting to note the number of lawyers, and in particular industrial lawyers, in the Federal Conservative Cabinet: Senator Coonan, Senator Hill, Mr Vaile, Senator Alston, Mr Ruddock, Senator Ellison, Senator Minchin, Senator Vanstone, Senator McGauran and Mr Andrews, to name but a few. They are all members of the legal profession and of their respective State Law Society. I am unaware of any Cabinet member who is not a member of his or her collective bargaining organisation. The Federal Government is saying that collective bargaining has some evil element, but it is a group that has collective bargaining at its roots. It is the very thing that sustains its existence.

There are representatives from Employers First, the Retail Traders' Association, the Chamber of Commerce, the Master Builders Association, the Bar Association, the Australian Medical Association,

Queensland Canegrowers and the Institute of Public Affairs to name but a few of the 50 to 60 employer unions represented by members of the Federal Cabinet. The list goes on and on. This group supposedly champions individual bargaining. These people are all individuals. History does not demonstrate that this Federal Cabinet, or any previous Federal Conservative Cabinet, is anything but collectivist. The Federal Government does not want trade unions to be collectivist. It wants workers, employees, people with the least bargaining power, the most vulnerable in the community, to be individuals, but it is a group of collectivists. Members of the Federal Cabinet go out of their way to ensure that whatever they do, wherever they do it, they do it in a collective fashion.

It is laughable that the WorkChoices legislation—the no choices for workers legislation—was passed in the two Houses of Federal Parliament by people who are members of an organisation that goes to the very heart of collectivism. That is what this is all about; we all know that. Members opposite know it and I know it; it is what we are about. I can remember an individual who was very active in the Law Society in New South Wales. He was a very good friend of the Hon. Greg Pearce and he worked for Sparke Helmore. He was a very good lawyer. I remember the honourable member making an adjournment speech in praise of that person, who has passed away. That individual represented Coal Mines Insurance—

The Hon. Greg Pearce: Point of order: I hesitate to take a point of order, but we have had more than 10 minutes of this honourable member's contribution in which he has given a directory of organisations representing employers and a list of Coalition MPs. It appears that he is now going to cast aspersions on a late member of the legal profession. I hope he does not intend to do that. The honourable member's contribution follows that of the previous member, who spent 20 minutes—

The DEPUTY-PRESIDENT (The Hon. Patricia Forsythe): The member must state his point of order.

The Hon. Greg Pearce: —on the history of women in the union movement. Neither honourable member addressed the motion before the House, which just shows how bankrupt and full of rhetoric it is. Madam Deputy-President, I ask that you request the honourable member to say something relevant to the motion before the House.

The Hon. Amanda Fazio: To the point of order. There is no point of order. Madam Deputy-President, I ask you to stop the Hon. Greg Pearce wasting time and to tell him to sit down and to stay there until he has a point of order that is based on the standing orders.

The Hon. Greg Pearce: Further to the point of order: My point of order very specifically referred to the standing orders; that is, the question of relevance and the fact that the previous speaker spoke for 20 minuets without ever referring to the motion. The Hon. Ian West has spoken for most of his time and still has not even touched on the motion before the House. It is just a bunch rhetoric and a complete load of trash.

The Hon. Ian West: To the point of order: I have made it clear that I am specifically referring to paragraph (a) of the motion. If the honourable member had been listening he would know that it is very relevant to the point.

The DEPUTY-PRESIDENT (The Hon. Patricia Forsythe): Order! There is no point of order. Traditionally, debates of this kind are broad ranging, and in that regard the member is in order.

The Hon. IAN WEST: The person to whom I was referring represented Coal Mines Insurance and he did an excellent job. He was cognisant of the fact that he was representing the insurance industry to the organisations of coalmine employers in this State. They were collective organisations and they were resisting insurance claims lodged by the widows of coalminers who had been dusted and who had died as a result. Those widows were represented by their husbands' trade union.

The trade unions went about making sure that those widows of dusted coalminers were properly represented. The job they did was fundamental to the quality of life of the widows and the families that were left behind. For anyone to suggest that the trade unions did not fairly represent those people, or does not represent people who are unable to represent themselves or who are in a vulnerable bargaining position, is an insult to the intelligence of the Australian people. The Australian people know what "employer prerogative" means. Employees in this country clearly understand what the right to hire and fire means. It has nothing to do with balance of power; it has nothing to do with equal bargaining power. It has to do with complete and unfettered

employer prerogative; one cannot paint it any other way. Anyone with half a brain who understands how the system works knows that that is what it is about. It is about complete and utter power; indeed, it is about abuse of power.

The Federal Government, in both Houses of Parliament, has clearly said what it is about: a complete and utter unfettered employer prerogative to do whatever it likes with employees—hire and fire, and decide when and where employees will come and go. The Australian people will not allow that to have any longevity. Under no circumstances will the Australian people tolerate that abuse of power. They might swallow it for a short time, because they have no choice. But when they get a choice, and when they understand exactly what it is about, there will be a complete turnaround.

Paragraph (b) of the motion notes that, with two million members, the trade union movement is the largest community-based organisation in Australia. The current industrial environment in Australia has given oxygen to the trade union movement. It has given it a new lease of life in terms of its relevance to employees in vulnerable workplaces, that is, every workplace around the country. To that extent, I thank the Federal Coalition Government for emphasising to the Australian people just how important trade unions are in equalising and giving some semblance of quality to the bargaining position in the workplace. Whilst it is true that at this point in time the trade union movement does not have two million members, I am sure it will not be long before it has far in excess of two million members. The fertile industrial environment is palpable, and it is becoming easier and easier for trade unions to attract people to join, participate and be active.

I have noted a significant increase in the number of activists. The number of delegates that trade unions have is going through the roof. Exponentially, the increase in the number of delegates is much greater than the increase in trade union membership. It is important that trade unions ensure not only that they have members who pay fees but that they educate people about what is going on, and more and more people are being so educated every day. Paragraph (c) of the motion condemns the Prime Minister for his attempt to portray two million hardworking Australians as a threat to the national interest. I do not think even John Howard believes that Australians are a threat to the national interest. I do not believe that anyone in this country believes that. It is an insult to the Australian work force that the Prime Minister attempts to portray two million hardworking Australians as a threat to the national interest. The more the Prime Minister attempts to do that, the more people realise that what the Government is trying to do is to put forward a lie.

[*Interruption*]

The Hon. Henry Tsang: Point of order: Madam Deputy-President, my point of order is that interjections are disorderly.

The DEPUTY-PRESIDENT (The Hon. Patricia Forsythe): Order! Interjections are disorderly at all times. The Hon. Ian West's time has now expired.

The Hon. Greg Pearce: To the point of order: Madam Deputy President, you have not ruled on the point of order.

The DEPUTY-PRESIDENT (The Hon. Patricia Forsythe): Order! I have ruled that interjections are disorderly at all times and that the member's time has now expired.

Ms LEE RHIANNON [3.25 p.m.]: The Greens support the motion. If Coalition members were true to their recent track record, they would also vote for the motion. Let us remember that 11 days ago State Opposition members shocked members of this House and their own constituency, the business community, by siding with the Labor Government to give public servants protection from the Federal Government's industrial relations regime. The legislation passed on 9 March this year moved employees from statutory corporations to the Crown. I understand that this will provide protection to about 186,000 public servants, including nurses and teachers. The Greens regarded the legislation as incredibly important, and at the time it was debated we argued that it needed to go further. During the time I have been a member of this Parliament it was the first time that the Opposition did not vote against industrial relations reforms that come before this House.

The State Opposition's failure to vote against the bill underscores what polling for the State Coalition, the Labor Party and the unions shows: WorkChoices is very unpopular with voters. One would have to guess that the New South Wales Coalition has made a hard-nosed decision on electoral decisions. I do not believe that the Coalition has changed its position, but it is worth noting and it will be interesting to see how it handles the

motion. Again I emphasise that the vote for the legislation showed that the Coalition knows that the WorkChoices regime is deeply unpopular. Indeed, the Federal Finance Minister, Nick Minchin, has reiterated that. In the same week that we had that extraordinary vote by the New South Wales Coalition, Mr Minchin admitted that the new employment laws were "deeply unpopular" with voters.

I noted that some of the Coalition's constituency were quite concerned and probably a little critical of their political party of choice. The Australian Chamber of Commerce and Industry described it as a retrograde step. Mr Peter Anderson, the Director of Workplace Policy at the Australian Chamber of Commerce and Industry said, "This is a short-term decision that's been driven by politics, not sound policy." This Parliament needs to debate the WorkChoices regime and the Labor Government needs to use the legislation to protect New South Wales workers. WorkChoices is designed to reduce pay and conditions for working people, lower safety standards at work, and weaken unions.

I congratulate the Australian Council of Trade Unions and Unions New South Wales on their campaign in explaining WorkChoices. That has been very necessary, because the disinformation that has come out about it from the Federal Government is extreme. It is interesting to note that a number of the people who have been included in the advertisements for WorkChoices have expressed concern about the way their images were used in the advertisements. At the end of October, just after some of the advertisements had been screened, a number of the people who were seen in those advertisements complained very strongly. One of those people was Phelia Grimwade, a hairdresser from St Kilda. She said that while her family is closely associated with the Liberal Party, she was furious and embarrassed when her face appeared on television advertisements for WorkChoices. She said:

> I was lied to and deceived. It's been put to me that I'm just a Liberal Party pin-up girl.

Ms Grimwade is 22 years old and a second-year apprentice. She said she was told by the producers that the film shoot was to promote health and safety—issues that she said she feels very passionate about. But she was conned. I think what happened to Ms Grimwade illustrates the problem with WorkChoices: it presents itself as something which indeed it is not. WorkChoices is about making life much tougher for working people, and it is really very destructive to the fabric of Australian society.

Ms Grimwade's predicament came about just after three Dandenong factory workers also said they felt they had been misled into taking part in these advertisements. A 23-year-old welder at a Dandenong engineering firm, Calbah Industries, said he was paid two hours overtime for his appearance. Two former workers of Calbah Industries said they earned about $13 each for promoting the new workplace system. These two young men thought that they were taking part in a work safety video for a Victorian health and safety authority.

Another issue regarding advertising for WorkChoices is the overall cost. We should all be deeply worried about that because too often Labor and Coalition governments use public money to effectively promote their own parties, and certainly to promote unpopular policies. The advertising budget for WorkChoices is extraordinary. Advertising for WorkChoices was carried out before the legislation had passed through the Federal Parliament. We should remember that the Federal Government has the numbers, so it knew the legislation was going to pass, but it still went on a blitz with public money to try to sell this most unpopular, deeply destructive legislation.

A Senate inquiry into budgeting for government advertising found that the total cost associated with the WorkChoices advertising campaign was $55 million. I find that deeply shocking: taxpayers' money used in such an unnecessary and highly political way. But the spending does not stop at the WorkChoices regime. This type of spending big to promote some so-called government program—which is really about just getting free advertising for the political party in power—is becoming very common. The Howard Government spends an average of $122 million a year on government advertising, and that has been the case since it came to power in 1996. When Labor was in government it spent $86 million a year under Paul Keating. Such practices are among many that are damaging our democratic processes.

While the Greens support this motion—we were certainly very keen to support the legislation that came before this House on 9 March and we support the inquiry that Premier Iemma announced this week—we make it clear that the Labor Government in New South Wales could do more to protect New South Wales workers. When we passed the Industrial Relations Amendment Bill and the Public Sector Employment Legislation Amendment Bill, protection was extended to a large number of workers, but many workers will not enjoy that protection. We still do not know why many were left out. The Minister tried to say that local government workers are in a complicated position. Maybe that is the case, but we need to know from him what is his

timeline. He is the one with the resources; he is the one who has access to all the clever legal minds to give him advice. The days are dragging on, the WorkChoices regime is in force now and these workers still do not have protection. We need some answers in that regard.

Maybe when she speaks in reply to the debate Ms Fazio will provide some of this advice, because her motion, quite rightly, targets the Howard Government. But we also need to know what the Labor Government is doing on this issue. We need answers as to what is happening to local government workers and workers in State-owned corporations who did not get coverage when we passed those bills. I am curious about who received coverage and who did not—which State-owned corporations were covered by the legislation and which were left out. The list of who was left out is not too long so I will run through them. They come from quite strategic areas—transport, energy and water. There is no coverage for workers with the Hunter Water Corporation, Landcom, the Newcastle Port Corporation, the NSW Lotteries Corporation, Port Kembla Ports, Rail Corporation New South Wales, the Rail Infrastructure Corporation, State Water, the Superannuation Administration Corporation, Sydney Ferries, Sydney Ports Corporation, Sydney Water Corporation, the Transport Infrastructure Development Corporation, Waste Recycling Corporation, Country Energy, Delta Energy, Energy Australia, Eraring Energy, Integral Energy, Macquarie Generation and TransGrid.

I repeat my request to Ms Fazio to explain why workers from these companies have no protection. At least she should give a commitment that the Minister will provide an explanation about this, because it is time the Minister provided protection to the workers of all State-owned corporations and local government.

I want to pick up on a point that was covered to some extent by Mr Ian West when he talked about the ability of some workers to collectively bargain and the workplaces that permit collect bargaining. The Parliament of New South Wales is one such employment area. Members of Parliament are not put on Australian workplace agreements; there are no individual contracts for us. We have the classic form of collective bargaining. The way our wages and conditions are formed is quite different from the regime that is being pushed onto the majority of working people by the Howard Government. The Greens are pleased to support this motion.

Debate adjourned on motion by the Hon. Greg Donnelly.

INTEREST RATES

The Hon. GREG PEARCE [3.37 p.m.]: I move:

That this House:

(a) notes that:

(i) the official interest rate quoted by the Reserve Bank 15 years ago on 2 March 1990, under the Hawke Labor Government was 16.27 per cent;

(ii) the official interest rate under the Hawke Labor Government had been in excess of 16 per cent since February 1989 and had reached highs of over 18 per cent in 1989;

(iii) under the Hawke-Keating Federal Labor governments, unemployment in Australia rose by 379,000 between June 1990 and September 1993, peaking at 11 per cent, or 11.2 per cent in seasonally adjusted terms;

(iv) under the Hawke-Keating Labor governments there was no strategy to contain inflation; and

(v) the Howard-Anderson Liberal-National Coalition Government has delivered unprecedented prosperity by its policies including, setting an inflation target for the Reserve Bank to manage, industrial relations reform, a new tax system which, amongst other achievements has provided work incentives, and policies for increased competition and reduced trade barriers;

(b) congratulates the Howard-Anderson Liberal-National Coalition Government on the remarkable work done by the Coalition to reduce interest rates and maintain affordable interest rates in its term in office; and

(c) believes that a Liberal-National Coalition Government can always be trusted to deliver lower interest rates than Labor.

It gives me a great deal of pleasure to move this motion, of which I gave notice some time ago—prior to Mr John Anderson retiring as Federal Leader of The Nationals. The motion asks the House to note that the official interest rate quoted by the Reserve Bank on 2 March 1990, during the term of office of the Hawke Federal Labor Government was 16.27 per cent. I shall refer to and comment on each paragraph of the motion, bearing in mind again that I gave notice of this motion last year. The motion asks the House to note, secondly:

(ii) the official interest rate under the Hawke Labor Government had been in excess of 16 per cent since February 1989 and had reached highs of over 18 per cent in 1989;

Under the Federal Labor Government in 1989 interest rates reached 18 per cent. The motion continues:

(iii) under the Hawke-Keating Federal Labor governments, unemployment in Australia rose by 379,000 between June 1990 and September 1993, peaking at 11 per cent or 11.2 per cent in seasonally adjusted terms.

Under the Hawke-Keating governments unemployment rose to 11 per cent compared to the current unemployment rate of 5.1 per cent. No wonder commentators have said that people were waiting with a baseball bat to deal with Paul Keating in 1993. They now want to use that same baseball bat to deal with the Iemma Government in March 2007. The motion continues:

(iv) under the Hawke-Keating Labor governments there was no strategy to contain inflation, and

(v) the Howard-Anderson Liberal-National Coalition Government has delivered unprecedented prosperity by its policies, including setting an inflation target for the Reserve Bank to manage industrial relations reform, a new tax system which, amongst other achievements, has provided work incentives and policies for increased competition and reduced trade barriers;

(b) congratulates the Howard-Anderson Liberal-National Coalition Government on the remarkable work done by the Coalition to reduce interest rates and maintain affordable interest rates in its term in office; and

(c) believes that a Liberal-National Coalition Government can always be trusted to deliver lower interest rates than Labor.

That is self-evident. On 2 March 1990 the interest rate was 16.27 per cent, with a high of more than 18 per cent in 1989, until it started to go down. Members should compare that with the record under the Howard Government, in relation to which average mortgage rates have moved down, including the banks margin, from 12.75 per cent at the end of Labor's term in office to 7.15 per cent. More important, inflation has come down from 5.2 per cent at the end of Labor's reign to a mere 2.4 per cent today. Under Labor, the economy in New South Wales is in crisis. Labor can be relied upon to destroy an economy. In that regard no better commentator in recent times can be found than the Victorian Premier, Steve Bracks, who, earlier this month, said:

Mr Bracks: We are going well though. We are not like NSW here. I'm sorry to say that to my colleagues, I hope they go well, but our economy is going well.

Mr Salteri: Morris [Iemma] just needs to get his team under control …

Mr Bracks: I think so.

Mr Salteri: … and show a bit of leadership.

However, we expect that because the New South Wales Government is typical of Labor governments, which destroy economies and build bloated bureaucracies. If Labor came to government in Canberra, inflation would again become rampant and unemployment would increase. Because of Labor New South Wales has the worst unemployment record of any other State in the country. The International Monetary Fund [IMF] published an interesting paper in September 2005.

[*Interruption*]

The Hon. Amanda Fazio would not have heard of the International Monetary Fund, which is an organisation of international repute. It is not a Labor-dominated organisation. It produced a paper in September 2005 entitled "Australia: Selected Issues". I shall quote from that paper because it puts into perspective to some of the claims made by Labor. The IMF acknowledges that reform in the Australian economy actually began under the Fraser Liberal-National Government when in 1981 former Prime Minister Malcolm Fraser commissioned the Campbell commission of inquiry. The inquiry recommended reforms, including the removal of ceilings on bank deposit interest rates, the relaxation of capital controls, removal of restrictions on the entry of foreign banks, coupled with enhanced prudential regulation.

[*Interruption*]

During debate on the previous motion Labor members were happy to indulge in a 100-year history of women in the labour movement, but during an important debate on the Australian economy they cackle on the backbench. The IMF referred to monetary control in 1981, Treasury bonds and responsibility for covering any shortfalls in government debit if issuance was removed. It referred to the long history of reforms and changes that took place in the 1980s and into the 1990s. It made an interesting comment about competitiveness. It stated:

> After remaining steady in the first year of the float [of the Australian dollar], the exchange rate fell by almost 40 percent from the end of 1984 to August 1986. This drop was triggered by a 15 percent fall in the terms of trade, but was intensified by Treasurer Keating's public comment in May 1986 that Australia risked becoming a "banana republic", which crystallized public concerns about the external position.

That is a good example of a Labor government. In 1986 the man who went on to become the most despised Prime Minister in Australian history, Paul Keating, triggered a 15 per cent fall in terms of trade and a fall in the exchange rate of almost 40 per cent from the end of 1984 to August 1986. It is not merely interest rates and information that we can rely upon the Labor Party to destroy; it also destroys the Australian dollar and our terms of trade. Financial deregulation was also followed by a decline in financial sector health.

The Hon. Peter Primrose: I have got the *Economist*, if you want it.

The Hon. GREG PEARCE: You should use that for your speech later on, because you would not be able to find any of this material through proper research.

The DEPUTY-PRESIDENT (The Hon. Patricia Forsythe): Order! The Hon. Greg Pearce will direct his comments through the Chair.

The Hon. Peter Primrose: We are listening diligently.

The Hon. GREG PEARCE: I think you should. The recession in the 1990s was the recession that the then Prime Minister, Paul Keating, said we had to have—and it was protracted. The Reserve Bank of Australia raised interest rates in the late 1980s, and that, coupled with declining prices for shares and commercial property, led to that very unfortunate recession. In 1990-91 unemployment in Australia rose by 4.5 per cent, which was a much larger increase than that in America—it was a 1.75 per cent rise—for the same period. To put that in perspective, the unemployment rate in Australia is 5.1 per cent now. As a result of the Labor Party's absolute incompetence, unemployment rose by 4.5 per cent, which is almost equivalent to the current unemployment rate. The IMF had a bit to say about industrial relations reforms. In September 2005 the IMF commented on industrial relations reforms in Australia. Of course, that is prior to the current round of reforms. The IMF said:

> **Industrial relations reforms boosted labor market flexibility, especially in the mid-1990s.** Wages and conditions of work had been determined by a complex set of high prescriptive and centrally-determined "awards" since early in the 20th century in Australia ... As a consequence of this centralization, wage pressures in one sector or region would quickly spillover to other parts of the economy, reducing relative wage flexibility and increasing the inflationary impact of shocks.

According to the IMF, there was a direct link between Labor's wage-fixing policy and inflation. The IMF further stated:

> … significant reforms achieved with the *Workplace Relations Act 1996,* which redefined the role of awards to be more of safety net of minimum standards for collective or individual agreements negotiated directly with enterprises. By 2002 the share of employees relying on awards for pay rises had fallen to 20 percent from 67 percent in 1990.

That is consistent with what we are seeing in relation to union membership.

The Hon. Greg Donnelly: What about all the union workers on collective agreements? You have to count them. You have to count the collective agreements.

The Hon. GREG PEARCE: Labor members believe that union membership is more than two million workers. However, figures released this week by the Australian Bureau of Statistics show that there are only 1.91 million union members. As a percentage of the work force, the number is declining; indeed, it is now just over 22 per cent of the work force—and the decline in continuing. Interestingly, in the context of the 1996 labour market reforms, the IMF said:

> The change in labor market dynamics has been evident in recent years, as demand for workers in construction and mining has been very strong, but spillovers into generalized wage pressures has not been observed.

So the IMF is crediting those reforms with preventing a wages outbreak, with the adverse impact that would have on the Australian economy. Again relying on the IMF and its commentary on the Australian economy, it is worth talking about Australia's overall economic performance. In the 2005 report the IMF said:

> Australia has enjoyed a strong and sustained economic expansion in the 14 years since the 1990-91 recession, with growth averaging 3.8 percent. As a result, unemployment has fallen by 6 percentage points from its peak in 1993 to reach 5 percent in mid-2005 …

That is the outcome of the responsible economic policies of the Howard-Anderson Liberal-Nationals Coalition Government, which have continued since the retirement of John Anderson. Per capita incomes have risen from the OECD average in 1991 to almost 10 per cent above average in 2003. As I said, regrettably in New South Wales we see the impact of the Labor Party's inability to manage the economy. Interestingly, the editorial in the *Australian* of 9 December headed "Premier disaster zone" stated:

> The lacklustre performance of New South Wales is mugging the economy.

The editorial further commented on the state of the New South Wales economy in December. At that stage New South Wales had had one-quarter of negative growth and there was concern that the New South Wales economy would slip into recession. Subsequently a miniscule growth figure was recorded in the next quarter and we are not in recession. However, this Government, with its high-taxing proclivities, has driven business either out of New South Wales and into Queensland and the other States or simply to the wall. The Government has continued to introduce any tax it can find, without any regard for the potential impact of those additional taxes on inflation and wages growth.

Under Bob Carr and more recently Morris Iemma, the New South Wales budget position has deteriorated to the point that most basic services have broken down and are failing every day. Although the Labor Government is still forecasting a tiny budget surplus in this financial year, the reality is that that forecast was based on growth figures that have not been met. Accordingly it is plain that we are already in deficit for this financial year, facing up to a published $500,000-plus deficit next year—but it is likely to be much worse than that. A decade ago New South Wales was Australia's economic engine room. Today it is a deadweight on the Australian economy.

The Hon. Rick Colless: It should still be the engine room.

The Hon. GREG PEARCE: It should still be the engine room of the Australian economy, particularly when Australia has had such remarkable growth over the past decade under the Howard Liberal-Nationals Coalition Government. As I pointed out in my motion, interest rates have fallen from 16.2 per cent, or a high of more than 18 per cent under the previous Hawke-Keating governments, to the low rates they are today. Unemployment has come down from 11 per cent in 1993 to about 5.1 per cent currently, and the Howard Government has delivered prosperity through a series of policies, including setting an inflation target for the Reserve Bank to manage, ongoing industrial relations reforms, a new tax system, incentives provided by the new tax system, and policies that have increased competition and reduced trade barriers.

After 11 years of Labor Government and several months of Morris Iemma at the helm, the New South Wales economy is ailing by any number of measures and continues to lag behind the other States. We have record taxes, high unemployment, crumbling infrastructure and a budget deficit that has led to a rationing of funds for basic services. The Australian Bureau of Statistics figures released in December show that the New South Wales economic growth rate was the lowest of all States and Territories in Australia. The more recent quarterly figures show that we have only risen above South Australia or Tasmania. What action has the Government taken to fix the mess of the current budget deficit and low employment rate?

The Hon. Rick Colless: Point of order: Hesitant though I am to take a point of order during a fantastic speech by my colleague the Hon. Greg Pearce, I find it difficult to listen to him when there is a gaggle of magpies sitting up the back, continually interrupting and making a nuisance of themselves. I would ask you to remind them that interjections are disorderly at all times.

The Hon. Amanda Fazio: To the point of order: We were not trying to disrupt the speech. We were only trying to be helpful because we know that his notes will not allow him to continue speaking for the remaining seven minutes. We were giving him suggestions that he should start from the beginning and read it all over again.

The DEPUTY-PRESIDENT (The Hon. Patricia Forsythe): Order! I am sure the Hon. Greg Pearce appreciates the offers of assistance he is receiving from other members, but I remind members that interruptions are disorderly at all times.

The Hon. GREG PEARCE: I do not need any assistance. I was quite happy to simply ignore the fact that members of the Labor Government opposite show no serious interest in the state of the Australian economy and no serious interest in the state of the New South Wales economy. The level of experience of Labor members

means that when someone addresses the drier economic issues, such as interest rates, unemployment rates and the New South Wales budget deficit—all of which impact on everyday Australians—those members do not have the intellectual capacity or interest to be able to engage in such an important debate.

I want to say something about the Coalition's approach to economic reform. The first thing we will do is rein in non-essential spending, which will free up front-line services. The second thing we will do is cut tax and red tape, which will attract investment and boost growth. The Coalition is keen to see that the tax burden on New South Wales residents is reduced. The most recent figures released by the Australian Bureau of Statistics indicate that New South Wales remains the highest taxing State in Australia. The total tax bill in New South Wales is approximately $2,271 per person, compared with the Queensland tax rate of $1,778. That indicates why so many New South Wales businesses are leaving the State.

That tax rate is to be contrasted against the massive goods and services tax [GST] payments that have been made to New South Wales. Since the GST was introduced, New South Wales has received more than $44 billion. It is a measure of this Government's inability to wean itself off tax that it is still double taxing citizens in this State by continuing to collect the taxes that were supposed to have been removed as a result of the 1999 GST agreement. Whilst I thought the taxes that should have been removed amounted to $700 million, only the other day I heard the Treasurer mention a figure of $1.3 billion in double taxation on the people of New South Wales. The New South Wales Government is receiving GST well in excess of the amount it agreed to receive in 1999, but has refused to remove approximately $1.3 billion in taxes it agreed in 1999 it would remove. That is a straight double taxing of the people of South Wales contrary to the 1999 intergovernmental agreement on taxation.

I await with interest the outcome of the visit by the New South Wales Treasurer to Canberra, where he will have to deal with a "real" Treasurer, Peter Costello. It would be interesting to see Uncle Fester walk into the room. I can just see Uncle Fester, wearing his caftan, going in to see Peter Costello, with "Thing", the hand, running along behind him. As he sits down "Thing" goes charging over to Peter Costello—fortunately, unlike Morris Iemma, "Thing" does not run up the back of Peter Costello—then scampers back and hops underneath the caftan worn by Uncle Fester—Michael Costa. Good luck to Uncle Fester. If he gets a better deal for New South Wales I will be happy about that. It will involve him getting rid of that double taxation, which is the result of this Government's failure to honour its commitment under the 1999 intergovernmental agreement on taxation.

I am sure this House will join with me in congratulating the Federal Liberal-Nationals Government on the remarkable work done by the Coalition to maintain affordable interest rates during its term in office. I am sure now that Government members understand some of the basic economic matters that impact on this country—they have been educated today on interest rates, unemployment rates and their own State budget—they will agree that the Liberal-Nationals Coalition Government can always be trusted to deliver lower interest rates than Labor. Why would they not agree when the Federal Government's record is 10 million people in work now, up from 8.3 million when Labor was in office; unemployment down from 8.2 per cent to 5.1 per cent, and average inflation down from 5.2 per cent to 2.4 per cent? Our standard of living ranking has risen from eighteenth to eighth in the OECD. [*Time expired*.]

The Hon. PETER PRIMROSE [4.07 p.m.]: I will briefly speak to this motion because I really do not think the honourable member has made a case, but he reminded us of one thing. Honourable members may recall Paul Keating used one term that I think has really stuck with those of us interested in economic debate. That is the term "voodoo economics". Voodoo economics is where you have a magic pudding approach to economics. Money appears from nowhere, things will all be bright and you can make as many promises as you wish. This Opposition has already made $22 billion worth of promises—$22 billion and counting. We are going to continue to count them all because we are a year out from the election. I will be interested to learn how this lot is going to apply its voodoo economics.

They almost make the Greens look economically responsible. The Hon. Greg Pearce referred vaguely to a number of issues about the economy. I note that he had studied intently and was quoting extensively from an Australian Bureau of Statistics report. Although I should not have done so, I made the point that there were more members of the Jedi knights in Australia then there were members of The Nationals. I do not wish to stray into the area of politics. The area I am most interested in is manufacturing. I want to look briefly at some of the things that have occurred to manufacturing in this country over the same period that the honourable member spoke about. Manufacturing is an important part of our economy that is always conveniently overlooked by representatives of the Liberal-Nationals Coalition.

Manufacturing is currently experiencing a massive decline in employment. Since the election of the Howard Government in 1996 a total of 144,900 manufacturing jobs in this country have gone. That is a rate of 320 jobs per week, or nearly two jobs an hour. The decline is now accelerating. Since the Howard Government was re-elected in 2004, we have already seen the loss of 60,800 manufacturing jobs. That rate is the equivalent of 1,178 jobs lost every week, or seven manufacturing jobs every hour. For the first time in 10 years manufacturing output or production fell by 1 per cent to $96.14 billion. This setback is not confined to sectors that have been in long-term decline, such as textiles, clothing and footwear. Medium- and high-technology sectors of manufacturing which Australia has been trying to develop are struggling. For example, the printing, publishing and recorded media sector fell by 2 per cent over the same period. Forward forecasts are not very encouraging.

The massive surge in imports has been dominated by manufactured goods, in particular, elaborately transformed manufactures. Advanced manufactured goods that contain significant levels of knowledge and have high levels of value-adding are precisely those that Australia must develop if we are to compete globally on knowledge rather than on wage rates. Unfortunately, the opposite is happening under the Howard Government and we are going backwards. For example, in 2004-05 Australia's manufacturing trade deficit was $87.588 billion. Every billion dollars of manufacturing production employs approximately 11,300 people. Therefore, the manufacturing trade deficit is the equivalent of 989,744 jobs. That is nearly double Australia's present official number of unemployed.

Productivity growth in Australian manufacturing has outperformed the overall economy over the past nine years—22.4 per cent compared to 16.4 per cent. Manufacturing productivity dived alarmingly in 2004-05. The decline in manufacturing labour productivity last year was 2.8 per cent, which is much greater than the average of 0.6 per cent. Productivity growth is a key determinant of the economy's long-term potential growth rate. One of the principal reasons for that decline is lack of investment. For some time Australia has failed to attract sufficient levels of foreign direct investment into manufacturing. Between 1985 and 1995 Australia attracted 3.4 per cent of global foreign direct investment [FDI]. However, over the following six years, 1996 to 2001, Australia's share of global FDI fell to 1.1 per cent. In other words, under the Howard Government we are attracting less than one-third of the global investment we were attracting under the Hawke-Keating Labor Government.

As to innovation, Australia continues to trail the rest of the developed world in developing knowledge-intensive industries. In European countries such industries count, on average, for 8.4 per cent of value-added across their economies. The comparable figure for Australia is only 3 per cent. In 2002 nearly 43 per cent of Europe's manufacturing base was in knowledge-intensive manufacturing. In Australia only 24.5 per cent of manufacturing production is knowledge intensive. These are the industries with the greatest trade potential, the highest wages and the most value-added. If Australia does not reverse this trend we will be stuck on the low road as the world's farm and quarry and be used by other nations to climb the ladder of economic development. Turkey, Greece, New Zealand and Iceland are the only countries in the Organisation for Economic Co-operation and Development [OECD] that perform worse than Australia in the export of high- and medium-high technology goods.

Nowhere is the manufacturing crisis more obvious than the automotive sector. Since November 2002 vehicle and parts industries have lost 10,600 jobs. The 75,900 Australians employed in auto assembly and parts production facilities are not the only ones who owe their livelihoods to the automotive industry. The automotive industry has strong linkages with other sectors of Australia's economy, which means that hundreds of thousands of jobs depend on the automotive industry's continued viability. Economic studies estimate that every job created at a major automotive producer in assembly or parts production leads to the creation of 6.5 more jobs in supply and consumer industries. Unfortunately, the industry is under severe pressure from a range of factors, including international competition, increased raw material costs, an uncompetitive exchange rate and insufficient policy support from the Federal Government.

Almost all nations with high per capita incomes continue to have a large manufacturing base. The rapid acquisition of manufacturing industry remains the chosen path for increasing the incomes of developing countries. A prosperous manufacturing sector is vital to the long-term sustainability of the Australian economy. Manufacturing is the driver of innovation, productivity and training in the economy and has a key role in the maintenance of high-wage, full-time jobs. It is crucial to eradicating the disastrously high current account deficit that we have in this country and is the most integrated of our industries. During 2003-04, though it constituted only 11.2 per cent of the Australian economy, manufacturing contributed 45.6 per cent of total business expenditure on research and development in Australia. Manufacturing companies train more employees than the

national average and spend more on training—$429.4 million—than all but two other industries. More importantly in this era of skill shortages, manufacturing provides 34.9 per cent of all apprentices.

Productivity is the key to our international competitiveness, our long-term growth rate and our future standards of living. Manufacturing represents only 11.9 per cent of the Australian economy, yet it is responsible for 50 per cent of long-term productivity growth in the market sector. One of the reasons is that it has a strong trade union, the Australian Manufacturing Workers Union, that is able to negotiate with employers. Productivity and manufacturing influences the general national rates of productivity growth. Hence, the fall in manufacturing productivity in 2004-05 was the greatest of any industry and was one of the primary reasons for the general decline in Australian productivity. Manufacturing is the largest employer of full-time workers in Australia. That amounts to 921,000 jobs and represents 13 per cent of full-time employment compared to manufacturing's 10.5 per cent share of overall employment.

Some commentators celebrate the decline in manufacturing and employment loss as a sign of a healthy economy—for example, the *Australian Financial Review* of 17 November 2005. Nothing could be further from the truth. The argument that the decline in manufacturing industry is a natural complement of the rise of the service sector misses some major points. Not only is the recent rise of the service sector partly due to the reclassification of manufacturing activities, the many service-based firms remain heavily dependent upon demand from manufacturing.

Many economic activities classified as services supplied to the manufacturing sector were originally undertaken within manufacturing enterprises. The practice of outsourcing has changed that in the past 20 years. Many of these service-based firms remain heavily dependent on demand from Australian manufacturing. For example, manufacturing is the largest single user of services from private scientific establishments and engineering and computer consultancies. Most service sector jobs are inherently inferior to manufacturing jobs. For example, average weekly earnings in Australia's 11 service industries are $747.63, and that is $135.57 less than the figure in manufacturing.

The four fastest growing service industries in the past decade were property and business services, cultural and recreational services, personal and other services, and health and community services. The average weekly income in these industries of $711.60 is even lower again. Part-time jobs accounted for 89 per cent of total employment growth in these four service industries. So, in the so-called booming sectors of the Australian economy, 9 out of every 10 new jobs under the Howard Government are part time. The service sector also performs woefully under par in terms of innovation. If we compare the business expenditure on research and development per employee in the manufacturing sector to that of the service sector, we see that the difference is monumental. Manufacturing spending stands at $3,077.93 per employee, while service spending stands at only $412.19 per employee. If we are to have an economy based on high productivity, knowledge-intensive industries, manufacturing must be accorded high status.

Our international competitors have been much more aggressive in identifying strategic industries and providing support for their long-term development. I will cite one example. The State of Tennessee has given Nissan North America close to $20 million in incentives over the past few years as part of the deal that snared the automaker's headquarters and its nearly 1,300 jobs. Other States in the United States are doing the same thing. Canada offers substantial research and development supports to companies; Malaysia offers a 200 per cent tax deduction; and under the National Development Plan, the Irish Government has committed to spending $A4 billion on research for manufacturing.

A range of things can be done and the Hon. Greg Pearce should have focused on them because they are important. First, the Federal Government should manage the economy prudently ensuring solid economic fundamentals. It must successfully manage the transition from an economy driven by household debt financing and current consumption to one with more sustainable foundations. Secondly, it should accelerate growth of business investment in research and development. After the 150 per cent tax concession was dropped in 1996, manufacturing research and development—which had grown by 10 per cent a year in real terms in the previous decade—declined over the following years. The restoration of the 150 per cent research and development tax concession should be seriously considered. Further measures should be enacted to link government incentives to the willingness of firms to upgrade their research and development capability.

Thirdly, the Federal Government should increase greenfields foreign direct investment [FDI]. That can be done three ways: first, a fundamental review of Invest Australia should be undertaken to ensure better outcomes from that organisation. Secondly, investment incentives should be provided to enable major projects

to focus exclusively on new FDI in knowledge-intensive manufacturing activities, with the largest incentives offered for greenfields sites and investments that strengthen supply chains in the manufacturing regions. Thirdly, more emphasis should be given to attracting large global companies to establish research and development, and engineering and product development centres in Australia with the accompanying capability to manufacture prototypes.

Fourthly, we should pursue import replacement. The import share of the domestic market for knowledge-intensive manufacturing is very high—around 66 per cent. There are three possible policy initiatives that should be implemented in this area. The Federal Government should increase funding of the industry capability network and abandon the disastrous cost-recovery regime. The procurement policy in the Australian-United States Free Trade Agreement [AUSFTA] should be examined to ensure that it will still allow Australia to give preference to and use offsets for small and medium size enterprises. A concerted effort should be undertaken to do this. The Federal Government should also consider legislating the definition of small to medium enterprises on an industry-by-industry basis so that it is not challenged under Article 22.1C of the AUSFTA. The final thing that can be done to pursue import replacement is to strengthen dumping regulations and government procurement policies.

The Federal Government could also promote new exporters and extend the capacity of existing exporters. I mentioned earlier the dramatic decline in elaborately transformed manufacturing [ETM] export growth in this country under the Howard Government. We need to increase our ETM exports, particularly to East Asia. Three options could assist in achieving that. First, the Australian Trade Commission regime should be reformed and increase its focus on exports to East Asia. Secondly, we should initiate new forms of engagement with East Asia to assist our ETM trading relationship. Thirdly, there should be greater State-Commonwealth co-operation to double the number of exporters in this country. At the very least, the Howard Government must remove the cap from the Export Market Development Grants Scheme and increase the funding.

The Federal Government must invest in supporting physical, social, research and development and environmental infrastructure. It should also increase the level of private equity investment, especially venture capital. It should oppose any further bilateral trade agreements, especially a free trade agreement with China, and invest in skills formation. Finally, the Federal Government should reform the Automotive Competitiveness and Investment Scheme. They are all measures that I believe are worth considering rather than playing the silly games played by the mover of this motion.

The Hon. DON HARWIN [4.27 p.m.]: I enjoyed the Hon. Peter Primrose's contribution to the debate because it was obviously well thought out. He clearly based it on good sources, which he acknowledged during his speech. It was an interesting contribution. However, I am sure an average Australian sitting in the public gallery listening to the honourable member would have wondered whether he or she was living with the same country as the honourable member. Even though it was well thought out and well delivered, it was a very obscure reckoning of our national economic performance.

I congratulate my colleague the Hon. Greg Pearce on moving this motion. It focuses on three issues: first, the Federal Government's performance on interest rates; secondly, the Federal Government's performance on unemployment; and, thirdly, the Federal Government's performance on inflation. In so doing, it focuses on three of the principal pillars underpinning Australia's prosperity and growth. By working with the community over the past 10 years, the Howard Government has achieved an incredible amount for Australia. Our country has become stronger, more prosperous and more secure as a result of the focused, disciplined and experienced hard work of the Howard Government.

The decisions of the Federal Government have been underlined by a number of key principles: encouraging and rewarding hard work, providing focused and disciplined economic management, and supporting small business and individual enterprise. As a result of those decisions, we get the sort of performance on the three economic indicators that the Hon. Greg Pearce has referred to in his motion. I want to reflect on those economic indicators. Over the 10 years of the Howard Government's term of office average interest rates have decreased from 12.75 per cent to 7.15 per cent. As the motion notes in paragraph (a), interest rates were even higher; they reached incredible highs in 1989. I remember how difficult it was for a person who bought a house in 1992 when interest rates were in the mid teens. I know that my experience is reflected by hundreds of thousands of Australians who are extremely grateful for the Federal Government's performance on interest rates.

While there has been a 6.6 per cent reduction in average interest rates during the Howard Government's term of office, it is important to focus on what has happened with small business. When the Federal Labor

Government was in office the average small business lending rate was 14.25 per cent. Under the Federal Coalition Government, over the period of 10 years that it has been in office the small business lending rate has been 8.75 per cent, which is a significant reduction. There has also been a significant drop in the unemployment rate. My colleague the Hon. Greg Pearce referred to unemployment figures for June 1990 and September 1993, which are significant, but I wish to add a further statistic to provide an additional perspective. In March 1996, the month the Federal Coalition was elected, the unemployment rate was 8.2 per cent. As at the end of last year the unemployment rate was 5.1 per cent, which is very significant reduction. Of course, factors such as the drop in the average small business lending rate are a significant part of that.

I wish to focus on the human dimension to this. During the Federal Government's term of office significant progress has been made with regard to long-term unemployment. When the Federal Coalition came to office 197,800 people were categorised as long-term unemployed. In the current quarter the figure has dropped to 95,800, a drop of almost half. It is an incredible performance. I believe that one of the factors in that is the Federal Government's Work for the Dole Program, which in the area where I live is regarded as a very good initiative. Indeed, I believe the program is one of the reasons why long-term unemployment has been significantly reduced. In 1996, when the Federal Coalition came to office, the Work for the Dole Program did not exist. Since 1997 when the program was introduced, almost 450,000 people have participated in it. The program has been fantastic in providing young people with the necessary skills to go into permanent employment. In particular, it has assisted many long-term unemployed by providing them with the skills necessary to get them into employment, which is a tremendous outcome.

In March 1996, 8.3 million Australians were in work. The latest statistics, for the December quarter, show that more than 10 million Australians are now in work. That is a massive increase, and it is due in large part to the prosperity of the economy. In terms of the wellbeing of society that results from that prosperous economy, it is an important statistic to place on record. Inflation is also a big factor, and that is relevant to the amount of government expenditure we have had. All sorts of factors have played a part in that, including the public sector borrowing requirement. As my colleague's motion notes, under the Hawke and Keating governments there was no strategy to contain inflation. Under Labor, the average inflation rate was 5.2 per cent, whereas under the Federal Coalition Government it has been 2.4 per cent. That is why Australia has jumped ahead in all the league tables in terms of performance compared with all the other OECD countries. For example, in 1995, just before we were elected to government—

The Hon. John Della Bosca: You weren't elected to government then.

The Hon. DON HARWIN: I am very proud to say "we". As a member of the Liberal Party, I am a great believer that we, as State parliamentarians, should do everything we can to help our Federal colleagues. I am very proud to use the word "we"—

The Hon. John Della Bosca: You're doing nothing to help Kim Beazley.

The Hon. Greg Pearce: No-one can help Kim Beazley.

The Hon. DON HARWIN: I acknowledge the interjections of the Leader of the Government and my colleague the Hon. Greg Pearce. In 1995 Australia was listed thirteenth amongst OECD countries in the standard of living statistics, whereas in 2005, the most recently available statistic, we are listed eighth. So our standard of living ranking has gone up significantly, which is great to behold. However, because we have these sorts of policy settings in place at the Federal level, of themselves these statistics are not important. They are important because of what they are a means of providing—

The Hon. John Della Bosca: What about the current account deficit? We are not doing so well there.

The Hon. DON HARWIN: Perhaps we could focus on the net government debt; that might be an important statistic to bring into this debate. When the Government for which the Minister was proud to be the State campaign director left office, it left us with a net government debt of $95.8 billion in the 1995-96 financial year. Today the surplus is over $1.3 billion. If we want to talk about surpluses and deficits in that respect, we might simply talk about net government debt because that puts it all into perspective.

The Hon. Tony Catanzariti: Why don't you give us some money back from the GST?

The Hon. DON HARWIN: I acknowledge the interjection from the Hon. Tony Catanzariti. No doubt next week the House will be regaled with stories from the Treasurer about his attendance at the ministerial

council today. I am sure the House will enjoy that. However, the question that the Treasurer keeps fobbing off is: What conversations has he had with his Federal leader and his Federal shadow Treasurer as to what a Beazley government would do for New South Wales in regard to changing the GST formula? We hear a constant mantra from Government members about, and we see hundreds of thousands of dollars spent by the Government in regard to, the distribution of the GST revenue—a tax this Government could not wait to sign up for and which it now complains about constantly. I appreciate that Government members want to see the election of a Beazley government, yet they are talking—

The Hon. Greg Pearce: They are terrified at the prospect.

The Hon. DON HARWIN: The Hon. Greg Pearce may be right—they may be terrified at the prospect. In the time remaining for my contribution I want to focus on some of the benefits that Australians are reaping because of the three key improvements in the economic indicators that the Hon. Greg Pearce focused on in his motion. As a result of what has been achieved, the tax burden as a percentage of gross domestic product [GDP] has been reduced. It has been a start, especially when one considers that Morris Iemma has been Premier of this State for only seven months and in that time we have had $700 million of extra revenue and 14 new taxes introduced. That is the record of this Government. At the Federal level, the tax burden as a percentage of gross domestic product is reducing. The percentage of GDP has fallen from 23.4 per cent to 22.8 per cent, and it is still falling. I am sure there will be significant tax reform in the next Federal budget.

Towards the end of his speech the Hon. Peter Primrose focused on expenditure on research and development. The performance of the Federal Government is clear: because of better economic management we have increased funding for science and innovation. Back in 1995—the Federal Labor Government's last budget—$3.8 billion in funding was supplied to science and innovation. In the most recent budget—under a Coalition Government—that funding was $5.5 billion. That is the sort of dividend one gets from managing better. The Hon. Peter Primrose also talked about export performance. When the Keating Government left office, total exports for the 1995-96 financial year amounted to $99 billion. In the 2004-05 financial year, the most recently available statistics, that had reached $164 billion. It is important to put a statistic like that on the record to provide a little bit of context to some of the possibly misleading statements that the Hon. Peter Primrose made in his contribution.

Security is critical and something that every Australian is concerned about at the moment. That is why I am particularly proud of the increase in the funding that has been provided for the defence forces since the Coalition came to office. When the Labor Government left office its last budget provided $10.6 billion for defence. However, in the most recent budget, brought down by my friend the Hon. Robert Hill, who was, I think, an outstanding defence Minister—he is now going to other responsibilities—the allocation in the budget was $17.8 billion. That is an outstanding performance. But most impressive of all is the work that the Federal Coalition Government has done to make the defence forces combat ready and less bogged down in bureaucracy. For example, under the Hawke and Keating governments the percentage of Australian Defence Force personnel who were combat ready was only 42 per cent, but under our Government it has risen to 62 per cent. I think that is very impressive. The performance of the Federal Government has been outstanding. But what is important—perhaps a theme that some of my colleagues will pick up on in this debate—is how this Government is dragging New South Wales down. We are now at the bottom of every league table.New South Wales is holding Australia back, and that is something we will be returning to again and again in the next 12 months.

The Hon. GREG PEARCE [4.47 p.m.], in reply: It is a pleasure to speak in reply to the motion and I thank honourable members who participated in the debate. It is quite apparent that the Labor Party has no response to the thrust of the motion and no response to the economic nirvana that has been brought to Australia by the Howard Liberal-National Coalition Government as of result of its economic policies. The fact that the Labor Party has no response, other than to continue its own high-taxing, economy-destroying policies, is something that I am sure will be rectified in March 2007 when the electors who were waiting with the baseball bats for Paul Keating in 1996 will have the opportunity to take their baseball bats to Morris Iemma and his cohorts.

The Hon. Peter Primrose attempted to address the motion but, of course, he was unable to respond to the core elements of it. Instead, he gave us a dissertation on the decline in manufacturing employment in Australia. He seems not to understand the fundamental changes that have taken place in Australia's economy and, for that matter, the international economy, and the need for Australia to expend its efforts in building an economy that will ensure our prosperity in the coming decades.

I am grateful to the Hon. Don Harwin, who focused on that issue by listing some of the other achievements of the Howard Government that have been possible because of its excellent economic and other policies. The Howard Government is committed to a number of principles shared by the New South Wales Coalition. The Hon. Don Harwin referred to the objective of encouraging and rewarding hard work. He referred to focused and disciplined economic management and other important fundamental principles of a Liberal government at a Federal level such as protecting our national security, supporting freedom of choice and personal responsibility, supporting small businesses and individual enterprises, as well as acting for the long term, not the short term, which is the hallmark of a Labor government.

The Hon. Don Harwin referred to the achievements of the Howard Government that flowed from its excellent economic management and policies, including the management of Australia's net government debt, which was $85.8 billion when Labor lost office but is now in credit at $1.3 billion. The Hon. Don Harwin stated that the Howard Federal Government had invested in science in innovation, contrary to the point the Hon. Peter Primrose tried to make. When Labor was last in government federally, investment in science and innovation was $3.8 billion, it now stands at $5.5 billion. The Hon. Don Harwin referred to the strong record of the Howard Government on defence and defence force funding, which will ensure the security of Australia's future.

With respect to the role and performance of the New South Wales Government, the Hon. Don Harwin referred to the record of the new Premier. In his seven or eight months in office the Premier has continued the high taxing performance of his predecessor by introducing some 14 new fees, charges, costs and taxes totalling about $700 million a year. That should be added to the $1.3 billion the State Government receives because of double-dipping and double taxing the people of New South Wales through retaining taxes that were to be abolished pursuant to the 1999 intergovernment agreement on taxation—the GST agreement.

The New South Wales Government's record on taxation is a disgrace. New South Wales is dragging down the rest of Australia; it is holding back Australia when it should be the powerhouse of Australia's growth. We should all be very concerned about the Government's performance and its economic vandalism. The Government has failed to manage the budget and, as a result, growth rates in New South Wales are the lowest of any Australian State. We have one of the highest unemployment rates, and the Government is driving jobs interstate. The most recent example of that is the decision by Qantas to move its maintenance teams to Queensland and Victoria.

Rather than make the hard decisions the New South Wales Government spends its time on spin and diversions. In contrast, the Howard Government has introduced policies that have given us unprecedented prosperity. It has set inflation targets, which the Reserve Bank has managed, with the result that inflation has gone down from 5.2 per cent to 2.4 per cent. It has introduced and fought for industrial relations reform, which all international commentators and any commentators in Australia who understand the economy applaud as being essential for Australia's international competitiveness and prosperity. It has introduced the new tax system, which has provided work incentives and policies for increased competition, and it has reduced trade barriers.

I was surprised to hear the Hon. Peter Primrose advocating alternatives to reducing trade barriers, but perhaps that is a debate for another day. I thank all honourable members for participating in the debate. It is a pity that crossbench members do not have any interest in the state of the Australian economy; none of them participated in the debate. It is a pity they have only narrow interests. I am sure honourable members will now join with me in congratulating the Howard Liberal-National Coalition Government on its remarkable work in reducing interest rates and maintaining affordable interest rates during its term in office. I am sure members would agree that a Liberal-National Coalition Government can always be trusted to deliver lower interest rates than Labor. Our prosperity depends on a continued Liberal-Nationals Coalition Government at a national level, and on a Liberal-Nationals Coalition government in this State after March 2007.

Motion negatived.

BUSINESS OF THE HOUSE

Postponement of Business

The Hon. DON HARWIN [4.58 p.m.], on behalf of the Hon. Michael Gallacher: I move:

That Private Members' Business item No. 7 in the Order of Precedence be postponed until the next sitting day.

Pursuant to standing orders and on behalf of my colleague the Hon. Michael Gallacher, who is sick, I wish to postpone Private Members' Business item No. 7 in the Order of Precedence until the next sitting day on which Private Members' Business takes precedence.

Motion agreed to.

BUSINESS OF THE HOUSE

Postponement of Business

The Hon. DON HARWIN [4.59 p.m.], on behalf of the Hon. Charlie Lynn: I move:

That Private Members' Business item No. 8 in the Order of Precedence be postponed until the next sitting day.

I understand that there has been some discussion between the Hon. Charlie Lynn and the Government. The Hon. Charlie Lynn has considered his position. As he had to see a constituent, he has asked me to move a procedural motion under the standing orders relating to the postponement of business.

[*Interruption.*]

Obviously the Minister has not caught up with the discussion that a member of his staff had with the Hon. Charlie Lynn earlier this afternoon.

Motion agreed to.

Pursuant to standing orders business interrupted. The House continued to sit.

BUSINESS OF THE HOUSE

Postponement of Business

Government Business Orders of the Day Nos 1 to 3 postponed on motion by the Hon. Tony Kelly.

CRIMES (SERIOUS SEX OFFENDERS) BILL

Second Reading

The Hon. TONY KELLY (Minister for Justice, Minister for Juvenile Justice, Minister for Emergency Services, Minister for Lands, and Minister for Rural Affairs) [5.00 p.m.], on behalf of the Hon. John Della Bosca: I move:

That this bill be now read a second time.

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

Leave granted.

I am pleased to introduce the *Crimes (Serious Sex Offenders) Bill 2006*.

- The Government has shown its strong and ongoing commitment to the protection of the community from sex offenders.
- It has introduced the toughest substantive child sexual assault offences in Australia that ensure that offenders are incapacitated for long periods of time if convicted.
- It has introduced the offence under section 11G of the *Summary Offences Act 1988,* which provides that a person who is a convicted child sexual offender and who loiters near a school, or a public place regularly frequented by children can be sentenced to imprisonment for up to 2 years;
- It has established the *Child Protection (Offenders Registration) Act 2000* (NSW), which creates a scheme of sex offender registration; NSW also championed the development of a national registration scheme.
- Further, the *Child Protection (Offenders Prohibition Orders) Act 2004* (NSW) is a new tool to allow police to stop re-offending before it happens. The scheme provides for court orders prohibiting certain offenders who pose a risk to the lives or sexual safety of children from engaging in specified conduct.
- The Government has also introduced employment screening for people working with children.

One particular concern, that is dealt with by this scheme, relates to a handful of high-risk, hard-core offenders who have not made any attempt to rehabilitate whilst in prison. These offenders make up a very small percentage of the prison population, yet their

behaviour poses a very real threat to the public. These concerns are compounded where the offender never qualifies for parole and is released at the end of their sentence totally unsupervised.

The proposed legislation will address this problem by allowing this small group of high-risk offenders to be placed on extended supervision, or, in only the very worst cases, kept in custody.

The Department of Corrective Services has advised that only a small number of offenders would fall into this very high-risk category.

Whilst legislation of this kind is a first for New South Wales, a number of other jurisdictions have enacted laws directed at serious high-risk sex offenders, which provide for a variety of options including mandated treatment, community registration, and protracted supervision beyond the duration of a sentence. For example, in July 2004 New Zealand's legislation providing for extended supervision commenced operation.

Some States in Australia already have similar legislative schemes. The Victorian legislation provides for extended supervision, and the Western Australian Parliament recently passed a Bill which allows for the detention and supervision of dangerous sex offenders. Queensland introduced a contemporary legislative regime in June 2003, which provides for both continuing detention orders and extended supervision orders. Significantly, in 2004, when the Queensland legislation was challenged in the High Court in the case of *Fardon v Attorney-General for the State of Queensland*, the validity of the legislation was upheld.

I will now turn to the detail of the bill.

Clause 3 sets out the objects of the Act, which are to provide for the extended supervision and continuing detention of serious sex offenders:

(a) so as to ensure the safety and protection of the community; and
(b) to facilitate the rehabilitation of such offenders.

Clause 5 defines the expressions **serious sex offence** and **offence of a sexual nature** for the purposes of the proposed Act.

These are the most important terms in the Act.

A **serious sexual offence** is defined as a sexual offence that carries a maximum penalty of seven years imprisonment or more and was committed against a child; or committed against an adult in circumstances of aggravation.

This definition includes all sexual assaults, including aggravated indecent assault (which carries a maximum penalty of 7 years imprisonment).

The definition also includes serious sexual offences committed against adults where there is a circumstance of aggravation such as:

- The offender was in company;
- The offender used corporeal violence;
- The offender used a weapon;
- The victim was a vulnerable person;
- The offender held a position of authority over the victim; or
- The offender detained the victim.

The offence of administer stupefying drug with intent to commit an indictable offence (s38, *Crimes Act 1900*) will also be included where the indictable offence is a serious sexual offence.

Offences of a sexual nature will include anything below the 7-year maximum term such as the possession of child pornography.

These definitions capture the worst sexual recidivists in our system.

The Attorney General will be able to seek two types of orders:

- Extended Supervision Orders, dealt with under Part 2; and
- Continuing Detention Orders, dealt with under Part 3.

The procedures for applying for both orders are the same.

Clauses 6 and 14 enable the Attorney General to apply to the Supreme Court for extended supervision orders and continuing detention orders respectively.

Continuing detention orders will only be applied for where there are no other effective methods of managing the offender's high risk of re-offence.

It is appropriate that the Attorney General, as first law officer of the State, consider any proposal to make an application (following advice from the Commissioner of Corrective Services to the Minister for Justice) before matters are filed in the Supreme Court .

Such an application may not be made until the last 6 months of the offender's current custody or supervision, and must be supported by specified documentation. This is important as it means that the application must be well thought-out and have a sound basis. The documentation must address the matters to which the Supreme Court must have regard when considering

whether an order should be made. The documentation must also include a report by a psychiatrist, psychologist or medical practitioner which assesses the offender's risk of re-offending.

Clauses 7 and 15 require an application to be served on a sex offender within 2 business days after it is filed, for a preliminary hearing to be conducted within 28 days after it is filed, and for a decision to be made as to whether or not there is a case against the offender.

Importantly, the Attorney General will have the same disclosure requirements in these matters as the prosecution does in a criminal matter, meaning that all relevant matters, whether favourable or unfavourable will be disclosed. This will ensure that applications based on selective evidence are not made and will also serve to shorten the discovery process that usually occurs in other civil matters.

If there is a prima facie case made out in the application the Supreme Court is to make an order for two psychiatrists to examine the offender and report independently.

The appointment of two court appointed psychiatrists is an important aspect of the scheme. It allows for a fair and independent medical opinion to be expressed. The psychiatrists will not be State employees, but will be private members of the Royal Australian and New Zealand College of Psychiatrists and the Court will appoint them. As noted above, an offender is entitled to call his or own evidence if he or she wishes.

Clauses 8 and 16 enable the Supreme Court to make interim supervision or detention orders so that an offender can be kept under supervision or in detention pending the determination of an application. This power is important in cases where it appears that the offender's period of custody or supervision will expire before the proceedings are determined. It allows the offender to be detained for up to 28 days, but upon renewal of the order the total period for which an offender can be kept under interim supervision is three months. This limit is to ensure that people are not held on rolling orders and to encourage the expeditious determination of these applications.

Clause 9 provides that the Supreme Court may only make an extended supervision order if it is satisfied, to a high degree of probability, that the offender is likely to commit a further serious sex offence if he or she is not kept under supervision.

The test for making continuing detention orders is contained in **Clause 17**. Before making a Continuing Detention Order the Supreme Court must decide that a Supervision Order would not be sufficient to deal with the risk of the prisoner re-offending.

It may only make a continuing detention order if it is satisfied, to a high degree of probability, that the offender is likely to commit a further serious sex offence if he or she is not kept in custody.

Clauses 9(3) and 17(4) contain a non-exhaustive list of matters the Court must consider before making an order, including reports from psychiatrists and the results of any assessments prepared in relation to determining the likelihood of the offender committing a further serious sex offence.

This indicia is meant to guide the Court in distinguishing the small number of high-risk offenders who have not made any attempt to rehabilitate whilst in prison.

Clauses 10 and 18 provide that the maximum term for either order is five years, but nothing prevents the Attorney from making further application, so long as the principal test continues to the satisfied.

Clause 11 specifies the kinds of conditions that can be imposed on a supervision order, which are similar to those which a person on parole may be placed on.

Clause 12 makes it an offence (punishable by a fine of 100 penalty units or imprisonment for two years, or both) for a person to fail to comply with the requirements of a supervision order.

Clauses 13 and 19 enable the Supreme Court to vary or revoke a supervision order or detention order upon the application of either party and also requires the Commissioner of Corrective Services to provide the Attorney General with annual reports on each offender. This power will deal with any changes in circumstances.

Clause 20 enables the Supreme Court to issue a warrant of committal to give effect to a detention order.

Part 4 deals with Supreme Court proceedings

Clause 21 provides that proceedings under the proposed Act are civil proceedings, to be conducted in accordance with the law relating to civil proceedings.

Clause 22 enables an appeal to be made to the Court of Appeal against any determination made by the Supreme Court under the proposed Act. This right applies to both parties and specifies 28 days as the timeframe for the appeal to be lodged. The appeal may be on the ground of an error of fact or law or a combination of the both.

Clause 23 provides that no order for costs may be made against an offender in relation to proceedings under the proposed Act. This would not be appropriate, despite the civil nature of the proceedings, given the fact that the proceedings will always be commenced by the Attorney General, and the unique nature of the proceedings.

Clause 24 preserves the jurisdiction of the Supreme Court apart from the proposed Act.

Part 5 deals with miscellaneous matters

Clause 25 creates a power for the Attorney to require documents that are relevant to these applications. Relevant material may be held by a number of bodies and organisations.

Clause 32 provides for the review of the proposed Act at the end of 3 years from the date of assent. Since this legislation is unprecedented in New South Wales, the Government is dedicated to ensuring that it is being used appropriately and achieving what it was designed to accomplish.

In summary I would like to stress that it is vital that there be legal mechanisms to protect the community from serious sex offenders. This Bill is another demonstration of the Government's dedication to ensuring the safety of the community from offenders who have already demonstrated their capacity to commit horrendous and unacceptable crimes and where there is compelling and cogent evidence that they are likely to do so again.

I commend the bill to the House.

The Hon. DAVID CLARKE [5.01 p.m.]: The Crimes (Serious Sex Offenders) Bill is long overdue. It legislates for what the Opposition has, for a long time now, been advocating, and therefore it has our support. The people of New South Wales have long been wondering when the Government will finally act to deal with serious sex offenders who, having been released from prison, are often, within hours, back out in communities preying on men, women and often children to commit further serious sexual offences. The people of our State have increasingly become sick and tired of, and indeed alarmed by, instances when time and time again debauched and debased serious sex offenders, having served a sentence of imprisonment—and all too frequently only part of a sentence—are then released into the community to re-offend almost immediately. This is occurring with increasing frequency, although there may be substantial evidence to suggest that these offenders will almost certainly re-offend within a short period.

Often these recently released sex offenders are, within a short period, loitering around schools and public playgrounds, with young children being lined up in their sights for the committal of further serious sexual offences. Other jurisdictions throughout Australia long ago moved to deal with this unsatisfactory and alarming state of affairs, as has New Zealand. Belatedly, but thankfully, the New South Wales Government has finally decided to act in response to growing public outrage. The purpose of the bill is to provide for the extended supervision and continuing detention of serious sex offenders so as to ensure the safety and protection of the community and to facilitate the rehabilitation of serious sex offenders.

The bill empowers the Attorney General to apply to the Supreme Court for an extended supervision order against a sex offender who is currently in custody serving a sentence of imprisonment for a sex offence, or while under supervision pursuant to an existing extended supervision order or continuing detention order. Such an application may not be made until the last six months of the offender's current custody or supervision, and must be supported by specified documentation. A preliminary hearing is to be held within 28 days of filing the application to ascertain whether there is a case against the offender, and if there is a case the Supreme Court will order a psychiatric examination. If the Supreme Court finds that there is no case against the offender, the application is to be dismissed.

The Supreme Court is given power to make an interim supervision order, effective for up to 28 days, so that an offender can be kept under supervision pending the determination of an application, with the total period of interim supervision not exceeding three months. An extended supervision order may be made if the Supreme Court is satisfied that there is a high degree of probability that the offender will commit a further serious sex offence if not kept under supervision. The bill specifies the kinds of conditions that can be imposed as part of a supervision order, including the necessity for the offender to accept home visits by a Corrective Services officer, participate in treatment and rehabilitation programs, wear electronic monitoring equipment, not associate or make contact with specified persons or classes of persons, not engage in specified employment, and not change his or her name. Failure to comply with any requirements will be punishable by a fine of 100 penalty units or imprisonment for two years, or both.

The bill also provides for the Attorney General to make an application to the Supreme Court for a continuing detention order against a sex offender currently in custody serving a sentence of imprisonment by way of full-time detention for a sex offence or pursuant to a continuing detention order. Such an application may not be made until the last six months of the offender's current custody period. As with extended supervision orders, an application for a continuing detention order requires a preliminary hearing within 28 days of filing for a Supreme Court decision as to whether there is a case against the offender, and if there is a case a psychiatric examination is required. If there is no case against the offender, the application must be dismissed.

The Supreme Court is also empowered to make an interim detention order for the offender's detention pending the determination of an application for a continuing detention order. Such an interim order will be effective for up to 28 days, with the total period of interim custody not exceeding three months. The Supreme Court is empowered to make an extended supervision order or a continuing detention order if it is satisfied, to a

high degree of probability, that the offender will commit a further serious sex offence if not kept under supervision. However, a continuing detention order is not to be made unless the court is satisfied that an extended supervision order would not provide adequate supervision. The maximum term for an extended supervision order and a continuing detention order is five years, and the Supreme Court may vary or revoke such an order and require the Commissioner of Corrective Services to provide the Attorney General with annual reports on each sex offender to ascertain whether to apply for such a variation or revocation.

The bill provides for proceedings to be conducted according to the law relating to civil proceedings—for appeals to the Court of Appeal for any determination of the Supreme Court—and that no order for costs may be made against a sex offender in relation to proceedings under the bill. When speaking to the bill in the other place, the shadow Attorney General, Chris Hartcher, highlighted the fact that it was not moved by the Attorney General, Mr Debus, as one would have expected. The bill clearly comes within the Attorney General's jurisdiction. It is an important and far-reaching bill, yet for some reason the Attorney General did not move it or even bother to speak to it. Mr Hartcher pointed out that the Attorney General has not even issued a press release on the bill; nor has anything appeared on his web site.

Mr Hartcher raised concern as to whether the bill has the enthusiastic support of the Attorney General, or indeed any support from him at all. The Opposition certainly hopes that that is not the case. The people of New South Wales would certainly be alarmed if Government members could possibly be swayed by a few self-appointed and self-proclaimed so-called civil libertarians who appear to have an unnatural and bizarre need to set themselves up as the guardians of sex offenders who will be stopped from committing further serious sexual offences by this bill. I am talking about those who fancy themselves as protectors of these offenders who spuriously, misleadingly and wrongly suggest that the rights of these evil offenders who are straining at the leash to get back into the community to prey upon and re-offend against men, women and particularly children are in any way jeopardised by this bill.

The Crimes (Serious Sex Offenders) Bill contains extensive and more than adequate legal safeguards for serious sex offenders, and all the bleating of the self-styled civil liberties brigade will not convince responsible people otherwise. It is about time this bill came before this Parliament for our approval. We need its provisions to apply to restrain serious sex offenders and to protect the community without further delay.

Reverend the Hon. Dr GORDON MOYES [5.10 p.m.]: This bill provides for the extended supervision and continuing detention of certain serious sex offenders so as to ensure the safety and protection of the community. In the lead-up to next year's election we have seen the Iemma Government's stance on crime firm up to an incomprehensible degree. Water cannons and riot police to control the masses have come to the fore: $700,000 is to be spent on a massive water cannon—a monstrosity that some people would recognise from media coverage of military coups overseas. There is an opportunity cost for every dollar that the Government spends in that way—such resources could be used to meet fundamental needs in education, healthcare and basic infrastructure. It is true, however, that our beloved and familiar Australia does have endemic problems in certain areas and that change is required to address these problems. But, I question the heights to which the Iemma Government will go to appear to be tough on crime.

This bill is clearly another "tough on crime" law that is guided by blatant political pointscoring. It seeks to place firmly in the minds of prospective voters that the Iemma Government can be trusted because at least it is tough on crime even though its achievements on other fronts are clearly open to dispute—pollution issues on the M5 East tollway and a hastily advanced desalination plant. Many other circumstances come to mind. But, at least we can feel safe! It is a law that is similar to those promoted and passed by the former Carr Government to lock up serious offenders indefinitely. Honourable members may remember the case of Bronson Blessington in the context of these laws. There was no scope for mercy or rehabilitation within the guiding philosophy of that piece of legislation, which in law entrenched determinations that were simply judicial pronouncements with no legal effect.

There are a number of clear and present dangers in this bill, apart from its non-humanitarian nature. This law will allow serious sex offenders to be locked up indefinitely. Applications will be able to be made by the Attorney General to the Supreme Court to extend prison sentences for serious sex offenders. The Government is able to apply initially for a further five years after a sentence expires and could re-apply on an ongoing basis. The dynamic allowing for the Attorney General to petition the Supreme Court is a curious one. The judicial arm—not the representatives of voices for the masses, that is, politicians—is responsible for determining the length of sentence for offenders.

The Attorney General in particular should not impede upon the judicial arm's responsibilities. The Attorney General is a Minister of the Crown, part of the elected government, who would not be as intimately familiar with the circumstances of a case as a judicial officer would be. A judicial officer has a vantage point in this regard because he or she may review all the evidence, both oral and written, at first-hand. I find it hard to believe that the Attorney General, even on advice and/or recommendations offered by the Minister for Justice or Commissioner for Corrective Services, in his oversight position, would be able to find the time to carefully review the file of a serious sex offender. We all know of situations where judges have sentenced persons for a period of time deemed unsuitable. However, part and parcel of each arm of government is to accept that mistakes will be made. The President of the Law Society stated in relation to the lack of rehabilitation for serious sex offenders:

> Some people won't be rehabilitated but the parole system and the system of sentencing that has been imposed by the judge takes these things into account.

When a sentence is considered inadequate or too lenient, the Director of Public Prosecutions is able within a certain amount of time to seek an appeal and a revision of the sentence. I do not know of any other situation where a person who has served his or her time for a crime is then kept in gaol by fiat of a government. Also, there is always a risk that persons that are not guilty of a law will end up in our correctional systems. We have seen that situation occur a number of times, even recently. Roseanne Catt, for example, was a born again Christian who was convicted of attempting to murder her husband. Roseanne became one of the longest serving prisoners in New South Wales. A full judicial inquiry found that she had been wrongly convicted. At some time in the near future, this House will debate the repercussions of this holding, especially the need for compensation to her. It is not unfathomable that similar situations could arise in the immediate context also.

Although this bill deals with sex offenders, it is envisaged that the Government at some time in the future could lock up indefinitely anyone who has committed an atrocious crime—with no hope of rehabilitation. This approach is guided by a philosophy that issues in the "too-hard basket" should be put on the backburner. Prisoners are not the refuse of human society. They are persons who have committed crimes and are serving sentences for those crimes, and most of them hope one day to reappear in the community. This bill, however, entrenches the view that serious sex offenders have no hope of rehabilitation and no future. It entrenches the view that such offenders have no place in society. In fact, society is willing to pay for these people to be out of sight, out of mind and out of society.

Andrew Haesler, SC, from the Public Defender's Office has said publicly that the orders would impede efforts to rehabilitate offenders. In a recent article entitled "Thoughts on Recidivism and Rehabilitation of Rapists", which appeared in New South Wales Law Journal Volume 28 (1), Denise Lievore argued that, given the hidden nature of sex offending, it is difficult to ascertain the prevalence of sex offenders in the community, let alone recidivism rates. Further, she referred to Australian studies that have found that rates of sexual recidivism range from as low as 2 per cent in some samples to as high as 16 per cent in others, with rates of violent recidivism ranging from 11 per cent to 31 per cent, and for any type of offence from 41 per cent to 61 per cent. Interestingly, she stated:

> It is not clear whether low rates of sexual recidivism point to rehabilitation, lack of opportunity to re-offend, or non-detection of subsequent sex crimes … The available evidence suggests that most sex offenders are not at risk of sexual recidivism, but it is necessary to identify those who are and, in addition, risk assessment of sex offenders ought to be a core practice within correctional systems.

In concluding her article, she makes the poignant statement:

> Sexual violence is not perpetrated by individuals. It is supported by social practices on a continuum that spans the macro and micro levels of social life. Criminal justice and therapeutic efforts to prevent and reduce sexual offending must therefore take into consideration the range of social contexts and practices that legitimise sexual violence in ways that are often uncritically accepted as 'natural' or 'normal'. Distinctions between private and public harms, extra-familial and intra-familial offenders, dangerous and non-dangerous offenders and the individual and society, disguise the complexity and extent of the problem …

There is a clear need for methods of rehabilitation to work in the lives of serious sex offenders. I would like the Government to provide an indication of what consultation occurred in relation to this bill. I look forward to the Minister's comments on that. From the second reading speech it seems that the bill is based on policy, but there is no evidence that any consultation occurred. We do not know what the Director of Public Prosecutions had to say about the bill. Honourable members must be made aware of the fact that recent Bureau of Crime and Research recommendations called for greater rehabilitation of sex offenders to bring down rates of repeat offending, not greater or longer gaol terms.

Has an extensive impact study been completed on similar legislation in jurisdictions in other States or overseas? I doubt it. I fear that this is simply a get-tough-on-crime bill to appease certain members of the community prior to the forthcoming elections. I will not go into the details of the bill. The purpose of the bill is clear from the second reading speech. Given the haste in which the bill has been brought into the House, the Legislation Review Committee has not had an opportunity to determine any of the pressing issues in the bill. I can surmise that it would have a long list of concerns to refer to Parliament. Rather than take the time of the House, I seek leave to incorporate into *Hansard* a letter from the Law Society about its concerns with this bill.

Leave granted.

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Dear Dr Moyes,

The Law Society is concerned that the Crimes (Serious Sex offenders) Bill 2006, introduced and passed through the Legislative Assembly yesterday, violates the fundamental principles of the criminal justice system. The Society is opposed to the Bill.

The Bill allows the Attorney General to apply to the Supreme Court to make a continuing detention order, or extended supervision order, for serious sex offenders. Continuing detention orders could be made for up to five years, with no limit on how many orders could be applied to one offender.

Predicting an offender's future conduct is a notoriously difficult task and the High Court has recognised the unreliability of these predictions (Fardon v Attorney General for the State of Queensland (2004) 210 ALR 50 at paras 124-125). In Fardon, Justice Kirby comments that predictions of dangerousness are "... based largely on the opinions of psychiatrists which can only be, at best, an educated or informed 'guess' " (para 125).

Detaining a person beyond the maximum sentence imposed by the sentencing court offends the fundamental principle of proportionality. The Bill also undermines the established principle of finality in sentencing (subject to appeals), and has the practical effect of eliminating the relevance of the sentencing judge's decision altogether. The provisions of the Bill amount to a new punishment beyond that already imposed in accordance with law, in the absence of a new offence or conviction on the basis of an assessment of future offending.

The Bill ignores the need for greater rehabilitation measures to be made available, and is contrary to recent recommendations by the Bureau of Crime Statistics and Research which supported an increase in rehabilitation programs for sex offenders to reduce recidivism.

The Law Society has had limited time to review the Bill, and intends to make further and more detailed comments shortly. Please don't hesitate to contact me in the meantime if you have any questions.

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Ms LEE RHIANNON [5.20 p.m.]: The Greens support custodial sentences for violent sexual criminals. We also support the Government playing an active role in protecting the community from crimes of violence, especially violence of a sexual nature. Further, we support efforts to reduce instances of recidivism by offenders and increase the instances of rehabilitation of offenders. At a fundamental level, we support the founding principles of the criminal justice system. Whilst many right-wing commentators and members will be keen to describe the Greens as being soft on crime, the fact is that we are strong on principle. Unlike the right-wingers of the major parties whose principles evaporate at the sniff of a tabloid headline or a shock jock's invitation, the Greens are solidly in support of the principles of the criminal justice system.

The sharp end of our support for the criminal justice system means that we support people being imprisoned to serve a sentence only when it is imposed by a properly constituted independent court or in limited circumstances prior to trial. To accept the Government's model that is set out in this bill, whereby the courts are given the power to imprison people indefinitely on rolling five-year warrants, is to take a major step towards legally State-sponsored incarceration and turns the criminal justice system on its head. Whilst we agree that people who commit sexual crimes pose a risk of re-offending when they are released from prison, we do not accept that the best way to deal with this issue is to continue their prison sentences forever.

Recidivism rates are high. But burglars are not kept locked up once they have served their sentence because they are likely to commit another break and enter. Bank robbers are not kept locked up forever because they may commit another bank robbery. We should not do that to any prisoner who has served his sentence. New South Wales should lead the world in offender rehabilitation research and programs. That should be the aim of the Government. Instead, rehabilitation programs are an afterthought of the State prison system, which is based on little more than punishment after punishment.

This bill extends the Government's "punish first, forget about rehabilitation" policy. In doing so, it creates a massive friction between notions of justice and accuracy. That is because it is impossible to peer into

the future and assess a person with enough certainty that it would warrant the imprisonment of that person for any future crime. On this point we agree with the Labor Party-appointed High Court Justice Michael Kirby in his judgment in the 2004 case of Fardon, which was an appeal against the use of detention orders in the Queensland judicial system. Under the heading "Unreliable predictions of criminal dangerousness", Justice Kirby said:

> Experts in law, psychology and criminology have long recognised the unreliability of predictions of criminal dangerousness. In a recent comment, Professor Kate Warner remarked:
>
> > [An] obstacle to preventive detention is the difficulty of prediction. Psychiatrists notoriously overpredict.
> >
> > Predictions of dangerousness have been shown to have only a one-third to 50% success rate.
>
> While actuarial predictions have been shown to be better than clinical predictions—an interesting point as psychiatric or clinical predictions are central to continuing detention orders—neither are accurate.
>
> Judges of this Court have referred to such unreliability. Even with the procedures and criteria adopted, the Act ultimately deprives people such as the appellant of personal liberty, a most fundamental human right, on a prediction of dangerousness, based largely on the opinions of psychiatrists which can only be, at best, an educated or informed "guess" in circumstances, and with consequences, that represent a departure from past and present notions of the judicial function in Australia.
>
> [This law] targets people who "will almost inevitably be unpopular with the community and the media who can be expected to take considerable interest in orders of the type sought under the Act".
>
> As framed, the Act is invalid. It sets a very bad example, which, unless stopped in its tracks, will expand to endanger freedoms protected by the Constitution.
>
> In this country, judges do not impose punishment on people for their beliefs, however foolish or undesirable they may be regarded, nor for future crimes that people fear but which those concerned have not committed. In strictly limited circumstances, the judiciary permits "executive interference with the liberty of the individual" where "the purpose of the imprisonment is to achieve some legitimate non-punitive object". Despite some attempts to give the Act that appearance, that is not the true meaning and effect of its terms. The appellant's continued imprisonment is unlawful.

Another Australian Labor Party appointment, High Court Justice McHugh, who in the Kable case identified the fundamental issue that envelops preventative detention warrants, said in his judgment:

> Instead of a trial where the Crown is required to prove beyond reasonable doubt that the accused is guilty of a crime on evidence admitted in accordance with the rules of evidence, the Supreme Court is asked to speculate whether, on the balance of probabilities, it is more likely than not the appellant will commit a serious act of violence. As Professor Williams has pointed out "Predicting dangerousness is, of course, notoriously difficult." Yet on this prediction of dangerousness, a prediction which can at best be but an informed guess by the Supreme Court, the Court is required to commit the appellant to prison."

The Greens agree with these remarks. This bill does the bidding of the Government's law and order auction but runs contrary to criminal justice principles, the upholding of which is one of the key duties of this Parliament. I want to share with members some comments in a letter I received from the Inmate Development Committee in Area 3 at Long Bay prison. Although I received this letter three years ago, I understand that many of the concerns raised in it could still be current. I hope not, but considering that so many aspects of our prison system have deteriorated, I believe these matters should be noted. The letter is written on behalf of the Inmate Development Committee in Area 3, which is where minimum-security sex offenders are congregated within maximum-security walls whilst awaiting mandatory programs. The committee, referring to various issues, states:

> Issues such as the excessive number of lock-ins, which occur whenever staff are required in another area …
>
> Cell searches where we don't know from one day to the next what we can have in our cells (even when items are authorised as education, craft or activities for which cell authorities are displayed), items can still be confiscated in what are exceedingly common events. Or just the basics, such as salt, warm clothing or adequate Television reception, working showers etc. Many of these issues have been taken up at meetings over the past three years with little result.

The committee expresses its concern that members could be subject to reprisal even for writing such a letter. The thrust of the committee's letter is that the searches and other actions are destructive to the prison programs and their rehabilitation. Obviously, there are many aspects to the handling of sex offenders in prison. Although the concerns I raise are tangential to this bill, I believe they are relevant because we need to be working for improved rehabilitation programs for all prisoners. I urge that members reject this bill and direct the Government to put more effort into the rehabilitation of all prisoners, irrespective of the crime they have committed. We need to develop a long-term, humane response to the problem of sexual violence in New South Wales.

Reverend the Hon. FRED NILE [5.30 p.m.]: Reverend the Hon. Dr Gordon Moyes has already outlined some of the Christian Democratic Party's views on the Crimes (Serious Sex Offenders) Bill. This is an important bill that provides for extended supervision and continuing detention of certain serious sex offenders to ensure the safety and protection of the community. The bill also provides for continuing detention orders [CDOs] and extended supervision orders [ESOs]. It is similar to legislation that has been enacted in countries all around the world and in many of the States of the United States. The Supreme Court will have the power to issue a CDO or an ESO. Orders will be made for a period of up to five years, with no limit to the number of orders a court may issue.

Under the legislation, an application may be made up to six months before the sentence expires and the Supreme Court can grant a CDO if it is shown that there is a high degree of probability that the prisoner will commit a serious sexual offence if released and that an ESO is inadequate to protect the community. These ESOs will ensure that the offenders are subject to extended monitoring and supervision, including satellite tracking or electronic monitoring; proximity restrictions for particular places, such as schools and so on; home visits; participation in treatment and/or counselling, and/or therapeutic programs; curfews; and restrictions on changes of name and address. Offenders subject to these orders will be able to access legal safeguards, including access to legal representation and appeal processes. The Supreme Court will be permitted to make an interim order for detention for 28 days to enable an application to be heard. This will allow the court to act in a timely manner when the offender is about to be released and the order is required in the interests of community safety.

In determining whether to make such orders against a sex offender, the Supreme Court must have regard to the following matters in addition to any other matters it considers relevant. These points are important in demonstrating that the orders are not to be based on rash or hasty decisions, but on careful consideration of many factors, such as the safety of the community and the offender's criminal history, including prior convictions and findings of guilt in offences committed in other jurisdictions, and any pattern of offending behaviour disclosed in that history. The court should also consider the results of psychiatric, psychological and medical assessments prepared by qualified practitioners that have been carried out to determine the likelihood of the offender committing a further serious sex offence, the willingness of the offender to participate in any such assessment and the level of the offender's participation in any such assessment.

The Supreme Court must take into account the results of any other relevant research as to the likelihood of persons with histories and characteristics similar to those of the offender committing a further serious sex offence. It must also consider any treatment or rehabilitation programs in which the offender has had an opportunity to participate, the willingness of the offender to participate in any such programs and the level of participation. Finally, the court must take into account the level of the offender's compliance with any obligations under the Child Protection (Offenders Registration) Act or the Child Protection (Offenders Prohibition Orders) Act.

Many countries and many States of the United States have introduced similar legislation. Therefore, this bill is not in any way extreme or unique; it is part of a worldwide pattern to deal with a serious social problem where the victim is usually a child. Governments around the world see this as a matter of high priority and legislation has moved in these new directions. The legislators of South Carolina have this week passed the Sex Offender Accountability and Protection of Minors Act, which provides that twice-convicted child molesters are eligible for the death penalty. The proposal was approved as part of a larger bill that sets minimum sentences and imposes lifetime electronic monitoring for some sex offenders. It allows prosecutors to seek the death penalty for sex offenders who are convicted twice of raping a child younger than 11 years of age. That legislation has some parallels with our legislation but, of course, the New South Wales legislation does not include the death penalty.

The legislators of the State of Ohio are debating nine sex offence bills. They are all designed to increase penalties for offenders, monitor their movements with GPS devices or force them to carry a modern-day "scarlet letter" on their vehicle. They will have a green licence plate to identify them as an offender. The legislation has been unanimously supported by both the Republicans and the Democrats. It is Ohio's version of Jessica's Law, mandating prison terms of 25 years to life for the rape of a child under 13 years of age, and 15 years to life for the attempted rape of a minor.

Another tragedy occurred this week in the United Kingdom. A Latvian man with a string of rape convictions murdered a schoolgirl. Viktors Dembovskis was given three life sentences at the Old Bailey for raping and killing a young schoolgirl. Her parent's grief turned to fury when they realised that this man had come to the United Kingdom six months earlier and was a serial sex offender in his homeland. As often

happens, when he was being sentenced the judge condemned him for displaying not one jot of remorse and told him that he would die behind bars. This man—if one can still call him a man—throttled the young schoolgirl until she fainted so that she could be raped without a fight, and then knifed her three times in the heart to ensure that she would not live to identify him. Thankfully, the police were able to apprehend and successfully prosecute him.

I am emphasising the cases involving repeat sex offenders who particularly target children. Such a person was arrested in Montreal, Canada, on 17 February for molesting a 10-year-old boy and a 10-year-old girl. He appeared in a Quebec court yesterday and was charged with exposing his genitals to the boy over a six-month period and with a further sex offence. The Government is correct in treating this unique and necessary legislation as a priority.

Ms SYLVIA HALE [5.40 p.m.]: I commend the remarks of Reverend the Hon. Dr Gordon Moyes on this subject. I preface my remarks by saying that the Greens are not soft on sex offenders because we realise that women and children are most often the victims of these offences. We also note, as this morning's *Sydney Morning Herald* made clear, the conviction rate for sexual offences is appallingly low. The statistics quoted in the *Sydney Morning Herald* indicated that 90 per cent of reported sex offences do not result in conviction, 17 per cent do not result in court proceedings and 56 per cent of defendants are found not guilty. The problem is such that the specialist task force established to investigate what can be done to raise these disturbingly low rates of conviction for those crimes has recommended that specialist courts be established to deal with rape and other sexual offences. The Greens support that move. However, on one hand, we see publicised in the *Sydney Morning Herald* a proposal that is bound to win the support of many people of small-l liberal persuasion and thinking while, on the other hand, a bill has been introduced into this Parliament that can appeal only to the most reactionary and punitive elements in the community.

I speak on the basis of experience. I knew very well a young man who went to London and he and a young woman went to a party there and made friends with a man. They went to his home, where their drinks were spiked. Once this friend of the family regained consciousness he called the police, but the young woman was so severely affected by the drug that was administered to her that she developed a strong allergic reaction and died within 24 hours. The police knew the identity of the man who had spiked their drinks but they were unable to charge him with murder because it was impossible to prove that the drug had not been taken voluntarily. Although totally exonerated by the British police, the young man whom my family knew well blamed himself for what had happened to his companion, returned to Australia and committed suicide two or three years later. So the Greens, and I in particular, have no brief for the perpetrators of sexual offences.

However, it is in the context of that knowledge that I make the following remarks. It is obvious that the immediate reaction of many people when sex offenders are discussed is one of revulsion and fear, emotions that are underlain by two strongly held convictions: first, a belief that no sentence can be too harsh and, second, a belief that sex offenders are beyond help and highly likely to re-offend. The Government and the Opposition both recognise the political advantage that can be garnered from exploiting such views. Indeed, the Crimes (Serious Sex Offenders) Bill is designed to play upon perceptions of danger and fear to promote a moral panic and then to present the Government as the one organisation capable of dealing resolutely with the problem by imprisoning people indefinitely. In doing so, the Government is, as it has done in the case of terrorism and other matters, abandoning fundamental principles of justice. An email from the Law Society that I and, I am sure, other members received today explains why. It states:

> The Law Society is concerned that the Crimes (Serious Sex Offenders) Bill 2006, introduced and passed through the Legislative Assembly yesterday, violates the fundamental principles of the criminal justice system. The Society is opposed to the Bill.
>
> The Bill allows the Attorney General to apply to the Supreme Court to make a continuing detention order, or extended supervision order, for serious sex offenders. Continuing detention orders could be made for up to five years, with no limit on how many orders could be applied to one offender.
>
> Detaining a person beyond the maximum sentence imposed by the sentencing court offends the fundamental principles of proportionality
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> The Bill also undermines the established principle of finality in sentencing (subject to appeals) and has the practical effect of eliminating the relevance of the sentencing judge's decision altogether. The provisions of the Bill amount to a new punishment beyond that already imposed in accordance with law, in the absence of a new offence or conviction on the basis of an assessment of future offending.

It is an additional punishment for the act that has been committed but it is also a punishment for the possibility that a future offence may occur. I believe the Law Society's concerns are a succinct summary of what is wrong

with the bill. The notion that a sentence should be proportional to the crime is discarded, as is the idea that the length of sentence should be fixed and final, and not subject to a government's desire to toady to the shock jocks of talkback radio. Punishment certainly contains an element of retribution and deterrence, but it is also meant to encourage reformation, and it is this element that has been disposed of in this bill. What incentive is there for anyone to change their behaviour in the face of possible lifelong incarceration?

Many people think that detaining those who are found not guilty on the ground of mental illness or mental incompetence—I think the phrase formerly used was "at Her Majesty's pleasure"—is an easy way out. But those people have in effect been sentenced to life and may stay in gaol far longer than they might have had they pleaded guilty, or been able to plead guilty, to the original offence. At least in that case they would have served a term and then been released. To be detained without any end to one's sentence in sight, which is possible under this bill, is abhorrent. Many people are convinced that sex offenders are beyond help and are likely to re-offend. Here again the Law Society's comments are pertinent. It says:

> The Bill ignores the need for greater rehabilitation measures to be made available, and is contrary to recent recommendations by the Bureau of Crime Statistics and Research which supported an increase in rehabilitation programs for sex offenders to reduce recidivism.

It is interesting to look at what the Department of Corrective Services is doing in relation to programs for sex offenders. An outline entitled "Programs for Sex Offenders" was produced by the Offender Programs Unit of the Department of Corrective Services in November 2005. That document says there are approximately 900 sex offenders in custody in New South Wales correctional centres. Approximately 78 per cent of these have current convictions for sexual offences. The document says the majority of sex offenders in custody are housed at the Metropolitan Special Programs Centre. However, most of the State's correctional centres house some sex offenders. The document goes on to outline the variety of programs that are available to offenders and concludes with an attempt to summarise the effectiveness of the various programs on offer. It says that the key concern of any assessment of sex offenders should focus on the risk of recidivism. The concluding paragraph of the document refers to a recidivism study, and reads:

> Planning for a recidivism study has begun. However, it is too early yet to undertake such a study as graduates from institutional treatment programs have not yet been in community enough years for meaningful follow-up.

Interestingly, before the information and research on recidivism rates and the possibilities for preventing recidivism is available, the Government has jumped into the void and come up with this bill, presumably to pre-empt the outcome of any such studies. The document continues:

> To undertake a recidivism study a large number of offenders would need to have been in the community for at least a five-year period. Findings from controlled outcome studies of cognitive behaviourally based sex offender treatment programs in Canada … indicate that the sex offender treatment reduced the sexual recidivism raid by over 50%, and that treated men remained out of prison at twice the rate of untreated offenders. The Department's sex offender programs are consistent with these treatment programs, which suggests that the theoretical model of treatment adopted by the Department will be effective in significantly reducing sexual recidivism. A recent study provides further evidence that cognitive-behavioural treatment effectively reduces sexual recidivism.
>
> The research is based on the collaborative data base from the ATSA and examines more than 40 studies about treatment and recidivism of sexual offenders … This group of international experts in the sex offender field summarised the existing research on the effectiveness of psychological treatment for sexual offenders. The committee examined 43 studies with a combined sample of 9,454 sexual offenders. On average, sexual offenders who receive treatment were less likely to re-offend than offenders who did not receive treatment. Not all treatments were equally effective. Treatments provided prior to 1980 appeared to have little effect. Current treatments were associated with a significant reduction in both sexual recidivism (from 17% to 10%) and general recidivism (51% to 32%).

It is interesting to look at what is being done in Canada. It seems that far more extensive research is being undertaken in that country than almost anywhere else in the world. One has only to look on Google to find evidence of the extensive research that has been undertaken in that country. Yesterday a visitor from the United States sat in the public gallery of this Chamber. When I spoke to him afterwards he remarked that he could not understand all the references in this country to the Liberal Party, because in the United States to call someone a liberal was about the worst thing one could possibly do to them.

The Hon. David Oldfield: It still is.

Ms SYLVIA HALE: And it still is. When one looks at the Canadian material on penal reform and improvement, one sees that it has all been prepared by the John Howard Society. John Howard was somewhat equivalent to Elizabeth Fry, and did a massive amount of work with the prisons, not only in eighteenth century England but also throughout—

The Hon. Dr Arthur Chesterfield-Evans: He was a progressive person.

Ms SYLVIA HALE: He was an incredibly progressive humanitarian, a socially conscious gentlemen—unlike our Prime Minister.

Reverend the Hon. Dr Gordon Moyes: An active Christian.

Ms SYLVIA HALE: Yes, he was also an active Christian. John Howard's life was, I believe, admirable in all respects. The John Howard Society, in its article entitled "Sex Offender Recidivism", noted:

> … the long-term follow-up study (15-30 years) of child molesters showed that the average recidivism rate for this group of offenders is actually lower than the average recidivism rate for non-sexual offenders (61% versus 83.2% respectively for any new conviction).

The society looked at what triggered recidivism. It found that recidivists were generally considered to have poor social supports, sexual preoccupations, attitudes tolerant of sexual assault, antisocial lifestyles, poor self-management strategies and difficulties, operating with community supervision. The society then analysed the range of legislation that is in existence in Canada, the effect of which is too recent to be adequately analysed. In its article the John Howard Society writes:

> The success of offenders in the community can be improved through appropriate treatment while in custody, intense relapse prevention programs during conditional release supervision, and long-term follow-up and support for sex offenders on an "as needed" basis at no cost to the offender.
>
> The best protection we can offer any community is the prevention of crime in the first place. The John Howard Society believes that the most effective method of preventing sexual offending is to break the cycle of sexual abuse and violence in homes and families. We know that 50% of men in federal prisons were victims of child abuse or witnessed family violence. Our child welfare workers see kids who, with early intervention and treatment of problems, might not go on to become adult sex offenders. The earlier we work intensively with kids and youths who show sexual deviance, the more successful we are at preventing the creation of an adult sex offender. We know what needs to be done. We just need to make it a priority.

I think that summarises it. Rather than introducing this bill—which is basically an attack on fundamental liberties and also on the justice component of the criminal justice system—we should be stressing the critical importance of early intervention. That means we should have amongst our paramount concerns access to stable, secure housing, access to mental health programs, access to education, and an emphasis upon the prevention of domestic abuse. As we all know, domestic abuse is promoted by unemployment and insecurity. The Government should focus on intervening early in the process, rather than after the event.

The Hon. DAVID OLDFIELD [5.58 p.m.]: I note that Ms Sylvia Hale concluded her speech with the suggestion that the Crimes (Serious Sex Offenders) Bill is an attack on fundamental rights. I suggest that the fundamental rights of the victims of the people whose future we are discussing have been attacked. Surely there is no more obvious attack on fundamental rights than violent sexual assault, particularly on young women and children. I refer specifically to paedophiles, those who prey on the most innocent and vulnerable of our young people. Surely they must be the best example of an attack on fundamental rights. Indeed, they are a better example of an attack on fundamental rights than the introduction of this bill. Members would have guessed by now that I support the bill wholeheartedly. In fact, it probably does not go far enough. I note that one of the objects of the bill is to ensure the safety and protection of the community. How could I possibly not support that?

Clearly, I am mostly concerned with ensuring the safety and protection of the community. I refer to facilitating the rehabilitation of serious sex offenders. It is pertinent that I am following the Hon. Sylvia Hale in this debate as she spent much of her time talking about the rehabilitation of sexual offenders, the various treatments involved and other issues. As terrible as it may seem to some honourable members, I suggest that the most successful treatment for violent sexual offenders would be castration, chemical or otherwise—a treatment that might determine a different pastime for these people, and perhaps the use of the word "people" is too kind.

Our current Premier, the Hon. Morris Iemma, has recently referred to people who have committed lesser crimes than these individuals as grubs. It is a new word in the Premier's vocabulary and one of which I completely approve. I believe it is reasonable and appropriate for me to refer to the people concerned in this bill as grubs. In fact, I might be giving grubs a bad name by associating them with that type of person. I do not really want to refer to these characters as persons, people or human beings. There are those in this Chamber who have a great deal of sympathy for the sorts of perpetrators with which this bill deals. I do not have a great deal of sympathy for them; in fact, I have no sympathy for them at all. However, I have sympathy for their victims.

When looking at sentencing, a lot of the time I do not believe their victims are treated well enough. When victims look at sentencing they are not seeing quite enough, given what they have suffered. Not that long ago it was common for a rapist to get only nine months in gaol, and sometimes even less. Prior to the introduction a few years ago, appropriately by this Government, of the Crimes Amendment (Aggravated Sexual Assault in Company) Bill, it was common for rapists to get far less than three years imprisonment, and it was common indeed for them to get as little as nine months in gaol.

The Hon. Peter Breen: You used to get the death penalty.

The Hon. DAVID OLDFIELD: Under some circumstances maybe that would not be a bad thing. It would certainly save taxpayers a lot of money and it would give victims a much better feeling about it. But today we are not debating the death penalty.

The Hon. Peter Breen: Death never made anyone feel good.

The Hon. DAVID OLDFIELD: I acknowledge the interjection of the Hon. Peter Breen, who it seems is fundamentally opposed to any form of punishment. I know the Hon. Peter Breen has difficulty with the concept that there is right and wrong. I get the feeling that the Hon. Peter Breen is one of those people who is of the belief that there is no such thing as right wrong, but merely circumstances. A lot of the victims, if not all the victims, of the types of perpetrators we are discussing today would not take that view. Not too many victims, especially where children are concerned, would forgive or be willing to forgive their attackers because of circumstances.

I am very much a believer in right and wrong and not in circumstances. I am very much a believer in the punishment fitting the crime. I do not think that happens very often. As I said a moment ago, it is not that long ago that the time spent in gaol for these heinous and violent sexual crimes was a matter of just a few months. Recently we have seen more appropriate gaol terms, most specifically related to the awful gang attacks that were perpetrated largely in the western suburbs by a particular kind of people that I will not go into and some of those perpetrators got decades in gaol. In fact, one was imprisoned for about 55 years, which unfortunately was later reduced on appeal.

Those are the sorts of periods that are more reasonable in association with these forms of crime. In many respects some might consider some of these crimes to be even worse than murder. At least in those cases where people are murdered the victims are no longer around to suffer the crime perpetrated against them for the rest of their lives. I acknowledge the significant suffering of the relatives and loved ones of victims who leave this earth as a consequence of a murder, but there are close parallels to murder and the severity of these sorts of crimes, in particular, those crimes perpetrated by paedophiles against our most vulnerable and innocent members of society: our children. I wholeheartedly support the bill and thank the Government for introducing it. As I said, it probably does not go far enough, but anything that goes towards keeping—to use the words Premier's words again—grubs like these in gaol longer has to be a good thing.

The Hon. PETER BREEN [6.05 p.m.]: I take up where the Hon. David Oldfield finished, that is, naming offenders as grubs. He referred to the problem of identifying and stereotyping people as being inhuman and lower than the low.

Reverend the Hon. Fred Nile: Evil.

The Hon. PETER BREEN: He described them as being evil and used various other descriptions like that. Such words are often used when the Government introduces legislation that is addressed to particular offenders, or they are intended to serve the interests of the law and order debate. But, really, identifying offenders in this way is not helpful to the debate. It certainly does not help in the reform or rehabilitation of offenders, or in providing compensation or support for victims. The Hon. David Oldfield also spoke about victims of crime in a way that suggested I have no sympathy for victims of crime.

The Hon. David Oldfield: Just not enough.

The Hon. PETER BREEN: I do not know what the honourable member means by "just not enough".

The Hon. David Oldfield: I will say it again: Just not enough.

The Hon. PETER BREEN: I do not know how much sympathy one needs to have. Today I had lunch with Howard Brown, Chairman of the Victims of Crime League, or VOCAL. I meet with Howard quite regularly. We often discuss the problems that victims have in relation to the justice system. In my contribution to what happens to the administration of justice I make every effort to ensure that the interests of victims are included. I have always supported legislation that provides for victims to make statements in court, for example. I think that the victims of crime have been neglected in the justice system. It is only in the past few years that that problem has been addressed. I, for one, am falsely accused if the Hon. David Oldfield really believes I have no sympathy for the victims of crime.

The Hon. David Oldfield: Would you bring back dock statements?

The Hon. PETER BREEN: No, I do not believe in dock statements. I think people should be accountable for what they say. They ought to be cross-examined if they make statements and allegations in court. To answer the Hon. David Oldfield's question, no, I would not bring back dock statements. It so happens that the matter Howard Brown and I were discussing over lunch, and indeed about which we had been in the Court of Appeal, was the matter of Blessington, which came before this House in May last year when we passed legislation to ensure that Mr Blessington was denied appeal in the justice system.

Reverend the Hon. Fred Nile: We had the impression we were discussing the victims.

The Hon. PETER BREEN: We were discussing the issue of victims. One of the issues that comes up in any appeal where a prisoner seeks to have his or her sentence reviewed is the impact of that appeal on the family of the victim, in this case, the family of Janine Balding. I have met Janine Balding's mother on several occasions. I always have great empathy and, hopefully, compassion and understanding of her position and the grief that is caused to her whenever this matter comes back before the court. On the other side of the coin—

Reverend the Hon. Fred Nile: You keep bringing it back before the court.

The Hon. PETER BREEN: I am not bringing anything back before the court; I am a humble parliamentarian. The issue that keeps coming up is whether the victims of crime ought to be in such a position where they drive the justice system to the extent that the perpetrator who is reformed, who has had the benefit of rehabilitation, who has served his or her sentence, ought to go back into the community. It denies every principle of justice to keep a person in gaol beyond the term of his or her sentence. That is what this bill does. That is a serious development in our justice system and one that needs to be addressed from the point of view of where we go from here. As Ms Lee Rhiannon pointed out, if people stay in gaol after the term of their sentence for sexual offences has expired, why not extend it to armed robbery or to other offences in relation to which there is concern about the impact on victims and what the perpetrator might do when he or she is released from prison?

Reverend the Hon. Fred Nile: They are future victims.

The Hon. PETER BREEN: There was a film about that, *Minority Report*. It was about what happens when people try to pass laws that affect people on the basis of what they might do in the future. It denies every principle of sentencing in the book. It shows what happens when thought crime is introduced into legislation. One cannot contemplate what somebody might do in the future, but that is what this bill does. The bill says, "You are an offender who has committed a particularly heinous crime. It is such a bad crime and you are so unreformed and so in denial about what you have done that if you are released you might do it again." If we allow the legislation to go through in this form—and we have done it in relation to terrorists and now we are doing it in relation to sex offenders—why stop there? Let's move on to armed robbers, and after armed robbers let's find some other category of offender who causes particular damage to the victims and also causes a particular concern to the Government. After all, from the Government's point of view, the benefit in this kind of legislation is that it creates fear and loathing in the community. People say, "Yes, the Government is helping us. It is making us feel better with this tough law. We are much safer, so let's vote for them." That is really what we are talking about.

Reverend the Hon. Dr Gordon Moyes made an enlightened contribution to the debate when he spoke about the difficulties faced by a prisoner who is falsely convicted of a sex offence, who refuses to admit his crimes and is penalised in the justice system because of that refusal. He is seen to be unco-operative and difficult, but in fact all the prisoner is saying is, " I am innocent. I am falsely convicted." There are 9,000 people in prison and any number of commentators will say that in the justice system 1 per cent of the prison population

is innocent. So there are 100 or so people in prison who should not be there. I would reasonably think that most of those would be sex offenders because, after all, an allegation of sexual deviance or sexual illegality is easy to make and very difficult to disprove if one is charged with such an offence. If one is falsely charged it is even more difficult.

Reverend the Hon. Dr Gordon Moyes also spoke about the case of Roseanne Catt. That was a classic case of a sexual offender, her former husband, Barry Catt, who used the justice system and the police department to completely derail her relationship with his family. The allegations she had to defend, and which were eventually disproved, cost her ten years in prison. That kind of injustice is likely to continue if we allow the erosion of the checks and balances in the system to protect innocent people from going to gaol. By doing so we will diminish the value of the justice system and make it easier for those in the community who think it is reasonable for people to be prosecuted without sufficient evidence to convict them. It will also make it easier for people to corrupt the system.

Reverend the Hon. Dr Gordon Moyes also mentioned that prisoners ought not be kept in prison beyond the term of their sentence. He made the important point that there have been no studies on the implications of this legislation, which is a radical departure from the principles of sentencing that underpin the justice system. So a person may be thought likely to commit a crime and on that basis is kept in prison. It is an Orwellian concept. It is described as "thought crime"—"I think this person is likely to commit a crime, I think this person is likely to commit a terrorist act, therefore we will keep that person in prison on the basis of what that person is contemplating." In my opinion, Orwell would be turning in his grave with the passage of this type of legislation that says a person ought to be in prison because of what he or she is thinking. As Ms Lee Rhiannon said, why draw the line with terrorist laws and sexual offences? Why not include other offences?

In his contribution Reverend the Hon. Fred Nile mentioned an offender in the United Kingdom who raped and killed a young girl and told prison authorities that he had no remorse and would commit the same crime given the opportunity. That is a serious problem for both the community and the justice system. I acknowledge that we need protections in place to guard the community against those types of people. If they are completely unremorseful and they appear to be as dangerous as they were when they went into prison, how do you deal with that? By the same token, however, over the years I have met many prisoners who are deeply remorseful for their crimes. That is generally what happens: a prisoner who sits in prison for long enough becomes remorseful, for whatever reason, about what he or she has done. The prisoner has taken advantage of education and rehabilitation opportunities—

The Hon. Tony Kelly: This is unlikely to affect them.

The Hon. PETER BREEN: I acknowledge the Minister's personal goodwill in this matter, but what concerns me is that the legislation gives the department an opportunity to get even with prisoners who have been difficult—and there are prisoners in the system who are difficult. I have been lobbied by a number of prisoners who are in gaol for sex offences and their family members who are concerned that the enactment of this bill will result in the department taking retribution against them on the basis of their behaviour in prison. I wrote to a person yesterday who contacted me about a family member who is in gaol. I said in my response:

> I am now fairly confident that Graham will not be the subject of proposed legislation to keep sex offenders in prison after their sentence has expired.
>
> I spoke with Corrective Services Minister, Tony Kelly, who assured me that Graham has not been mentioned in discussions with Commissioner Woodham.
>
> Also, the proposed legislation has a strict requirement for any case to be argued in the Supreme Court …

I said that I doubted that the prison authorities would be in a position to justify Graham's detention beyond the term of his sentence. The Minister has assured me about that case. There are other cases, though, where the department certainly has in mind people who have been difficult in the prison system and who have demonstrated no remorse for what they have done. Excluding the possibility that such people might be maintaining their innocence, these offenders are a problem. I do not believe the legislation before the House deals with that problem. I do not believe that such a radical departure from sentencing principles by keeping a prisoner in gaol beyond his or her sentence ought to be implemented.

The idea developed in Queensland with legislation about a particular sex offender in a case that was subsequently tested in the High Court. The Fardon decision was handed down in October 2004 and the High Court ruled six to one that the legislation in Queensland was valid provided it did not identify or target a

particular offender. On that basis other States—I think Western Australia and Victoria—have now gone down the track of introducing this type of legislation, which will allow the authorities to keep in prison beyond the term of his or her sentence a person who they determine to be a dangerous offender. To the extent that other States have done it, I suppose it is difficult for New South Wales not to follow, given the law and order agenda. However, I suggest to the House that there ought to be some analysis of the implications of this legislation before we take this radical step of keeping prisoners in gaol beyond the term of their sentences. Ms Sylvia Hale said that there are about 900 sex offenders in New South Wales prisons and I have serious questions about the programs that are in place to deal with them. A number of sex offenders come under the purview of the Serious Offenders Review Council. My understanding is that, unless an offender receives a sentence in excess of seven years, the Serious Offenders Review Council does not have any jurisdiction over them.

The Hon. Tony Kelly: It is 12 years.

The Hon. PETER BREEN: Thank you. That raises even greater concerns. Many of those 900 prisoners will not come under the jurisdiction of the Serious Offenders Review Council. On that basis, one must wonder what programs are in place to deal with them. I suggest that the vast majority of sex offenders have sentences of less than 12 years. The question in my mind is: What programs are in place to make sure that they address their deviant behaviour? The Custody Based Intensive Treatment [CUBIT] Program has been operating fairly successfully. It is run at Long Bay gaol. Although it appears on the face of it to be a good program, the failure rate is extremely high. For example, nine out of 12 prisoners failed the course that concluded at the end of last year. The question is: Is the course too difficult? Are the authorities deliberately making it difficult for prisoners or are the prisoners the problem?

I knew two—or perhaps three—offenders in that program. They appeared to be remorseful and to be doing all they could to rehabilitate themselves. They could not understand why they failed the CUBIT Program. So, although there are programs in place, the authorities hold all the cards. If they so desire they can make it very difficult for sex offenders who are doing the best they can. When offenders embark upon such programs they are subjected to intense psychiatric and psychological analysis and confronting questions are raised about their behaviour. The authorities should act with goodwill and encourage prisoners to do better and reform themselves. I wonder whether this legislation will have that effect. I wonder whether it will allow prisoners to reform themselves. Given the prospect of remaining in gaol if they do not reform, it may have a good deterrent effect. This is radical legislation that is not based on proper study or analysis. On that basis, I oppose the bill.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [6.22 p.m.]: I am distressed at the lack of notice about debate on the Crimes (Serious Sex Offenders) Bill. The bill deals with some important matters that are difficult to address at short notice. I do not know why the Government continually makes us consider important legislation in a rush. The Australian Democrats do not support paedophiles, and we certainly want to protect children from them. The question is: How do we do that? It is not helpful to use labels such as "grubs" and so on. Words such as that dehumanise the people at whom they are directed and thus justify any punishment of them.

If they are not human we can squash them, as we would squash a grub that crawls out of an apple. It is conditioning: those words are used to elicit a certain response. They are used continually in the debate on terrorism, which leads to the trampling of more and more civil rights. We can justify the use of such words only if our legal processes are absolutely meticulous and people who are labelled "terrorists" are terrorists and cannot be reformed. We have passed legislation in Parliament about people who were considered to be inhumane and incapable of reform. Yet upon their release from gaol such people have worked in Parliament House and no-one was any the wiser.

Paedophiles are often not caught. It is frequently difficult to secure a conviction. Certainty is a big problem—we must be sure that the right person is convicted. The Innocence Panel in New South Wales has been degraded, delayed and discarded. A review of DNA evidence has revealed that a number of people executed in American jurisdictions did not commit the crimes for which they were put to death. They convicted the wrong person. We must take care before declaring a person guilty, dehumanising them with words and justifying extreme treatment of them. As I said, many paedophiles are not caught so eternal vigilance is important. The introduction of prolonged punishments for some paedophiles may lull parents into a false sense of security.

When my nephew was younger he attended a Catholic school. My sister was concerned that he was about to start a class whose teacher was rumoured to be a paedophile. She has always had plenty of

commonsense and decided that there was no point in canvassing people about the issue. So she went to the swimming pool where all the kids gathered after school to observe what went on. She noticed that as soon as the teacher in question entered the water every kid immediately moved as far away from him as they could. That was good enough for my sister, who took my nephew out of the school and enrolled him in the local primary school. In September of that year the teacher was accused of paedophilia, on quite good evidence. However, no conviction was recorded and the teacher was transferred to another school 40 kilometres away. That is a disgrace. That example proves that a vigilant parent who observes children's behaviour can determine whether there is a problem. The lack of action on the part of the Catholic school in that case is problematic.

I have visited Long Bay and spoken to men accused and convicted of paedophilia. They took differing approaches to the Custody Based Intensive Treatment [CUBIT] Program, to which the Greens referred. It is a Canadian program. One fellow—he had black nail polish and looked like a paedophile from central casting—told anyone who was willing to listen, "They'll never get me; they've got nothing on me". Interestingly, he did not claim to be innocent. Another inmate, who claimed to be innocent, also refused to do the CUBIT course, even though he was told that he was likely get a remission on his sentence if he did so. He refused because he said that during the course he would have to confess his guilt, which is the first step towards rehabilitation and re-education. As he claimed to be innocent, he would not do the course even though it meant that he would stay in gaol for several more years. Others doing the course said that they had gained new insights and felt that they had a better chance of not re-offending. Of course, that is the desired outcome of the program and undoubtedly that is what they were supposed to say to a prison visitor such as me.

I do not have a lot of experience in this area although I have visited prisons during committee inquiries on the increase in the prisoner population and mental health. I have always tried to take an interest in prisons in New South Wales. A prison governor for whom I have a great deal of time is of the opinion that prisoners fall into two categories. First, there are those who are the victims of varying degrees of social disadvantage. About two-thirds of prisoners fall into this category. In many cases they require education, drug and alcohol treatment, job training, accommodation upon their release and some support with daily life.

He felt that the remaining one-third, regardless of the crime, would not be able to be released because they would have little or no remorse, they would re-offend, and could not be reformed. Forensic psychiatrists and clinical psychologists—I have a number of friends in these professions—consider that if people have a personality disorder, a deep antisocial tendency, a lack of internal control or a lack of remorse, it is very difficult to change their personality. Their personality is formed and the likelihood that they will re-offend is very high. Paedophiles in that category will be caught by this legislation, yet people in the other categories, such as rapists, murderers, armed robbers, and so on, presumably will not be.

The bill will decide arbitrarily that a person with one distinct type of personality will remain in gaol forever, whereas people with similar personality disorders and who are similarly recalcitrant and incapable of rehabilitation will be released into the community when their sentence expires. That is an anomaly. Forensic psychiatrists and clinical psychologists have highlighted the diagnostic difficulties in deciding whether someone will re-offend. In an email the Law Society said to me:

> Predicting an offender's future conduct is a notoriously difficult task and the High Court has recognised the unreliability of these predictions (Fardon v Attorney General for the State of Queensland (2004) 210 ALR 50 at paras 124-125). In Fardon, Justice Kirby comments that predictions of dangerousness are "… based largely on the opinions of psychiatrists which can only be, at best, an educated or informed 'guess'".

That opinion corresponds with my discussions on this subject. The supervision of people through parole is a much-neglected subject. I have been a member of this House for 7½ years and despite the many bills the Parliament has passed that limit the discretion of the courts and mandate conditions for bail, there has been little debate about what happens with parole and the availability of programs. Decisions are made to lock people up rather than consider alternatives to gaol sentences, such as supervision in the community. The object of many programs ought to be deinstitutionalisation.

People who are sick may need varying levels of support. Traditionally, people who were sick either went to bed or to hospital. There was no intermediate stage, such as convalescent hospitals. However, now we have varying levels of support and, with the ageing process, it is necessary to have a staged process between hospital as an institution and the state of perfect wellbeing. As people grow older, get arthritis, dementia or become frail and no longer able to do their shopping, varying degrees of support outside the extreme of an institution are necessary, such as graded community support, similar to the concept in the disability area.

The same should apply to prisons. We should consider programs to supervise and modify the behaviour of people in society rather than simply decide whether to send them to gaol; there should be levels of supervision. Some prison advocacy groups have expressed concern that this may lead to net widening. However, given the highly developed level of technology—some might say too highly developed—such as bracelets with a tight GPS tracking, or community hospitals, which would be immensely cheaper than prison at $60,000 per person per annum, it is time the Government, with its rocketing prison population, considered those sorts of options. I note that the bill includes such an option, but the lack of emphasis is worrying and could be interpreted as net widening. The Law Society is very concerned about the bill and Claire McKendrick wrote to me in the following terms:

> The Law Society is concerned that the Crimes (Serious Sex Offenders) Bill 2006, introduced and passed through the Legislative Assembly yesterday, violates the fundamental principles of the criminal justice system. The Society is opposed to the Bill.
>
> The Bill allows the Attorney General to apply to the Supreme Court to make a continuing detention order, or extended supervision order, for serious sex offenders. Continuing detention orders could be made for up to five years, with no limit on how many orders could be applied to one offender …
>
> Detaining a person beyond the maximum sentence imposed by the sentencing court offends the fundamental principle of proportionality. The Bill also undermines the established principle of finality in sentencing (subject to appeals), and has the practical effect of eliminating the relevance of the sentencing judge's decision altogether. The provisions of the Bill amount to a new punishment beyond that already imposed in accordance with law, in the absence of a new offence or conviction but on the basis of an assessment of future offending.
>
> The Bill ignores the need for greater rehabilitation measures to be made available, and is contrary to recent recommendations by the Bureau of Crime Statistics and Research which supported an increase in rehabilitation programs for sex offenders to reduce recidivism.

Supreme Court judges have said that if a judge makes an order, theoretically it is to be carried out by the Department of Corrective Services, but it is completely ignored. This happened some years ago when judges in murder trials handed down life sentences with the comment "Never to be released." At that time "Never to be released" had no legal standing because the system of remissions applied irrespective of the judge's comment. Even if judges chose an alternative and stated it during sentencing, it made no difference; it was not implemented.

It comes down to a paucity of resources. The Magistrates Early Referral Into Treatment Program, which is used to divert those with drug and alcohol problems, is scratching for resources. I gather it is being transferred to the non-government organisation sector to save money. Often those trying to administer the program have a dearth of referral agencies capable of taking people. However, offenders are given preference over non-offenders, who then lose the support and are more likely to commit crimes because of absence of treatment.

There is insufficient supervision and facilities in the community and we are paying dearly as a result. In passing these laws, I wonder whether we will create more expense because we have not given sufficient thought to such matters. Consideration is never given to programs that will support offenders in the community and for the protection of the community within the community. We merely talk about longer sentences. I do not support the bill.

The Hon. JAN BURNSWOODS [6.40 p.m.]: As several honourable members have suggested, particularly those who made more thoughtful contributions to the debate, how to handle serious sex offenders and sexual assault is a difficult issue for most of us. It is undoubted that sexual assault is a big problem in our community and I do not know that any of us have resolved how to deal with the very large number of assaults and the most appropriate way to deal with offenders. The Hon. Dr Arthur Chesterfield-Evans and other speakers referred also to the difficulty of getting offenders to undertake programs. Gaols do run programs but in many cases part of the syndrome of a certain kind of sexual offender is to deny that he has done anything wrong and that any program will be of any use to him. Women have discussed that issue for many years and it is one that I know we have not yet solved.

When we talk about the serious sex offenders bill, which, by definition, deals with offenders in gaol, we do not talk about the huge unresolved problem of offenders who are not in gaol because their assaults, reported overwhelmingly by women, have never proceeded to a court case, let alone a conviction and a sentence. I draw honourable member's attention to these disturbing figures in today's *Sydney Morning Herald*: 90 per cent of reported sex assaults do not end up in convictions, 17 per cent of reported sex assaults do not end up in court, and 56 per cent of defendants are found not guilty. In other words we have an incredibly high percentage of serious sexual assaults in which there is no conviction.

Fortunately women report assaults much more than they used to but in many cases they do not lead to even a court hearing, let alone a conviction. If we are talking about the dimensions of this problem in our society, those in gaol are the most minute percentage of offenders. I congratulate the Attorney General, Bob Debus, on the task force he set up. I have not yet had a chance to read the report but it has a number of very sensible suggestions.

Nevertheless, I share the concern and sense of frustration expressed by an expert in this field, Sandra Egger from the University of New South Wales, who has been a lawyer for many years. She said the changes we have made have encouraged victims to report sexual assaults much more but the problem we have not yet really addressed is that this reporting has not led to increased conviction rates. I urge honourable members in dealing with this matter to remember that despite the talk of paedophilia that we hear are so much about, overwhelmingly the victims of sexual assaults are women, and not very young girls. We know that often the offenders are members of the family or friends of the family. Our huge problem is that we are not dealing with the crimes against women at all.

The Hon. TONY KELLY (Minister for Justice, Minister for Juvenile Justice, Minister for Emergency Services, Minister for Lands, and Minister for Rural Affairs) [6.44 p.m.], in reply: I thank honourable members for their contributions to the debate on the Crimes (Serious Sex Offenders) Bill and for their support in expediting its introduction. The Government is also pleased that the Opposition and other honourable members have expressed support for the bill. The bill will ensure that high-risk sex offenders are detained or strictly supervised so that the community can be protected and feel assured that all is being done to prevent further horrendous sex crimes being perpetrated. At the same time, the Government's bill provides balance so that the rights of the offender are considered along with the need for the protection of the community.

The public have a right to feel confident that the legal system provides measures that will afford protection from sexual offences and will not allow high-risk offenders, who have not been rehabilitated, back into the community. The Hon. David Clarke asked about the Attorney General. I advise the House that the Attorney General definitely supports the bill. In fact, it is sponsored by both the Attorney General and me. I advise Ms Sylvia Hale that there are opportunities for sex offenders to participate in rehabilitation programs whilst in custody in New South Wales.

The Director of the Sex Offenders Program, Corrections, Canada, Dr Bill Marshall, has been in New South Wales for the past two weeks training New South Wales offender service workers. He is one of the leading world experts on sex offender programs. Offenders who undertake rehabilitation programs in custody are far less likely to be subject to any applications under this bill. If they are, their participation in programs is one of the many factors the Supreme Court must consider when considering applications. The bill is aimed at a very small number of repeat sex offenders who continually refuse treatment.

The Hon. Peter Breen spoke about targeting individuals in custody, and that is why the Attorney General, as the first law officer of the State, rather than the Commissioner of Corrective Services, is bringing the applications. This adds an extra layer of scrutiny before any application is brought before the court. New South Wales will be the fourth State in Australia to have these laws. I commend the bill to the House.

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

The House divided.

Ayes, 19

Mr Catanzariti	Mr Kelly	Ms Sharpe
Mr Clarke	Mr Lynn	Mr Tsang
Mr Colless	Reverend Dr Moyes	Mr West
Mr Donnelly	Reverend Nile	
Ms Fazio	Mr Oldfield	*Tellers,*
Miss Gardiner	Mrs Pavey	Mr Harwin
Ms Griffin	Mr Ryan	Mr Primrose

Noes, 5

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

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time and passed through remaining stages.

THE HONOURABLE JON JENKINS ABSENCE

The Hon. TONY KELLY: The Hon. Jon Jenkins has asked me to advise the House that he is unwell and may be absent for a period of time.

SPECIAL ADJOURNMENT

Motion by the Hon. Tony Kelly agreed to:

That this House at its rising today do adjourn until Tuesday 4 April at 2.30 p.m.

ADJOURNMENT

The Hon. TONY KELLY (Minister for Justice, Minister for Juvenile Justice, Minister for Emergency Services, Minister for Lands, and Minister for Rural Affairs) [6.57 p.m.]: I move:

That this House do now adjourn.

WEST PAPUA HUMAN RIGHTS

Reverend the Hon. Dr GORDON MOYES [6.57 p.m.]: Tonight I draw the attention of honourable members to important issues relating to West Papua: its independence movement, its human rights, the persecution of the indigenous church and the land's native people. The gold and copper mines of West Papua are economically vital to the nation of Indonesia. The American Freeport mine alone is Indonesia's largest taxpayer, and is reported to be worth $US1.2 billion. As a result, independence for West Papua is a volatile political subject among Jakarta's political decision-makers. Regardless of the fresh rhetoric of the nation's President, Susilo Bambang Yudhoyono, it is apparent that his Government is pursuing a policy of divide and conquer in West Papua that is aimed at irreversibly stifling the persecuted independence movement. Regardless of the fresh rhetoric, the persecution is continuing.

Despite establishing the Papuan People's Assembly in October 2005 under the Special Autonomy Law, the Indonesians have since created a new province of West Papua and are calling elections for a governor with far-reaching executive power. These acts show disregard for the legal power of the People's Assembly—the only body that has any ability to ease the heightened tensions. It also makes the task of a democratic, non-violent movement for independence more difficult for native Papuans. All of this is occurring alongside the continual program of relocating boatloads of Indonesians from the highly populated Java to Papua. Sister Susan Connelly of the Mary Mackillop East Timor Institute recently estimated that more than 1,000 Javanese are being moved into West Papua every week.

Information from Christian aid organisations in the region are reporting that in the past six months troop and police numbers have been substantially increased in West Papua to the point that there is now in excess of 40,000 army and police personnel—that is about one for every five inhabitants of West Papua. We as a nation need to draw a line in the sand against the ongoing genocide and Islamisation of West Papua's Christian Melanesian population at the hands of an overzealous military and a program of unsustainable internal migration. On 16 March this year a peaceful protest by university students against the exploitation of their resources by the Freeport mine resulted in a large number of tribal rebels hacking six Indonesian police to death.

In retaliation for the deaths of six Indonesian police, the full force of the Indonesian military descended on the area, destroying property, searching homes and dormitories, detaining scores of people, and murdering a still unknown number of Papuans—the number may be as high as 16. Hundreds are thought to still be hiding in the jungle in fear of more retribution from the Indonesian police. The Australian church has taken a leading role in increasing community awareness and political pressure about West Papua. It has become even more desperate as we see the heightened persecution of our Christian brothers and sisters so close to our home.

A number of Christian groups should be mentioned here, including the Christian World Service of the National Council of Churches, the World Council of Churches, and the many non-government organisations and missions operated by Uniting, Catholic, Anglican and Baptist churches. We also recognise the work of the Evangelical Church of Indonesia, with its more than 2,000 congregations, of which about 1,800 are in West Papua. We want to encourage the leadership of that church as they stand for non-violent and democratic resistance and for condemnation of the tactics of violent rebels and the Indonesian militia, military and police alike.

Members would know of the firm stand that the Christian Democratic Party has taken over the years on the rights of freedom of religious expression, practice and assembly. At the most recent Christian Democratic Party annual convention a motion, led by Mr Eric Jones, was passed on the issue of political and human rights abuses in West Papua. As a party, we called upon the Federal Government to make formal representation to Indonesia to implement true autonomy in West Papua, to increase the level of aid we provide to West Papua, to request that the Indonesian Government reduce the number of Indonesian troops in West Papua, and to bring greater international attention to human rights abuses in West Papua.

The Christian Democratic Party supports the decisions already being made by the Australian Government in dealing with West Papua. We commend the brave decision of Prime Minister Howard and his Government to grant temporary protection visas to 42 Papuans who had fled military persecution and came to Australia. Following recent events we may need to be prepared for the arrival of more such refugees. It is highly regrettable that, as a result of our Government's stance, major newspapers in Jakarta this week have printed lurid cartoons of John Howard and Alexander Downer. It is the prayer of Australian Christians everywhere that a lasting solution will be found to the escalation of violence and fear in West Papua and that principles of democracy and human and religious rights will be protected.

UNITED AIRLINES AUSTRALIA EMPLOYEES

The Hon. PETER PRIMROSE [7.02 p.m.]: On the morning of 15 March this year United Airlines Australia staff were told that an important announcement about their employment would be made at 5.00 p.m. that day. When the last flight was delayed, the meeting was officially postponed until 8.00 p.m.—as it turns out, to avoid industrial action. United Airlines then announced its decision to sack more than 180 workers from its Australian operations—more than half of its total Australian work force. Half of those Australian jobs will now go to Manila. Some are going to Patrick's subsidiary AeroCare, which is a non-union contractor.

Management made the decision to sack those workers on 15 November last year, that is, four months previously, but the company had held off announcing the decision until 15 March this year. Currently, redundancy payments owed to workers are not guaranteed as a consequence of the WorkChoices legislation and its now infamous so-called "operational reasons". United Airlines and Qantas operate a duopoly on the lucrative Pacific route due to Australian Government regulation. But that has not prevented both airlines from slashing Australian jobs. Australian Services Union Assistant National Secretary, Linda White, recently said:

> The Australian public was good enough to give them the right to fly here and they've got no commitment to Australian jobs.

The United Airlines Australia-New Zealand Manager, Stephen Pearse, is trying to hide behind assertions that these mass sackings were not simply cost-cutting measures, and that call centres in the Philippines are able to deliver a better service than workers here in Australia. He stated on the ABC's AM program:

> It's not just about cost, it's also about service quality.

What a slap in the face to the company's loyal work force! This is another example of a company shipping Australian jobs overseas, and using cheaper, non-union labour that undermines pay and conditions for Australian workers. It is equally a disgrace that effective workplace unions such as the Australian Services Union will now find it increasingly difficult to protect Australian workers from treatment such as that by

unscrupulous employers. The Howard Government should cease its ideological attacks on Australian workers and instead focus on helping Australian families and maintaining Australian jobs in Australia.

NORTH NOWRA LINK ROAD

The Hon. DON HARWIN [7.06 p.m.]: Residents of North Nowra have had plenty to think about on the vexed issue of the link road in the past fortnight. For a decade there has been discussion of a link road to take traffic from the Princes Highway to North Nowra before it reaches the congested intersection between the Highway and Illaroo Road. Whilst different routes are under consideration, the one preferred by residents connects Narang Road and Pitt Street. That route is also considered to be the most environmentally friendly and the most cost-effective.

Prior to the 2003 election the Carr Government got this issue badly wrong. In an ultimately unsuccessful attempt to save the seat of South Coast for its Labor MP, Wayne Smith, it connived with environmental groups to lock up the Bomaderry Creek green belt, and it was reserved under the National Parks and Wildlife Act as a regional park. It got its preferences from the Greens but lost the seat anyway, partly because of the anger of North Nowra residents.

That anger has not dissipated—in fact, the traffic problem in Illaroo Road is getting worse. In 1993 the number of vehicle movements along Illaroo Road was estimated at 12,000 per day. Last year that figure had escalated to 18,000 movements. For the efforts they have made over the past eighteen months to once again raise the profile of this problem and to press the Government for a satisfactory solution, I particularly commend the member for South Coast, Shelley Hancock, and Councillor Gareth Ward of Shoalhaven Council.

As a result of the redistribution of State electoral boundaries, North Nowra will be in the seat of Kiama for the 2007 general election, and a whole new dynamic has emerged on this issue. The member for Kiama is also Parliamentary Secretary for the Roads portfolio, and therefore is in a position to make decisions about approving roads projects and securing funds for them. I would have been shocked if Shoalhaven council, which to its credit has consistently supported the link road, had not taken advantage of this opportunity to try to convince the State Government to withdraw its opposition to the project.

Indeed, the mayor outlined some of his activities in a mayoral minute to a full council meeting earlier this week. The mayor has repeatedly stated that community representatives who seek to highlight the urgency of State Government action on this issue, such as the member for South Coast and Councillor Ward, are somehow jeopardising the chance of securing approval and funding for the North Nowra link road. I would have thought it was elementary that increased pressure on the Government will increase the likelihood of a favourable outcome. If approved, and if funding is secured, much of the credit will go to community representatives who have been working for such a long time on this issue, assisted by Shelley Hancock.

The key issue is that the State Government has been desperately trying to defuse issues of concern around the State that may harm their electoral chances. It wants to make local residents think that the issues are moving towards satisfactory outcomes. In truth, the Government is just trying to drag them out beyond election day. I am concerned that Shoalhaven council and its mayor should not be hoodwinked by the Parliamentary Secretary, Mr Brown, into thinking they are making progress on this issue. After all, only two weeks ago the Parliamentary Secretary for the Planning portfolio, Mr Gaudry, wrote to Councillor Ward and advised him that Minister Sartor's Department of Planning remains opposed to the preferred route of the link road.

There is one State budget left before the general election, and Parliamentary Secretary Mr Brown is directly involved in decisions about which road projects will be approved and funded for the 2006-07 financial year. I call on Mr Brown to end the bureaucratic impasse concerning the route of the link road, fast-track approval and ensure that the North Nowra link road is funded in the 2006-07 State budget. According to a mayoral minute, council will have been engaged in discussions for well over a year by the time this year's budget is brought down.

If Mr Brown is worth his salaries as member for Kiama and Parliamentary Secretary for Roads, this should have been enough time for him to get his Government to approve this much-needed project. Furthermore, in his eight months as Premier, Morris Iemma has increased or introduced 14 taxes worth at least $700 million annually, so there should be plenty in the Government's coffers for the funding of this important road project.

SESQUICENTENARY OF RESPONSIBLE GOVERNMENT IN NEW SOUTH WALES

The Hon. AMANDA FAZIO [7.10 p.m.]: I draw the attention of the House to the Sesquicentenary of Responsible Government in New South Wales, which will occur on 22 May. Some members of this House may be unaware that there has been ongoing work by a committee, of which the Hon. Don Harwin is a member, that was established by the former Premier and has been working through the Premier's Department. That committee has been doing some marvellous research work and has also produced some books that will celebrate the sesquicentenary. In addition, the Presiding Officers of this Parliament have established an internal committee to look at how the New South Wales Parliament will celebrate the event.

I would like to give honourable members some advance notice of some of the programs that the committee has been working on. There will be an open weekend at State Parliament on Saturday 20 and Sunday 21 May. All members will be invited to come along and participate in that event, as we anticipate a large number of members of the community will visit and take part in the various programs that have been arranged. An important program that weekend will be a workshop on how to write political histories. Already, through the committee established by the former Premier, a number of histories of political parties have been commissioned and launched.

Tomorrow in the Legislative Assembly Chamber there will be a launch of two books dealing with former Premiers of New South Wales. I think it will be very interesting and I commend the event to all honourable members who are able to attend. Those of us who will be involved in committee duties tomorrow will undoubtedly look upon our friends with great envy. I believe we should step back a little and recognise the importance of the Sesquicentenary of Responsible Government in New South Wales. When we read the news of what is happening internationally and see what has happened in so many other Commonwealth countries we realise the importance of 150 years of unbroken democratic and responsible government. It is something of which we should be proud and something that, while they may take it for granted, the people of New South Wales should also take note of.

There will be a whole range of programs in the lead-up to and shortly after 22 May. In particular we are hoping that special events will be held in Parliament on 22 May. There will also be an official cocktail party at Government House shortly thereafter. Apart from all of these events, there will be something quite exciting for all those who like to look at our political history and how things have developed in this State. The New South Wales Parliamentary web site will be the host web site for a very complex database that has been developed by Antony Green, a well-known electoral researcher, which has to do with all of the results in the electoral history of New South Wales. That will include by-elections and a whole lot of other really important information.

Another project that was commissioned by the sesquicentenary committee set up by the former Premier was the development of a complete set of maps for every electoral redistribution in New South Wales, which will enable us to track the evolution of seats. It shows how different redistributions have taken place and the population trends in different parts of the State. It is one of those things we often take for granted. We have had a very strong history of responsible government in New South Wales but, along the way, we have not worried so much about the mechanics of that. Having access to a database of maps and election results will help all those who want to study how democracy and elections have worked in New South Wales. It will be so much easier for them. Importantly, election results will be linked in with the section on former members on the parliamentary web site and I believe that will be a great resource.

BOWRAVILLE FIRE STATION FIRE TANKER

MACKSVILLE MEMORIAL AQUATIC CENTRE

The Hon. KAYEE GRIFFIN [7.14 p.m.]: During February I had the great pleasure of representing my parliamentary colleagues the honourable Sandra Nori, Minister for Sport and Recreation, and the honourable Tony Kelly, Minister for Emergency Services, at two events in Oxley. On Friday 10 February I attended the official handover of a fire tanker at the Bowraville fire station. Bowraville fire station responds to a wide range of emergencies in the local area. Emergencies range from motor vehicle accidents, grass, bush and car fires, as well as storms and floods. The station looks after the residential and commercial areas of Bowraville and protects the urban-bushland interface. The historic Bowraville museum and the local theatre are also part of the station’s responsibilities.

The new class 2 fire engine, which cost $310,000, is custom made and fitted out with the latest equipment and technology. The vehicle is a dual cab, which allows fire crews to communicate and, most

importantly, discuss strategies on the way to an emergency. It also has a high-pressure pump that supplies approximately 3,000 litres of water a minute and a foam system that will assist in extinguishing chemical, petrol and bush fires. The new state-of-the-art engine is the only one at the station after it replaced an older, less equipped engine that was close to 20 years old. The Bowraville fire station also has a gas detector that has the ability to monitor levels of flammable gases and vapours such as carbon monoxide, hydrogen sulphide and various oxygen levels. This detector uses four functions and sounds an alarm when levels of exposure to chemicals approach a dangerous level.

It is vital that our front-line fire fighting services have the best possible equipment to deal with a range of emergencies. The new engine will help protect the residents and surrounding areas of Bowraville. This new fire engine is part of the largest roll-out of fire engines in New South Wales Fire Brigades' history. Funding for 238 fire engines across the State was allocated between 1999 and 2003, including 168 for fire stations in rural and regional New South Wales. In addition, 145 engines have been progressively funded between 2003 and 2007. The total cost of the fleet upgrade from 1999 to 2007 will be more than $144 million. This initiative shows the State Government's commitment to emergency services in regional and rural New South Wales and I commend the Minister and the New South Wales Fire Brigades for their continuing hard work for our regional communities.

On Wednesday 22 February I attended the official opening of the Macksville Memorial Aquatic Centre in Macksville. The Macksville Memorial Aquatic Centre was a jointly funded project by State, federal and local governments. The New South Wales Government, through the New South Wales Department of Sport and Recreation, approved a grant of $250,000 towards the cost of redeveloping the Macksville and District Memorial Pool. Stage one of the project required the demolition of the old amenities building and the construction of a new amenities building, kiosk, office and entry. This task was completed early in 2002 at a cost of approximately $260,000. The second stage comprised the construction of the hydrotherapy pool, gymnasium, amenities for the disabled and heating of the outdoor pool.

This redevelopment was widely supported by Macksville residents, who contributed to the project by raising just over $65,000 towards the cost of re-development. Nambucca Shire Council provided the balance of the cost of the project. This project demonstrates the determination of the Macksville community and it also shows how the three levels of government can work together to provide positive outcomes for local communities. The facility will cater for a wide range of people. It will provide hydrotherapy, aqua aerobics, learn-to-swim programs, cardiovascular workouts, fitness and weight loss programs and a number of other activities for both the young and old. The facility will be an asset for the people of the Macksville area for many years to come.

The opening celebrations were attended by local schools, businesses, residents, members of Parliament and the local council, and representatives from the local Aboriginal group who performed a traditional dance. An elder from the group officially welcomed the visitors to the area. Following the formal proceedings I had the opportunity to see for myself the great facilities at the centre. The event was attended by many of the locals who contributed and helped bring about this redevelopment and I would like to make special mention of their commitment and hard work in helping to secure this facility for their local community.

I am sure the residents are very proud of this addition to their wonderful town. Many of those who were present at the official opening were second and third generation residents who contributed to the original funding of the pool. There is certainly a generational commitment to working for the community of Macksville and the Nambucca shire.

FEDERAL GOVERNMENT TENTH ANNIVERSARY

The Hon. JENNIFER GARDINER [7.19 p.m.]: Recently I attended a function to mark the tenth anniversary of the election of the Federal Liberal-Nationals Government, which saw the Hon. John Howard elected as Prime Minister and the Hon. Tim Fischer, the leader of The Nationals, elected as Deputy Prime Minister. Politics is a volatile business. These days it is not often that a Government is in office for 10 years and at the end of that decade is even more ensconced in office than it was in its early days.

The Coalition Government has been described by the current leader of The Nationals, Mark Vaile, as a great partnership and, just like Prime Minister Robert Menzies, the current Prime Minister, Mr Howard, is a great believer in the benefit of a Coalition arrangement as the best fit for the non-Labor side of Australian politics. Indeed, at the very large gathering in Sydney Mr Howard said that if there were any Liberals who

believed the party could govern without The Nationals they should forget it. The night before, at a dinner in the Great Hall of the Australian Parliament building, he said:

> We would not have achieved our success without the strong and close trusting coalition between our two parties. The very proposition that we could have tried to govern in any way except in partnership was never something that I contemplated. I try to be a reasonable student of Australian history, and I have to say that I do not believe our two parties could have achieved anywhere near the success we have achieved over the past 10 years other than in Coalition.

Mr Howard paid tribute to the three Deputy Prime Ministers from the Nationals who served in that decade: Mr Mark Vaile, the current Federal Leader of The Nationals, and Mr Tim Fischer and Mr John Anderson, whom he described as:

> … two very different characters, two very different personalities, two wonderful friends, two wonderful Deputy Prime Ministers. Two people who faced in the rural constituencies the particularly and, at times, bewildering challenge of One Nation, so apparently simplistic and absurd yet on occasion striking a chord with many of our fellow Australians who did not have a racist bone in their body. And they responded to that in a quite remarkable fashion. So I say, "Three cheers for the Coalition." I say the Coalition has served us well all through the years and the Coalition must always be the aim and the commitment of both of our parties

Mr Howard is a great student and practitioner of the business of politics, campaigning and governing. He knows from experience that the current Coalition arrangement between the two great non-Labor parties is the way to go. He reflected upon 10 years in office, in his typically reasonable and humble way. He was able to point to the fact that these days there are more self-employed people in Australia than there are trade unionists. He was able to point out that today 30 per cent or more of new businesses are commenced by women. He was able to claim that the family tax benefit system has altered the balance in Australia's tax system so that it is greatly more in favour of families, and that the economic position of families with children has improved dramatically over the past decade.

The Liberal-Nationals have given massive support to the provision of health services at the Federal level. Today there is a better balance between the provision of both public and private assistance to Australians who need health care. The safety net is secure. Mr Howard and Mr Costello, with their colleagues in The Nationals, have driven taxation reform. The Coalition Government gave independent control of monetary policy to the Reserve Bank of Australia, and reformed the labour exchange system and employment services. As the Prime Minister said:

> You are elected to change what needs to be changed. But you are also elected to understand that the Australian people want you to keep listening to them. I have endeavoured to maintain a perpetual conversation with the Australian people and that's where the good politics comes in. Just as we needed all of those reforms to win, we also need a political sensitivity on occasions to win.

Mr Howard reflected on some political discontent in early 2001 and his government's responsiveness to that discontent. That response stands in stark contrast to the Carr and Iemma Labor governments in New South Wales, which have been in office for even longer than the Government led by Mr Howard. The Carr and Iemma governments have been unresponsive and totally obsessed with spin. As the long-serving Labor Premier of Queensland, Mr Peter Beattie, has found in the last year, eventually the spin itself becomes part of the reason a government becomes vulnerable to defeat. The electors get sick of it. They want action, not words. It is one thing to reflect on 10 years in government. It is another to be able to reflect on such a great improvement in the wellbeing of the people being governed.

WHITE BAY BULK CEMENT TERMINAL PROPOSAL

Ms SYLVIA HALE [7.24 p.m.]: On Sunday I will address a public meeting of residents of Balmain and Leichhardt concerning the proposed White Bay bulk cement terminal. There has been some interesting correspondence in relation to the proposal. One was a letter from Councillor Alice Murphy, former Mayor of Leichhardt, on behalf of the Deputy Lord Mayor of the City of Sydney and the Leichhardt Australian Labor Party caucus, to Minister Sartor. It says:

> Dear Minister Sartor,
>
> Re: Urgent meeting with ALP Councillors and Key Balmain ALP branch members regarding the proposed White Bay bulk terminal.
>
> On behalf of the Deputy Lord Mayor of the City of Sydney, Cr Verity Firth, and the ALP Caucus on Leichhardt Council, I would like to request a meeting with you to discuss the proposal for a Bulk Terminal at White Bay. As you are aware, the proposal has been deemed of State Significance and therefore you are the main consent authority on the matter. The White Bay terminal will have serious impacts on the Balmain/Rozelle area, a key part of the new seat of Balmain (replacing Port Jackson). Our caucus is

seriously concerned that an overdevelopment or inappropriate development on the site will have serious impacts for the ALP in the area.

The area surrounding the development is high density and therefore hundreds, potentially thousands, of residents would feel the impact. The most serious impact will be due to the following:

The proposal will result in high noise levels; there will be no respite from this noise as it is proposed to have 24 hour operation, every day of the year.

The proposed storage dome will be 30 metres high, and 48 metres across. This will seriously obstruct Harbour views for residents who purchased these properties on the understanding of the Sydney Ports strategic plan that highlighted that any proposed buildings on the White Bay side of the Harbour would be restricted to twelve metres in height.

The area surrounding the proposal is seriously lacking in infrastructure (access to public transport, quality roads, links to Victoria Road and adequate parking). The proposal will exacerbate these problems by bringing extra traffic to the area that cannot be accommodated.

The proposal will have serious impacts on conservation of the White Bay Power Station as the noise and visual impact of the Development will seriously undermine any legitimate development of the site. The power Station is a heritage building and sensitive redevelopment of the site could employ many people in cultural and knowledge-based industries. It is the next site out from the highly successful Pyrmont. The current proposal for the terminal will employ a mere 20 people when fully operational.

And so it goes on. The significant thing is that the meeting is on behalf of the ALP caucus and Councillor Murphy, but not Sandra Nori, the local member.

[*Time for debate expired.*]

Motion agreed to.

The House adjourned at 7.27 p.m. until Tuesday 4 April 2006 at 2.30 p.m.