

LEGISLATIVE COUNCIL

Tuesday 21 February 2012

The President (The Hon. Donald Thomas Harwin) took the chair at 2.30 p.m.

The President read the Prayers.

The PRESIDENT: I acknowledge the Gadigal clan of the Eora nation and its elders and thank them for their custodianship of this land.

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

The PRESIDENT: I report the receipt of the following message from Her Excellency the Governor:

Office of the Governor
Sydney 2000

Marie Bashir
GOVERNOR

Professor Marie Bashir, Governor of New South Wales, has the honour to inform the Legislative Council that she re-assumed the administration of the Government of the State at 10.00 a.m. on 19 February 2012.

19 February 2012

ASSENT TO BILLS

Assent to the following bill reported:

Election Funding, Expenditure and Disclosures Amendment Bill 2011

TEAL RIBBON DAY

Motion by the Hon. NIALL BLAIR agreed to:

1. That this House notes that:
 - (a) Teal Ribbon Day falls on 29 February 2012, the last Wednesday of Ovarian Cancer Awareness Month, and
 - (b) Ovarian Cancer Awareness Month is designed to raise community awareness that:
 - (i) every 11 hours an Australian woman dies from ovarian cancer,
 - (ii) there is no current detection test for ovarian cancer, as the pap test does not detect this type of cancer,
 - (iii) if ovarian cancer is detected in the early stages, the majority of women will make a full recovery, however 70 per cent of ovarian cancer is diagnosed in the late stages when it is difficult to treat successfully,
 - (iv) one in 77 Australian women will develop ovarian cancer and it is the sixth most common cause of cancer death in Australian women.
2. That this House congratulates the organisers of Ovarian Cancer Awareness Month and Teal Ribbon Day 2012 and wishes them well in their fundraising and awareness efforts for this very worthy cause.

BUSINESS OF THE HOUSE

Formal Business Notices of Motions

Private Members' Business item No. 469 outside the Order of Precedence objected to as being taken as formal business.

PENRITH CITY COUNCIL AUSTRALIA DAY AWARDS**Motion by the Hon. HELEN WESTWOOD agreed to:**

That this House:

- (a) commends Penrith Council for its annual Australia Day Awards that pay tribute to local champions,
- (b) congratulates Mr Robert Walsh as Penrith's citizen of the year,
- (c) notes that Mr Walsh petitioned the Police Commissioner's Office to form the Police Post Trauma Support Group [PPTSG] and it is because of his determination that the group was formed shortly after in 2006,
- (d) acknowledges the fine work that Police Post Trauma Support Group does in the community by helping serving and former police officers and emergency service workers by providing support to those suffering from post traumatic stress disorder, anxiety and depression, and
- (e) applauds volunteers such as Robert Walsh who has performed in the role of Treasurer and helped to establish branches of the Police Post Trauma Support Group throughout New South Wales. Bob also assists with fundraising efforts for the group and personally responds to requests from workers suffering and experiencing isolation.

TRIBUTE TO JOSEPH KHATTAR, AM**Motion by the Hon. JOHN AJAKA agreed to:**

1. That this House congratulates Mr Joseph [Joe] Khattar, AM, on being awarded membership of the Order of Australia, for service to business and to the Lebanese community in Australia through a range of executive roles, and as a supporter of social welfare and church organisation.
2. That this House notes some of the many achievements and community involvement of Mr Joseph Khattar, including:
 - (a) president of the Australian Lebanese Chamber of Commerce since 2003,
 - (b) board member of the Australian Lebanese Foundation, University of Sydney since 2002,
 - (c) founder and chief executive officer of Dylam Developments Pty Ltd since 1969, which specialises in the development of medium density housing in New South Wales,
 - (d) director of Westmead Medical Research Foundation, Westmead Hospital,
 - (e) vice president of the George Naim Khattar Foundation, established in 2011 in honour of Mr Khattar's late brother George, and
 - (f) supporter of the Ronald McDonald House Charities, the Lady of Lebanon Church, the St Charbel's Church and College and the Strathfield Archdiocese.

IRREGULAR PETITION

Leave granted for the suspension of standing orders to allow the Hon. Robert Borsak to present an irregular petition.

Local Government Action Plan

Petition stating that the proposed local government action plan, Destination 2036, will have major impacts on local government employees and requesting that the Implementation Steering Committee include United Services Union representation and that the Government address rate pegging, funding and cost shifting as priority issues, received from the **Hon. Robert Borsak**.

PETITIONS**Religious Education and Ethics Courses**

Petition opposing the philosophical ethics course currently on offer in public schools and requesting that the House support the Education Amendment (Ethics Classes Repeal) Bill 2011 and the cancellation of the ethics course, received from the **Hon. Jennifer Gardiner**.

LEGISLATION REVIEW COMMITTEE**Report**

The Hon. Dr Peter Phelps tabled a report entitled "Legislation Review Digest 10/55", dated 21 February 2012.

Ordered to be printed on motion by the Hon. Dr Peter Phelps.

MARINE POLLUTION BILL 2011**Second Reading**

Debate resumed from 14 February 2012.

The Hon. SOPHIE COTSIS [2.50 p.m.]: In speaking to the Marine Pollution Bill 2011 I represent the shadow Minister for Roads and Ports, Robert Furolo. The Opposition will not oppose this bill. However, I foreshadow that my colleague the Hon. Luke Foley, the shadow Minister for the Environment and Climate Change, will move an amendment. The stated aim of the Marine Pollution Bill is to protect the marine and coastal environment of our State from oil and other pollutants discharged from ships. The bill will repeal the Marine Pollution Act 1987 and will implement additional provisions of the International Convention for the Prevention of Pollution from Ships 1973, known as MARPOL.

Given that the current Act was introduced by a former Labor Government, it should be clear that we have and always will support legislation that protects the quality of our precious waterways. The importance of our State's waterways to the people of New South Wales cannot be overestimated. It is where the vast majority of our population choose to live and is the source of recreation and employment, trade and cultural activities for so many people. Our marine environment is central to our way of life—it feeds us and sustains us and it is where we work and play. As I have stated, it has been Labor governments that have had the insight and the foresight to provide legislative protection for our waters.

In 2002 the Labor Government made significant amendments to the 1987 Act in response to the discharge of crude oil by the *Laura D'Amato*, which occurred in Sydney Harbour in 1999. The changes made in 2002 significantly increased the penalties that were available at that time. The maximum penalty for corporations increased from \$1.1 million to \$10 million and the maximum for individuals increased from \$220,000 to \$500,000. Other changes made in 2002 included a requirement for ships to be properly maintained and that vessels entering New South Wales must have evidence of insurance to cover the damage caused by oil spills.

The Marine Pollution Act is the main mechanism by which the International Convention for the Prevention of Pollution from Ships—MARPOL—is given effect in New South Wales waters. MARPOL is one of the most important international conventions. Its purpose is to minimise pollution of the seas. As at 2010, 150 countries were signatories to the convention, covering well over 90 per cent of the world's shipping by tonnage. Since MARPOL came into force and since the enactment of the Marine Pollution Act 1987, MARPOL has been significantly amended and annexes to prevent pollution by harmful substances in packaged form and sewerage and garbage have been added.

The bill seeks to replace the Marine Pollution Act 1987 and gives effect to changes made to MARPOL since its enactment. The bill preserves important aspects of the 1987 Act, including provisions for the recovery of costs and damages as a result of pollution. Unfortunately, there have been a few recent incidents which remind us of the need to be vigilant when it comes to the protection of our coastal waters. In 2009 the *Pacific Adventurer* lost 31 containers of ammonium nitrate while en route to Brisbane from Newcastle. In 2010 the *Shen Heng* ran aground in the region of the Great Barrier Reef, resulting in about four tonnes of fuel oil being spilt. As a consequence, the Commonwealth Government has implemented a number of measures to improve safe navigation, such as updating the penalty and offence provisions in Commonwealth legislation.

The bill seems to be generally in line with the Maritime Legislation Bill, which was passed by the Australian Parliament last year. Again, these important reforms to marine protection have been initiated by a Labor Government. However, there are a number of discrepancies in the Maritime Pollution Bill where the penalties seem to be significantly less than those provided in the Commonwealth legislation. For example, the

bill proposes a penalty of up to \$10 million for the discharge of oil while the Commonwealth penalty is now \$11 million. The greatest gap is in relation to the penalty for individuals. In the Commonwealth legislation, individuals face a penalty up to \$2.2 million for the discharge of oil. The bill proposes a penalty of up to \$500,000.

We are also concerned about how the provisions relating to penalties against crew members will be implemented. There is no doubt that those responsible for the pollution of our waters should be penalised if they have not conducted their activities with due care and responsibility. As an owner or operator of a ship, or as the master of a ship, they are clearly responsible for the operation of the ship. But an employee—a crew member—should not bear the burden of responsibility for the ship owner. We do not want to see a situation where the master of the ship or the owner and operator of a ship evade their responsibility by shifting the blame to a crew member, someone who is only doing what they are told and who does not have the means to mount a defence.

However, advice provided by the office of the Minister for Roads and Ports—I thank it for that—has indicated that the intention of these provisions is not to detract from the responsibility of the owner, the operator or the master of a ship. Instead, the ability to penalise crew members and individuals for pollution offences is to ensure all people responsible for a pollution occurrence, in addition to the owner, the operator and the master of the ship, are held to account. Members will be all too aware of the grounding of the *Rena* in October last year in the Bay of Plenty in New Zealand. Nearly four months on, the salvage and clean-up operation is continuing. If the Marine Pollution Bill helps the owners, operators and masters of ships to be more diligent about their operations and helps to prevent such damage to our marine environment, then Labor will support the bill.

The Hon. JOHN AJAKA (Parliamentary Secretary) [2.57 p.m.]: I support the Marine Pollution Bill 2011. One of the key purposes of this bill is to replace the Marine Pollution Act 1987 and incorporate into New South Wales legislation a number of provisions from the International Convention for the Prevention of Pollution from Ships, commonly referred to as the MARPOL convention. The MARPOL convention is the main international instrument addressing marine pollution and is administered by the International Maritime Organization [IMO]. Over 130 nations are signatories to this convention, which sets out internationally agreed requirements and standards for addressing various types of marine pollution from ships.

The New South Wales Marine Pollution Act 1987 already incorporates MARPOL annexes I and II, which relate to ship-sourced pollution from oil and noxious liquid substances respectively. Since the current Marine Pollution Act was introduced there have been several revisions to both of these annexes, including substantive revisions by the International Maritime Organization that were made in 2004 and ratified internationally in 2007. The bill will incorporate these revisions by reference into New South Wales legislation. The bill also will incorporate by reference into New South Wales legislation annexes III, IV and V, which relate to pollution by ships in the form of harmful substances in packaged form, sewage and garbage respectively. These annexes were adopted internationally between 1988 and 2002 and in Australia between 1990 and 2004.

I now will discuss each of these annexes in detail. The revision of annex I relates to additional technical requirements for oil tankers, ships that carry 200 cubic metres or more of bulk oil and ships of 400 gross tonnage and above. For example, the revised annex incorporates the phasing out of single-hulled oil tankers. The revised annex I is also more user-friendly. For example, the annex separates the construction and equipment provisions from the operational requirements and clearly distinguishes between the requirements for new ships and existing ships. Annex II applies to all ships certified to carry noxious liquid substances in bulk, such as fertilisers, vegetable oils, paints and chemical residues.

The revised annex II introduces a new four-category system for noxious liquid substances and introduces more stringent standards for permitted discharge levels of certain noxious liquids. The revised annex II also complies with the International Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk, which is mandatory for chemical tankers built after 1986. This code contains construction and equipment requirements for ships carrying certain chemicals. Because of improvements in ship technology, it is now possible for ships to comply with more stringent requirements, such as significantly lower discharge limits for the residue of certain substances. This is now reflected in the revised annex II.

Annex III deals with requirements and standards in relation to the carriage by sea of harmful substances in packed form. Annex III applies to all ships carrying harmful substances in packed form or in freight containers, portable tanks or road and rail tank wagons. Harmful substances are defined in the International Maritime Dangerous Goods Code and include explosives, flammables, radioactive, and corrosive substances. The annex contains requirements relating to packing, marking, labelling and documentation for the detection or

prevention of pollution by harmful substances. For example, the annex specifies a number of marking and labelling requirements so that packed harmful substances can be easily identified for up to three months at sea if they are washed overboard. The annex also requires that harmful substances must be adequately packaged to minimise the hazard to the marine environment should the packages be washed overboard.

MARPOL annex IV seeks to reduce the health and environmental impacts associated with sewage pollution from ships. Sewage from ships can have a variety of harmful health and environmental impacts. For example, the discharge of sewage can cause algal blooms and reduced oxygen levels, which can impact on marine life. In addition, untreated sewage contains high levels of disease-carrying microorganisms, such as faecal coliforms which can cause gastroenteritis. Annex IV defines and sets standards for sewage management systems on ships and in ports. The annex also details how the sewage should be treated or held on board a ship and the circumstances in which discharge into the sea may be allowed. Annex IV entered into force internationally on 27 September 2003 and in Australia on 27 May 2004. It applies to ships greater than 400 gross tonnes on international voyages, as well as ships of less than 400 gross tonnes but which are certified to carry more than 15 persons on international voyages.

Annex IV prohibits the discharge of sewage from ships within three nautical miles of the nearest land unless two conditions are met. Firstly, the discharge must be carried out through a sewage treatment plant that is certified to meet certain standards and, secondly, the discharge must not produce visible solids or discolouration of surrounding waters. In order to meet these treated sewage standards, there are strict requirements on ships to have equipment on board to control sewage discharge and meet minimum survey and certification standards. Sewage remaining in holding tanks onboard ships may be discharged at waste reception facilities, which Annex IV requires ports to provide. New South Wales ports already have or can provide sewage reception facilities in accordance with annex IV requirements.

In addition to these MARPOL annex IV provisions, the Marine Pollution Bill will introduce additional local requirements to minimise the impact of sewage from ships in New South Wales. Both MARPOL annex IV and the Commonwealth legislation provide for large ships to discharge sewage that is treated to a standard specified under annex IV. While this defence is incorporated into the bill, it has been limited so that it does not apply in zones prescribed by the regulations. This would enable the regulations to restrict the discharge of treated sewage in certain areas if an unacceptable risk to the environment and/or human safety is identified. Any future decision to regulate no discharge zones would require the preparation of a better regulation statement and industry consultation.

It is foreseeable that a ship's sewage treatment systems may suffer breakdowns that could result in sewage discharges that are inadequately treated. To ensure that appropriate action can be taken to protect human health and the environment from the impacts of untreated or inadequately treated sewage, the bill will require that such events be reported to the Minister. This would enable appropriate action to be taken to prevent or minimise any possible harmful effects associated with the discharge of sewage from ships. These additional requirements have been discussed with industry and no major concerns were raised. These requirements also are not expected to place any significant financial or regulatory burden on industry.

Turning now to the provisions in the bill relating to MARPOL annex V, the environmental impacts of garbage on marine life can be just as devastating as the impacts associated with oil or chemical spills. Ocean litter is a growing environmental problem worldwide. It is estimated that seven billion tonnes of debris enter the world's oceans annually, most of it long-lasting plastic. The environmental consequences of this form of pollution are significant. For example, marine fauna and birds can mistake garbage as food or become entangled in ropes, nets and plastic bags contained in garbage. Plastic products pose the greatest risk to marine life because they can float in the ocean for many years. It is estimated that more than 100,000 birds, whales, seals and turtles worldwide are killed by plastic rubbish alone every year.

Under MARPOL annex V, garbage includes all kinds of food, domestic and operational waste—excluding fresh fish—generated during the normal operation of a vessel. Annex V prohibits the disposal of all plastics anywhere into the sea. It also requires all ships of 400 gross tonnes and above and every ship certified to carry 15 persons or more to keep a garbage record book and have a garbage management plan in place. Garbage record books are used to record the details of all garbage disposal and incineration operations. Details that must be logged and signed include the date, time, position of ship, description of the garbage and the estimated amount incinerated or discharged. Garbage record books make it easier to check that vessels are meeting their garbage requirements and make sure that ship personnel keep track of the garbage generated and how it is disposed of.

Garbage management plans provide written procedures for collecting, storing, processing and disposing of garbage and for the use of garbage disposal and incineration equipment on board vessels. Annex V also requires every ship of 12 metres or more in length to display placards notifying passengers and crew of the garbage disposal requirements onboard the vessel. Under annex V, signatory governments are required to ensure the provision of facilities at ports and terminals for the reception of garbage. These facilities are required to ensure ship operators are able to meet their obligations under this convention. Such facilities are already available or can be provided at each New South Wales port.

To streamline the legislation, each of the annexes will be called up by referring to electronic copies on the Australian Maritime Safety Authority website instead of including them as schedules in the Act. Currently annexes I and II comprise 212 pages of the 1987 Act, and this has been removed from the bill. Incorporating by reference the revised annexes I and II and the additional annexes III, IV and V into the Marine Pollution Act will ensure that New South Wales legislation is consistent with national and international standards for addressing these types of pollution from ships. It will provide New South Wales with the ability to enforce and prosecute the various types of pollution from harmful substances in packaged form, sewage and garbage from ships in New South Wales coastal and port waters. I commend this bill to the House.

The Hon. PAUL GREEN [3.10 p.m.]: On behalf of the Christian Democratic Party I speak to the Marine Pollution Bill 2011, the object of which is to protect the State's marine and coastal environment from pollution by oil and other marine pollutants discharged from ships. The bill proposes to repeal and re-enact the New South Wales Marine Pollution Act 1987, which currently prohibits discharges of oil and noxious liquid substances. The bill also is designed to implement additional provisions of the International Convention for the Prevention of Pollution from Ships 1973, commonly known as MARPOL, so as to also prohibit discharges of harmful substances in packaged form and discharges of sewage and garbage.

MARPOL is an important international marine environmental convention designed to minimise pollution of the seas, including dumping, oil and exhaust pollution. As of 31 December 2005, 136 countries, representing 98 per cent of the world's shipping tonnage, are parties to the convention. Each signatory nation is responsible for enacting domestic laws to implement the convention and effectively pledges to comply with the convention, annexes and related laws of other nations. This bill incorporates recent revisions by the International Maritime Organisation to MARPOL. These annexes include prevention of pollution by oil and prevention of pollution by noxious liquid substances in bulk. This bill also will incorporate three additional annexes on harmful substances carried to the sea in packaged form; pollution by sewage and pollution by garbage.

Under the current Act, liability sits with the masters of ships, owners of ships and crew members. This bill will extend the liability to any person responsible for the discharge of a noxious substance, garbage or sewage. This bill also will introduce emergency planning by ship owners and masters in response to pollution incidents. These emergency plans will contain: the procedures to be undertaken in reporting an incident; a list of relevant authorities or persons that are to be notified; a detailed description of the action to be taken immediately after a reportable incident to control any discharge; the procedures for coordinating with the authorities or persons notified; any action to combat the pollution; and any other requirements set out in the regulation.

I am sure members recall the 1999 *Laura D'Amato* oil spill in Sydney Harbour when approximately 250 to 300 tonnes of crude oil were pumped into Sydney Harbour through an open sea valve system. Rapid reaction by the Sydney Ports Corporation duty operational crew and the Shell Gore Bay terminal staff had the vessel surrounded by a boom by 7.10 p.m., thereby minimising the spread of oil. Of the 250 to 300 tonnes spilt, an estimated 120 to 150 tonnes of oil were lost through evaporation and of the remaining oil 90 per cent was recovered. The clean-up of the spill involved more than 300 people, representing a wide range of New South Wales agencies, including the Department of Transport, Sydney Ports Corporation, the Waterways Authority, Newcastle Port Corporation, Port Kembla Port Corporation, the oil industry, the Australian Maritime Safety Authority, the Maritime Safety Agency of New Zealand, Queensland Transport, Port of Brisbane Corporation, Skilled Maritime Victoria and the Marine Board of Victoria. On 16 March 2000, Justice Talbot in the Land and Environment Court fined the Italian shipping company Fratelli D'Amato \$510,000. The chief officer was also fined \$110,000.

If such an event were to occur in Jervis Bay—one of our clean, green, pristine environments—not only would it be absolutely devastating and unacceptable but also its damage to tourism, given that is the major reason people visit the South Coast, would have a ripple effect for years to come. That would apply to any waterway across New South Wales and Australia. This bill will provide New South Wales with greater ability to

enforce and prosecute pollution caused by harmful substances in packaged form and sewage and garbage from ships and will ensure it is cleaned up according to strict emergency plans. The Christian Democratic Party commends the bill to the House.

The Hon. CATE FAEHRMANN [3.15 p.m.]: On behalf of The Greens I welcome the Marine Pollution Bill 2011 and support its overall content. We recognise that the bill is implementing our international obligations under the International Convention for the Prevention of Pollution from Ships, known as MARPOL, and that this bill will implement the newer and revised annexes to MARPOL that were not incorporated in the Marine Pollution Act 1987 relating to harmful substances in packaged form, sewage, garbage, oil and noxious liquid substances. We also commend the bill for going further than MARPOL to enable no discharge zones for treated sewage in areas that would present an unacceptable risk to human health and/or the environment. We trust the Government will work promptly to identify areas to receive this protection.

The provisions to enable the Minister to give verbal directions to prevent the discharge of pollution are sensible. We agree that the grounding of the *Pasha Bulker* in 2007 highlighted the need for this. We support the increase in the Local Court jurisdiction limit to \$55,000 for offences under this Act, as the current limit in the Local Court of \$11,000 is not a barrier to bringing prosecutions at that level. I would urge that the penalties sought for marine pollution incidents not be too conservative so that they do act as a sufficient deterrent to reckless behaviour. We strongly welcome the prohibition on the disposal of plastics anywhere into the sea, as is consistent with MARPOL. Plastic is the most prevalent type of debris found on beaches worldwide, comprising between 50 to 90 per cent of all debris recorded by number. Plastics pose a particular threat due to their durability. In Australia plastic waste, including derelict fishing gear, nets, lines and ropes, is one of the most harmful types of debris to marine life. Entanglement in or ingestion of anthropogenic debris in marine and estuarine environments was listed in 2004 in schedule 3 to the Threatened Species Conservation Act 1996 as a key threatening process.

Injury and fatality to vertebrate marine life caused by ingestion of or entanglement in harmful marine debris is also listed as a key threatening process under the Commonwealth Environment Protection and Biodiversity Conservation Act. Marine debris, as it is commonly referred to, mostly consists of fishing gear, packaging materials, convenience items and raw plastics. Marine debris is known to entangle and be ingested by marine wildlife. In New South Wales cases of entanglement with and ingestion of marine debris have been recorded in the following threatened species and populations: loggerhead turtle, wandering albatross, southern giant petrel, green turtle, leathery turtle, Gibson's albatross, black browed albatross, Australian fur seal, New Zealand fur seal, humpback whale, sperm whale and the little penguin population in the Manly Point area.

The Commonwealth Government has enacted a Threat Abatement Plan for the impacts of marine debris on marine life under the Environment Protection and Biodiversity Conservation Act. It is a national plan that requires State cooperation for its success. The Threat Abatement Plan for marine debris under the Environment Protection and Biodiversity Conservation Act states that marine debris originates from, among other things, derelict fishing gear from recreational and commercial fishing activities. The Threat Abatement Plan calls on Australian government agencies, in collaboration with State and Territory governments to identify appropriate responses and responsibilities for recovery of hazardous debris at sea, notably large derelict fishing nets.

In the background paper the gruesome impacts of marine debris are explained. The Food and Agriculture Organisation [FAO] calls the havoc caused to marine wildlife from discarded fishing nets "ghost fishing" and has international guidelines for countries to address the issue. A story on the ABC last week reminded us of the scale of the problem of ghost nets, or ghost fishing. It took six months, two ranger groups and a helicopter to retrieve an 11 tonne ghost net from coastal waters recently near Wadeye in the Northern Territory. By the time the net was towed in, it was about the size of two or three shipping containers and stank of all the rotting marine life it had been ghost fishing since it was lost from a fishing vessel. This included hammerhead sharks and other sharks, blacktip reef sharks, lots of different fish, golden snapper, catfish and possibly even turtles. In that part of Australia it was probably a foreign vessel that was to blame.

Given it is such a serious environmental problem—with international, national and State obligations in place to address it—I am concerned by the broad exemption for accidental loss of fishing gear in section 65 of the Act. I recognise that this exemption is in line with MARPOL. I also recognise that there is an economic cost to fishers, which usually means they do not want to lose their nets. However, the loss of fishing gear is extremely serious and sometimes deliberate. The background paper to the national Threat Abatement Plan for marine debris states that factors contributing to deliberate fishing gear disposal include limitations of solid waste

disposal at ports, a poor understanding of and compliance with waste disposal regulations and control, and economic pressures that promote gear conflicts, greater risk-taking with the expansion of fishing grounds and shifts to more durable gear. There must be a strong onus on commercial fishing operators to prevent the loss of gear and they must have strategies in place to enable its retrieval. A broad exemption suggests that the loss of nets is of no consequence, but it can be of great consequence to marine wildlife.

I apologise for the late lodgement of The Greens amendment, which proposes to require fishing operators to make reasonable efforts to retrieve gear so that it does not become a fatal hazard to wildlife and to report the loss of gear. While nets must be registered, there is no requirement in this legislation or in fisheries legislation to retrieve or to report lost nets. The Greens will introduce further amendments proposing new clauses that will allow open standing to bring prosecutions similar to those in section 252 of the Protection of the Environment Operations Act and section 123 of the Environmental Planning and Assessment Act. Those amendments will increase the enforceability of the legislation and therefore its effectiveness.

I am concerned that the Minister's second reading speech did not list environmental groups as being among the key stakeholders consulted. If they were not—and my discussions with some representatives of peak groups suggest that they were not—that is a significant oversight. Surely environmental groups with an obvious interest in the health of the marine environment are key stakeholders with regard to legislation such as this. My consultations with those environmental groups resulted in the amendments that I have proposed and which I will speak to in Committee. Otherwise, The Greens support the bill.

The Hon. JENNIFER GARDINER [3.22 p.m.]: I support the passage of the Marine Pollution Bill 2011. Marine oil pollution was recognised as a broad problem at an international level in the first half of the twentieth century. In attempting to control oil discharges within territorial waters, governments in various countries, including Australia, introduced national legislation to combat oil pollution from ships. For example, in 1960 New South Wales enacted the Prevention of Oil Pollution of Navigable Waters Act. In 1967 the grounding of the *Torrey Canyon* off the English coast in Cornwall and a spate of tanker accidents in the 1970s increased the international drive for uniform action. These incidents caused significant environmental damage and raised questions about the measures in place at that time to prevent oil pollution from ships.

To address these issues, the International Convention for the Prevention of Pollution from Ships 1973, as modified by the protocol of 1978, was established. That convention is commonly known as the MARPOL convention. It is the most important international convention regulating and preventing marine pollution by ships. The convention, which initially dealt only with the two compulsory annexes on oil and chemical pollution, came into force internationally in 1983. The MARPOL convention now includes six annexes. The additional four annexes address other forms of pollution from ships, including harmful substances in packaged form, sewage, garbage, and air pollution. Each of these additional annexes has since been ratified internationally and adopted in Australia under the Commonwealth Protection of the Sea (Prevention of Pollution from Ships) Act 1983.

In 1986 the then Australian Transport Advisory Council agreed that to enable the timely implementation of MARPOL Commonwealth legislation would apply initially to both Commonwealth and State waters where a State did not have complementary legislation for a specific annexure of the convention. It was also agreed that Commonwealth legislation would be progressively rolled back when the States enacted legislation to give effect to the convention.

The Hon. Walt Secord: It was a cover-up.

The Hon. JENNIFER GARDINER: Stop muddying the waters. The agreement ensured that all MARPOL annexes that had been adopted in Australia would apply to New South Wales waters. The Marine Pollution Act was introduced in 1987 to incorporate MARPOL annexes I and II into New South Wales legislation. These annexes relate to ship-sourced pollution of oil and noxious liquid substances respectively. At the time the legislation was introduced they were the only two annexes that had been adopted in Australian legislation. The 1987 Act replaced the Prevention of Oil Pollution of Navigable Waters Act.

The Marine Pollution Act provides a comprehensive framework for addressing marine pollution incidents in Australia and it enables New South Wales to require minimum standards for ships visiting State waters. It also enables New South Wales to respond to major shipping incidents in State waters and to recuperate any costs from shipping owners associated with responding to such incidents. Two major shipping

incidents in New South Wales since 1999 involving the *Laura D'Amato* and the *Pasha Bulker* not only demonstrated that major shipping incidents can occur in this State but they also highlighted the importance of having legislation regulating marine pollution from ships.

On 3 August 1999 the largest ship-sourced oil spill in Sydney Harbour occurred when the *Laura D'Amato* discharged an estimated 250 to 300 tonnes of light crude oil into the harbour. The resulting clean-up took around three weeks and involved more than 300 people from a wide range of New South Wales agencies. An estimated 120 to 150 tonnes of oil was lost through evaporation and 90 per cent of the remaining oil was recovered. An investigation was conducted under the Marine Pollution Act to determine the reasons for the spill and whether any corporation or individuals was responsible and therefore should be prosecuted. On 16 March 2000 the Land and Environment Court found the shipping company responsible and fined it \$510,000 under the Marine Pollution Act. The chief officer was also fined \$110,000. The fines were in addition to the \$4.5 million paid by the shipping company's insurers for the clean-up and the \$400,000 paid by the shipping company for the prosecution's legal case. The *Laura D'Amato* incident also highlights the value of the Marine Pollution Act in ensuring that effective and swift action is taken to respond to marine pollution from ship incidents.

Members of the House would be familiar with the more recent *Pasha Bulker* incident. In June 2007, during gale-force winds and high seas, the *Pasha Bulker* grounded on Nobbys Beach in Newcastle carrying 700 tonnes of fuel oil, 34 tonnes of diesel and 16 tonnes of lube oil. Resources and equipment from New South Wales and around Australia were mobilised to enable a swift response in the event of an oil spill. Fortunately, this was not necessary. The ship was refloated on 2 July 2007 by the salvage team from Svitzer's United Salvage Unit. The *Pasha Bulker* left Newcastle on 26 July 2007 under tow for major repairs in Asia. Discussions between Newcastle Port Corporation and representatives of the vessel owners, vessel operators and insurers resulted in a negotiated settlement of the claim of \$1.8 million, which was announced on 1 July 2008. That claim covered costs for labour, equipment hire, security, vessel and helicopter hire and services for response personnel.

These two incidents highlight the importance of the Marine Pollution Act in recovering from the shipping owner the costs of responding to an incident that could result in an oil spill. It ensures that the cost of providing the response, whether or not oil is spilt, is not borne by New South Wales taxpayers. This bill will ensure that marine pollution legislation in New South Wales continues to provide adequate capacity to respond to, to prosecute and to recover the costs of major shipping pollution incidents that occur in New South Wales waters. The bill also will ensure that New South Wales legislation is consistent with modern standards for addressing oil and chemical pollution from ships, as detailed in the revised MARPOL annexes I and II. The bill will incorporate by reference into New South Wales legislation annexes III, IV and V, which relate to harmful substances in packaged form, sewage and garbage from ships. It will therefore provide New South Wales with the ability to enforce legislation and to prosecute for pollution from these and other types of vessels. I have pleasure in supporting the bill.

The Hon. LUKE FOLEY (Leader of the Opposition) [3.28 p.m.]: The Hon. Sophie Cotsis indicated that the Labor Opposition is happy to support the Marine Pollution Bill 2011 as introduced by the Minister for Roads and Ports. This bill represents solid and sensible work undertaken by the New South Wales Government in rewriting the Marine Pollution Act 1987 to give effect to this State's international obligations. The Marine Pollution Act is the primary piece of State legislation that governs pollution from shipping in coastal and port waters. The major work of that legislation is to implement the International Convention for the Prevention of Pollution from Ships, commonly referred to as the MARPOL convention, to which Australia is a signatory. The 1987 legislation enshrined annexes I and II of MARPOL, and this bill revises that legislation in respect of those two annexes. More importantly, it adopts annexes III, IV and V, which relate to ship-generated pollution in the form of harmful substances in packaged form, such as sewage and garbage.

The Marine Pollution Act is the main statute in this State that governs pollution from shipping in coastal and port waters. The main purpose of the Act is to implement the International Convention for the Prevention of Pollution from Ships, commonly referred to as the MARPOL convention, to which Australia is a signatory. The 1987 Act has enshrined annexes I and II of the MARPOL convention. This bill further revises the law with respect to those two annexes of the MARPOL convention but, more importantly, it adopts annexes III, IV and V relating to ship-generated pollution in the form of harmful substances in packaged form, such as sewage and garbage.

I am happy to commend the Minister and the Government for the introduction of this bill—a sensible modernisation of the Marine Pollution Act, an important Act in the running of this State. Robert Furolo, the

shadow Minister for Ports, has had the carriage of the bill for the Labor Opposition. In my role as the shadow Minister for the Environment I have a particular interest in the legislation and I foreshadow that, on behalf of the Labor Opposition, I will move one amendment in the Committee stage that will seek to improve the State's readiness and preparedness for a major oil spill in New South Wales waters. I will deal with the substance of my comments concerning that proposal in the Committee of the Whole. The Labor Opposition is happy to support the bill before the House.

Reverend the Hon. FRED NILE [3.32 p.m.]: On behalf of the Christian Democratic Party I am pleased to support the Marine Pollution Bill 2012. My colleague the Hon. Paul Green outlined the details of the bill which will replace the Marine Pollution Act 1987 to enhance the environmental protection of New South Wales waters and incorporate recent amendments to the International Convention for the Prevention of Pollution from Ships 1973 as modified by the protocol of 1978, commonly known as MARPOL. I want to comment on the issue of oil spills and to quote from some of the material I have received from the Maritime Union of Australia, which has indicated that more often than not the flag of convenience ships behave carelessly and cause accidents that result in oil spills. That is what occurred on Tuesday 24 August 2010 in Newcastle harbour with the ship *Magdalene*.

Flags of convenience ships are involved in many of the accidents that have occurred in Australian ports. Foreign ships have been responsible for all recent shipping environmental accidents including the accident in 2009 that caused the Hong Kong flag ship *Pacific Adventurer* to spread oil over pristine Queensland beaches. The Maritime Union stated in a report that I have that since the Panamanian-registered *Kirki* spilled 17,280 tonnes of oil off Western Australia in 1990, of the 10 major oil spills involving blue water vessels nearly all have been foreign registered. Foreign ships now carry 99 per cent of international trade and 30 per cent of our domestic coastal trade. State and Federal governments must do all they can to encourage and revitalise our Australian shipping industry so we are not totally dependent on these flags of convenience ships. Often these ships are registered in small African countries which do not check them to ensure their safe operation and the crews often work in inferior conditions. This important issue must be at the forefront of the concerns of State and Federal governments.

The Hon. ROBERT BROWN [3.35 p.m.]: The members of the Shooters and Fishers Party support the Marine Pollution Bill 2012—a good and overdue bill—and we will probably support the Opposition's foreshadowed amendment in the Committee stage. The Minister referred in his second reading speech to the sewage from ships provisions and said:

In addition to the sewage from ship provisions contained in Annex IV, it is proposed to introduce two local requirements to minimise the impacts of sewage from ships in State waters.

I applaud those much-needed and commendable provisions. I hope that the Government will look similarly at sewage pollution when the polluter involves a State government agency. I refer to Sydney Water and to other water authorities licensed by the Environment Protection Authority which tip sewage into our creeks and our estuaries.

The Hon. Scot MacDonald: Like the back of your house?

The Hon. ROBERT BROWN: Like the back of my house and throughout the in-shore coastal environment. I congratulate the Minister on introducing this much-needed bill which we will support.

The Hon. DUNCAN GAY (Minister for Roads and Ports) [3.36 p.m.], in reply: I commend all those members who contributed to debate on the important Marine Pollution Bill 2012, thank them for their kind words about it and for their support for it. This bill is complementary legislation to State and Federal legislation; it is not something that was developed as a result of a thought bubble or for a particular political parameter.

[Interruption]

The DEPUTY-PRESIDENT (The Hon. Natasha Maclaren-Jones): Order! Members will direct their comments through the Chair.

The Hon. DUNCAN GAY: This important bill, which is complementary to State and Federal legislation, has not been developed in isolation—it was developed after consultation with State and Federal governments. We cannot play politics in an area as important as marine pollution which affects the whole of Australia. However, that is exactly what the Leader of the Opposition is doing by foreshadowing that the

Opposition will move amendments in Committee. When I saw the Opposition's amendment I thought it was an April Fool's joke. This horrendous amendment will take us way out of sync with other legislation and will not enable us to deal professionally with oil spills and major shipping into and out of our country.

This amendment appears to have no rhyme or reason other than that it is based on the California oil wildfire network. By some sort of weird cultural cringe the Opposition has picked up something from California. In order to make a quick news grab—and this is almost outside the objects of the bill—the Opposition decided it would be a good thing to add to MARPOL. However, it has forgotten that this maritime bill was developed in conjunction with the Federal and State governments. The bill is consistent with internationally and nationally agreed best practice standards for managing various types of pollution from vessels and, importantly, will place no significant additional requirements on the shipping industry.

Key government and industry stakeholders were consulted and no major concerns were raised during the preparation of the bill, unlike the amendment foreshadowed by the Leader of the Opposition which are big on saleability but short on substance. The amendment, which has not been properly investigated, proposes to place control in the hands of a group of well-meaning amateurs and to remove it from the hands of the State's professionals. That is probably the nicest thing I can say about the Opposition's foreshadowed amendment which I will address in greater detail in Committee.

The Hon. Sophie Cotsis referred earlier to discrepancies between Commonwealth and State offence penalties. A response was forwarded to the Hon. Sophie Cotsis but I will repeat it for the record. Generally the approach has been to follow current penalty levels in the Marine Pollution Act 1987 and new offences related to the implementation of annexes III to V follow the offence and penalty structure of the Commonwealth Protection of the Sea (Prevention of Pollution from Ships) Act 1983. The Commonwealth Act has been amended since the introduction of the Marine Pollution Bill 2011 to increase certain penalties by the Maritime Legislation Amendment Act 2011, which took effect on 5 December 2011. The relevant Commonwealth penalty was previously \$1.1 million for a corporation. That penalty is now \$11 million for a corporation and \$2,200,000 for an individual. The penalties for a corporation are now similar. The difference between the penalties for individuals is wider; however, the New South Wales penalty for individuals is still considered to be quite high at \$500,000.

The Hon. Sophie Cotsis referred also to crew members causing discharge offences such as those listed in clause 30. She inquired as to the basis of that offence and asked whether there had been any prosecutions. I can inform the member that provisions relating to separate crew members causing discharge offences were first inserted into sections 8A and 18A of the current Marine Pollution Act 1987 by the Marine Legislation Amendment (Marine Pollution) Act 2002, which commenced on 1 November 2002. The 2002 bill, the relevant explanatory note and second reading speeches indicate that the amendments were part of a general increase in penalties for marine pollution offences following the incident in 1999 when 300,000 litres of oil was discharged from the *Laura D'Amato* in Sydney Harbour. I note that a more detailed response to that issue has been sent to the Hon. Sophie Cotsis.

The Hon. Cate Faehrmann raised concerns about environmental consultation. I advise the member that the Office of Environment and Heritage was involved in consultation several times during the formulation of the bill and the Government is thankful to the Office of Environment and Heritage for the important role it played. I commend the bill to the House.

Question—That this bill be now read a second time—put and resolved in the affirmative.

Motion agreed to.

Bill read a second time.

In Committee

The CHAIR (The Hon. Jennifer Gardiner): With the leave of the Committee the bill will be considered in parts.

Parts 1 to 8 [Clauses 1 to 85] agreed to.

The Hon. CATE FAEHRMANN [3.47 p.m.]: I move The Greens amendment No. 1 on sheet C2012-016K:

No. 1 Page 43. Insert after line 18:

90 Master of fishing vessel to report and retrieve lost fishing gear

- (1) The master of a fishing vessel must, without delay, report any loss of any fishing net or other fishing gear that occurs in State waters from the vessel to the Minister in the manner prescribed by the regulations.

Maximum penalty: \$10,000.

- (2) The master of a fishing vessel that has lost any fishing net or other fishing gear in State waters must make all reasonable efforts to retrieve the lost fishing gear.

Maximum penalty: \$10,000.

The amendment relates to lost fishing nets and basically creates two new offences. The first offence relates to a master of a fishing vessel who fails to report and retrieve lost fishing gear which carries a maximum penalty of \$10,000. The amendment also requires the master of a fishing vessel to make all reasonable efforts to retrieve any lost fishing nets or other fishing gear. Under the definitions in the Act the term "fishing vessel" means:

... a vessel used or intended to be used for catching fish, seals, walrus or other living resources of the sea or seabed for profit or reward and includes any such vessel in the course of construction.

Clause 65 of the bill creates a defence if pollution is caused by the accidental loss of a synthetic fishing net or synthetic material used in the repair of such a net on a ship if all reasonable precautions were taken to prevent the loss. Rather than accepting that it happened with no consequences, these two additional clauses to section 90 of the Act still allow the defence but they increase the obligation on commercial fishing vessels to make all reasonable efforts to retrieve the net and to report lost nets. Failure to attempt to retrieve the nets or failure to report a lost net should attract a penalty.

This is commensurate with the seriousness of the environmental problem and wildlife hazard we are dealing with. I mentioned this during my contribution to the second reading debate. Under the Environment Protection and Biodiversity Conservation Act a marine debris threat abatement plan refers to the serious nature of lost fishing gear and lost fishing nets. The Australian Seafood Industry Council code of conduct for responsible fishing, in part, states "to cooperate in developing and applying technologies and methods that would contribute to minimising the loss of fishing and the ghost fishing effects of loss or abandoned fishing gear".

During my contribution I referred also to recent references to the efforts of the Northern Territory rangers in retrieving a ghost net that ended up being the size of two to three shipping containers because of the number of sharks, turtles and other wildlife that were caught in the net. It is a serious problem. It would be remiss of this Parliament if we did not take the opportunity to send a message via this legislation that the masters of fishing vessels should take all reasonable precautions not to lose gear and that if gear does go overboard they must retrieve that gear because the environmental implications can be enormous. I commend the amendment to the Committee.

The Hon. DUNCAN GAY (Minister for Roads and Ports) [3.51 p.m.]: The Government opposes the amendment. The garbage requirements already in the bill are consistent with the Commonwealth legislation already applicable in New South Wales waters. These requirements already apply to lost fishing gear. The garbage offence provisions apply to all vessels defined as ships. That means the owners, masters and crew of small commercial and fishing vessels are subject to the same obligations and penalties as those applying to large vessels. Garbage management plans are appropriate for large ships over 400 tonnes that require detailed systems and clear accountabilities to deal with any garbage they may generate. They are completely unnecessary for small vessels.

However, every ship over 12 metres must put up at least one placard that sets out the garbage disposal requirements under the bill. The placard or placards must be displayed where they can be easily read by any crew member or passenger and they must be in the working language of the crew. For a smaller vessel this provides an immediate and effective reminder of garbage requirements under the bill to all crew and passengers. Any additional paperwork requirement would impose unjustified hardship and red tape on small businesses and their crew members without increasing protection for the environment. No additional requirements are

necessary or, frankly, proposed. The Minister may issue a pollution prevention or clean-up notice under part 16 in the case of individual incidents already. The Greens amendment, like the amendment of the Opposition, is unnecessary, and would place undue hardship on fishers. For this reason the Government opposes the amendment.

The Hon. SOPHIE COTSIS [3.53 p.m.]: The Labor Opposition supports The Greens amendment. The only issue I had—and I did speak to the Hon. Cate Faehrmann—was about the definition of "fishing vessel". This has been explained. The Opposition will support the amendment.

Question—That The Greens amendment No. 1 [C2012-016K] be agreed to—put and resolved in the negative.

The Greens amendment No. 1 [C2012-016K] negatived.

Part 9 [Clauses 86 to 94] agreed to.

Parts 10 to 14 [Clauses 95 to 182] agreed to.

The Hon. LUKE FOLEY (Leader of the Opposition) [3.56 p.m.]: I move Opposition amendment No. 1 on sheet C2012-017H:

No. 1 Page 81. Insert after line 27:

189 Oiled Wildlife Care Network

- (1) The Minister is to establish an Oiled Wildlife Care Network.
- (2) The network is to consist of representatives of organisations that have an interest or involvement in the protection of wildlife contaminated by oil or any other marine pollutant, which may include, but are not limited to, representatives of:
 - (a) wildlife care or rehabilitation providers,
 - (b) zoological parks,
 - (c) emergency services,
 - (d) regulatory agencies,
 - (e) academic institutions.
- (3) The Minister is to determine the constitution and procedure of the network.
- (4) The functions of the network are as follows:
 - (a) to prepare a major spill contingency plan that sets out an integrated, co-ordinated procedure to combat the effects of a major spill of a marine pollutant on the environment and on wildlife,
 - (b) to test the major spill contingency plan at least once a year by the conduct of a drill,
 - (c) if there are any deficiencies identified by that drill, to amend the major spill contingency plan,
 - (d) if there is a major spill of a marine pollutant, to assist in implementing the major spill contingency plan,
 - (e) to carry out continual training of personnel (including volunteers) who would potentially be involved in collecting and caring for wildlife affected by a major spill of a marine pollutant,
 - (f) to conduct periodic drills to test the preparedness and skills of those personnel,
 - (g) if there are any deficiencies identified by those drills, to conduct further training of personnel to remedy the deficiencies,
 - (h) to make recommendations to the Minister regarding how to make facilities and infrastructure ready to respond to a major spill of a marine pollutant.
- (5) Any expenditure under this section is to be paid out of money to be provided by Parliament.

This amendment seeks to establish an oiled wildlife care network. In his reply to the second reading debate the Minister ended the unanimity relating to the terms of the bill by making some harsh comments about what the

Opposition proposes with this amendment. I will respond to those in due course. Let me inform members of the intent of this amendment. Opposition members have talked to stakeholders in this field and we believe that the State engages in significant and somewhat disparate and uncoordinated efforts to prepare for a major oil spill.

The Hon. Duncan Gay: So you want to make it even worse.

The Hon. LUKE FOLEY: I listened to the Minister in silence and I would appreciate it if he would extend to me the same courtesy. My interest in this matter was first triggered by correspondence late last year from Australian Seabird Rescue, a non-government organisation that runs a sanctuary in Ballina that cares for and rehabilitates injured wildlife. Its area of expertise, as the name of the organisation suggests, is seabirds, but it cares also for sea turtles, which are somehow injured or damaged as a result of fishing lines, plastic debris and other hazards. These people—and they are good friends of the Minister's friend the Hon. Don Page on the far North Coast of New South Wales—are unsung heroes in the work they do in nursing stricken wildlife back to health. To describe them, as the Minister has, as well-meaning amateurs is somewhat harsh. I have talked in detail to Rochelle Ferris, who runs the organisation. She came to Sydney yesterday and I met with her.

Pursuant to sessional orders business interrupted at 4.00 p.m. for questions.

Progress reported from Committee and consideration set down as an order of the day for a later hour.

QUESTIONS WITHOUT NOTICE

WORKCOVER PROSECUTIONS

The Hon. LUKE FOLEY: My question is directed to the Minister for Finance and Services. Does the Minister's review of WorkCover go beyond a review of the insurance scheme and also involve a review of WorkCover prosecutions and WorkCover's role in those prosecutions?

The Hon. GREG PEARCE: I thank the Leader of the Opposition for a good question. As he would realise, the State is facing a crisis in the workers compensation space. We have had the resignation of the chair of WorkCover and the resignation of the chief executive officer of WorkCover. We have introduced the harmonised occupational health and safety laws, which other States have now delayed. We have in prospect a deficit which was \$2.4 billion or so as of 30 June, which was the last time it was measured, but as members know from the former chair of WorkCover he anticipates that that deficit may be \$4 billion and could even be \$5 billion or more.

All of those things make it apparent that a very significant review of WorkCover and the workers compensation scheme is required. We are trying to do that as transparently as we can. I can inform honourable members that each week for the past few weeks I have personally met with the remaining executives of WorkCover and the story of woe coming from those executives covers everything from the structure of WorkCover, work practices, the agency arrangements, prosecutions, and the guidelines and all the other materials that WorkCover is left to deal with to the adequacy of the current premiums. Employers have cause to be concerned about the adequacy of premiums.

Every aspect of the workers compensation scheme is in a mess because for at least the past seven or eight years the former Government failed to manage the scheme, to provide any leadership or to provide any oversight. Foremost amongst those who failed to do anything were the Hon. Michael Daley, the Hon. Paul Lynch and, of course, the Hon. Eric Roozendaal, who has some talents and would have been able, if he had focused on WorkCover, to see the looming crisis. At least he understands some aspects of international finance. He spent a lot of time on the plane and in hotels in New York and other parts of the world looking at investment returns and banking and those sorts of things. In answer to the Leader of the Opposition's question, I hope there is some support from his side to move forward with the review and the work we are going to have to do to get this scheme back into shape.

The Hon. LUKE FOLEY: I ask a supplementary question. I thank the Minister for his answer. I ask him to elucidate his answer with particular reference to whether the significant review that he spoke of includes a review of prosecutions commenced by WorkCover.

The Hon. GREG PEARCE: I suspect the question relates to occupational health and safety prosecutions. If that is the case, yes, the changes in the law that were brought in last June, when the reverse onus of proof was removed and directors' liabilities were changed, have meant there are a number of ongoing prosecutions, which we have asked WorkCover to look at to see whether they are being appropriately addressed. I understand that work is taking place now.

PORT KEMBLA COAL TERMINAL

The Hon. JOHN AJAKA: My question is directed to the Minister for Roads and Ports. Will the Minister update the House on the impact of industrial action at the Port Kembla Coal Terminal?

The Hon. DUNCAN GAY: I thank the honourable member for his question, but I have to say that probably the best person to ask about the union strikes at our ports is the Prime Minister, Julia Gillard, who is the architect of the unfair, unworkable Australia Act. Better still, the question could go to Kevin Rudd, the Prime Minister in waiting. There are two Prime Ministers in Canberra and there is an appalling situation. If I had my chance to select a Prime Minister I would put my money with Albo the Good. He is a native of New South Wales and even Dolly Parton thinks he is pretty good. I have heard on good authority that Albo would secure the numbers in New South Wales and Queensland if he agreed to honour the traditional funding split of 80:20 for upgrades to the Pacific Highway. Albo would have all our votes and probably some of the Labor Party votes in that situation.

Earlier this year, emboldened by the Federal Act, members of the Construction, Forestry, Mining and Energy Union [CFMEU] at the Port Kembla Coal Terminal commenced rolling strike action over pay and conditions. Ironically, union members at the coal terminal are some of the best paid workers in the Illawarra. It is my understanding that, on average, the annual salary of a coal terminal worker is above \$100,000 with generous superannuation contributions, the lowest contribution being about 17 per cent. Using Federal laws to hold to ransom the loading of coal at Port Kembla is a classic example of union excess and greed—an action that is having far-reaching detrimental impacts on jobs along the entire coal supply chain. It is impacting on other jobs but this lot here, from the comfort of the red couches, do not give a fig about other people's jobs; they do not give a damn.

For example, just this morning, Pacific National Coal—the company that loads, drives and maintains coal trains—had no choice but to stand down 108 freight workers, 61 from the Illawarra and 47 based in Lithgow, indefinitely without pay. Since 13 January this year, Pacific National Coal has been subjected to 306 hours of industrial unrest. For a standard 12-hour working day this equates to about 25 full shifts of strike action at the coal terminal. The equation is pretty simple: if the coal terminal at the port is not operating, then coal trains cannot be unloaded and ships from around the world cannot be loaded with coal. A further 50 hours, or about four full shifts of union strike action, was scheduled for this week alone. The director of Pacific National Coal, David Irwin, summed up the current situation when he said:

We're disappointed that as a result of the actions of the CFMEU and its Port Kembla Coal Terminal members, we are unable to continue our coal haulage operations with any level of effectiveness or efficiency and we have little option but to stand down our employees.

[*Interruption*]

There the member goes—rattling on when other people are losing their jobs. I urge Prime Minister Julia Gillard to divert her attentions away from Labor's internal leadership brawl and to focus on resolving this dispute as soon as possible for the sake of jobs of hundreds of New South Wales workers. [*Time expired.*]

WORKCOVER PROSECUTIONS

The Hon. ADAM SEARLE: My question is directed to the Minister for Finance and Services. Given the Minister's previous answers to the Leader of the Opposition, has he instructed WorkCover to seek the adjournment of occupational health and safety prosecutions that are currently before the courts and, if so, why?

The Hon. GREG PEARCE: It is my understanding that WorkCover is obtaining some advice on the applicable laws in relation to some of the occupational health and safety prosecutions. I gather that there are some cases in which WorkCover is seeking an adjournment while it gets that advice. I do not know how many cases there are. That is a matter for WorkCover. It would be the normal course of cases while it gets its advice.

NATURAL DISASTER RELIEF

The Hon. CATHERINE CUSACK: My question is directed to the Minister for Police and Emergency Services. Will the Minister update the House on the latest natural disaster declarations and how the Government is supporting local communities across New South Wales?

The Hon. MICHAEL GALLACHER: Over recent weeks significant parts of New South Wales have been affected by heavy rain and floods, causing damage to agriculture, businesses, homes and vital infrastructure. As always the Government has been on hand to enact at the earliest opportunity a number of support schemes that are made available to help local communities in the recovery process. Due to the heavy nature of the rains and floods over the past weeks, 25 local council areas across New South Wales have been declared natural disasters. These include Hawkesbury, Penrith, Walgett, Brewarrina, Liverpool Plains, Gloucester, Upper Hunter, Ballina, Gunnedah, Moree shire, Greater Taree, Gwydir, Narrabri, Tenterfield, Bellingen, Byron, Lismore, Kyogle, Richmond Valley, Clarence Valley, Coffs Harbour, Inverell, Nambucca, Kempsey and Tweed Shire Council.

I am told by the State Emergency Service that the flood area we are talking about in north-western New South Wales is as big as the United Kingdom and Ireland combined. That puts things into perspective. People in those areas are currently isolated. The Government has extended the natural disaster declarations to a further two local council areas: Bourke and Tamworth. These latest declarations follow widespread flooding across New South Wales, which has caused damage to major infrastructure, homes and business.

This declaration makes a number of supportive schemes available to assist with the cost of restoration and recovery under the Commonwealth Natural Disaster Relief and Recovery arrangement and the New South Wales disaster assistance arrangements. At this point, I thank the Federal Minister for Emergency Management, Robert McClelland, for his ongoing support in relation to the approach that my office and his office have taken to work cooperatively to assist those communities. He is to be commended for the way in which he has approached these issues from a Federal perspective. It has been good working with him. These measures will help families, business owners and primary producers to restore any damage caused by the floods and to ease some of the associated burden.

The Hon. Lynda Voltz: He is a good bloke.

The Hon. MICHAEL GALLACHER: He is a good bloke, and I hope Rudd respects the job that he has done when he becomes Prime Minister and allows him to continue in it. The floods have caused much damage and devastation to these regions. However, it is heartening to see community members come together. I applaud them for their resilience, optimism and ability to press on. Over recent weeks the Premier, the Deputy Premier and I have toured large parts of these regions and seen firsthand the devastation that has occurred from the North Coast, to the Far West, to western Sydney. It is clear that these storms and floods have impacted on many regions across the State.

I again applaud the incredible work of the emergency service personnel involved in supporting local communities through this period, particularly the State Emergency Service. It has worked tirelessly—and continues to do so—to assist residents and business owners throughout the storms and floods and during the aftermath when communities are left to clean up. All honourable members would concur with that support and congratulate the State Emergency Service. We will continue to monitor the situation across New South Wales and offer our support to local communities that have been affected by these natural disasters.

CRONULLA FISHERIES RESEARCH CENTRE

The Hon. CATE FAEHRMANN: My question is directed to the Minister for Roads and Ports, representing the Minister for Primary Industries. Will the Minister outline to the House why the closure of the Cronulla Fisheries Research Centre has prompted considerable inquiry for Treasury and why his department has attempted to break down the component costs of the relocation and has avoided laying out a business case to date?

The Hon. DUNCAN GAY: The short answer is, no, I cannot provide that information. I am sure that my colleague the Minister for Primary Industries will provide a detailed and appropriate answer.

MYRTLE RUST DISEASE

The Hon. PAUL GREEN: My question without notice is directed to the Minister for Roads and Ports, representing the Minister for Primary Industries. Given the recent and rapid spread of the myrtle rust disease, will the Minister inform the House what action and/or research is currently taking place to slow down the spread of this disease in New South Wales?

The Hon. DUNCAN GAY: This is an important question, especially for primary producers in this State. I know that they are concerned about this issue. As the question asks for detail, I will forward it my colleague the Minister for Primary Industries and obtain a detailed and appropriate answer.

SYDNEY HARBOUR BRIDGE RESURFACING

The Hon. PENNY SHARPE: My question is directed to the Minister for Roads and Ports. Will the Minister confirm that his office was advised of potholes on the recently resurfaced Sydney Harbour Bridge yesterday, but took no action until receiving calls from the media today?

The PRESIDENT: Order! The Opposition has asked a question. Opposition members will resist the temptation to interject.

The Hon. DUNCAN GAY: I am absolutely surprised to find that the Labor Party, after 16 years of neglect of our roads, is suddenly caring about what it describes as a "pothole". Labor members have finally found a pothole—they had been wandering around the State for 16 years with their eyes closed. They could not see a thing; they did not care about it then. Now they say, "Was your office made aware of this yesterday?" As far as I am aware, no, we were not made aware of this yesterday. Today we were made aware that two lanes of the Sydney Harbour Bridge would be closed for a short time today—for half an hour, from 1.00 p.m.—to allow minor patching work to be carried out on the deck.

Several defects in the road surface were identified after recent wet weather. The defects were in lanes two and three, which were recently upgraded as part of the major project to waterproof the bridge and its approaches. Unfortunately, the heavy rain of the first weekend of work and subsequent wet weather in the past few days have caused water pockets to form and create cracks in several areas on the top layer of the asphalt. It was important to fix those defects before they became more of a problem and formed potholes. The surface defects, which have not threatened the integrity of the waterproof seal, were fixed by crews shortly after 1.00 p.m. today.

There were several hours of heavy rain the first weekend of the upgrade and, unfortunately, it appears that moisture was trapped under the asphalt in a couple of areas. While it is not ideal to lay asphalt in wet weather, Roads and Maritime Services dried the surface as thoroughly as possible and continued to apply the seal to ensure the job was completed and the bridge reopened to traffic on schedule. Roads and Maritime Services will continue to monitor the surface of the bridge and approaches for any further defects. Everyone in Sydney, except members of the Australian Labor Party, commends the work that was done by Roads and Maritime Services. Suddenly this member, who was blind to the conditions of our roads and motorways for 16 years, thinks he has found a pothole. The pothole is in their credibility.

HUNTER WATER CORPORATION CHAIRMAN APPOINTMENT

The Hon. MATTHEW MASON-COX: My question is addressed to the Minister for Finance and Services. Will the Minister update the House on the appointment of a new Chair for Hunter Water?

The Hon. GREG PEARCE: I thank the excellent Parliamentary Secretary for his question. I inform the House that on 6 January I announced the appointment of Mr Terry Lawler as Chair of the Hunter Water Corporation. The new Hunter Water managing director, Mr Kim Wood, and Liberal colleagues Craig Baumann, Andrew Cornwell and Tim Owen—all excellent members from the Newcastle and the Hunter—were in attendance in Newcastle for the announcement.

Educated at the University of Newcastle, Mr Lawler is currently Chairman of the Lawler Chartered Accountant Group, headquartered in Newcastle, and several other local and national businesses and charities.

Mr Lawler's expertise is widely recognised. He has served on national, State and local boards, along with a number of business and community organisations, providing business, internal audit, operational and strategic advice. Mr Lawler successfully built from scratch one of the top services firms in the country, as recognised over several years by *BRW*. In addition, he has been a director and chairman of the National Rail Corporation, the Newcastle Knights—the Hon. Lynda Voltz just congratulated him on his work with the Newcastle Knights—and a director of the Newcastle Port Corporation. Mr Lawler is one of the Hunter's most well respected businessmen, who brings both local knowledge and extensive expertise to the role of chair of the Hunter Water Corporation.

Mr Lawler is currently a director of several local businesses and chairman of a number of substantial charities, including Special Olympics Australia Junior National Games 2012, Life Without Barriers and the NIB Foundation. The Government and the people of New South Wales are extremely lucky to have someone of Mr Lawler's capacity and experience to take on this very important role. In his role as Chair of Hunter Water, Mr Lawler will work with the managing director, Kim Wood, to oversee the remainder of Hunter Water's \$700 million four-year infrastructure program, including the \$132 million investment this year. Mr Lawler replaced Mr Ron Robson, who served as a director on the board for 30 years, 17 as chairman. I thank Mr Robson for his contribution to the board, and wish him every success in his future endeavour. I look forward to Mr Lawler's contribution as he provides quality management and leadership at the board into the future.

Hunter Water faces critical challenges in the near future, including developing the Lower Hunter Water Plan with the Metropolitan Water Directorate and securing water supplies for the Lower Hunter and water essential for business and industry while providing essential water infrastructure and putting downward pressure on cost-of-living expenses. Given those challenges it is vital to have the necessary expertise, skills and knowledge to lead and coordinate an efficient corporation that serves the Hunter with the sustainable supply of quality water services. I wish Mr Lawler and his board and management every success in the role with Hunter Water Corporation. I am pleased to announce the expertise that is now being provided to water services in the Hunter region.

PREMIER'S ADVISORY COUNCIL ON HOMELESSNESS

The Hon. JAN BARHAM: My question is directed to the Minister for Finance and Services, representing the Minister for Family and Community Services. Will the Minister advise the House on the current status of the Premier's Advisory Council on Homelessness? Have the new terms of reference for the council been finalised? When is the next scheduled meeting of the council? How often will the council meet this year?

The Hon. GREG PEARCE: As the Hon. Jan Barham knows, that part of the housing function rests with Minister Goward. I suggest that she look at the website and find the answer.

COUNTRYLINK RAIL SERVICES

The Hon. STEVE WHAN: My question is directed to the Minister for Roads and Ports, representing the Minister for Transport. Will the Minister guarantee that the ownership and operation of CountryLink services in New South Wales will not be privatised?

The Hon. DUNCAN GAY: You have got to love him. This is second-chance Steve. He could not find anything in New South Wales that he did not want to flog, privatise or sell. He had the ticker to go to Katrina Hodgkinson's office on a day she was not there. There he was with his little mate, the hero of Cronulla, at Katrina Hodgkinson's office on a day she was not there.

The Hon. Amanda Fazio: Point of order: My point of order is two-pronged. First, I refer to relevance. The Minister has made no attempt to answer the question. Second, the Minister is making imputations against another member of the House, which is not in order at this stage of proceedings.

The PRESIDENT: Order! I remind the Minister of the need for him to be generally relevant in his answers. I remind all members that imputations against other members are disorderly at all times.

The Hon. DUNCAN GAY: It is my understanding that the Minister has no plans to do anything of the sort. However, I will refer the question to the Minister for Transport for a detailed response.

RETIREMENT OF INSPECTOR BOB BELL

The Hon. SCOT MacDONALD: My question is addressed to the Minister for Police and Emergency Services. Will the Minister inform the House about the retirement of Inspector Bob Bell?

The Hon. MICHAEL GALLACHER: This is a great story in policing. At a time when we talk about the younger generation moving from one career to another, Inspector Bob Bell puts commitment and contribution to the community into perspective. Inspector Bob Bell joined the NSW Police Force in 1963 and served in general duties on the northern beaches for almost 20 years. He worked in the media unit and the dog unit before returning to the northern beaches in the early 1990s as a senior sergeant, where he stayed on for almost 20 years. In 2011 Inspector Bell transferred to the Manly Local Area Command, where he served as a duty officer until his recent retirement.

Inspector Bell is a highly decorated officer, whose achievements include the third clasp to the National Medal, the seventh clasp to the NSW Police Medal for 45 years of service, an Olympic citation and the Peter Mitchell award for the highest marks achieved for the sergeant's exam in 1984. He received a commissioner's commendation in 1976, which would have been new in those days, for the arrest of two offenders who were in possession of \$87,000 worth of heroin. In 1976 that would have been a pretty big pinch.

Inspector Bell has left an outstanding legacy within the NSW Police Force and will be greatly missed by his colleagues. During the last attestation ceremony held in December, Inspector Bell was proudly marched off the parade ground by the honour guard in recognition of his dedication to his job and to the community. Watching him marching with the honour guard, I thought he could have gone straight from the parade ground to the recruiting office and rejoined the Police Force. He is an incredibly fit man and was obviously a very committed police officer. He made a huge contribution and maintained very high standards in his personal approach to policing and the recognition he received from his colleagues was well deserved. I take this opportunity on behalf of the people of New South Wales to thank Inspector Bell for his faithful service to the NSW Police Force. The people of this State wish him and his family all the very best in his retirement.

MARDI GRAS FILM FESTIVAL

Reverend the Hon. FRED NILE: I direct my question to the Minister for Police, representing the Premier. Is it a fact that the New South Wales Government donated \$15,000 to the Mardi Gras Film Festival, which commenced on 16 February 2012? Is it a fact that three of the so-called festival feature films contained violent and explicit real sexual acts, which are illegal to be screened publicly in New South Wales? Can the Government explain why it funded an illegal activity? Did the Government have any involvement in the provision of exemptions for three European pornographic films that were classified by the Australian Classification Board on 14 February this year? Can the Government explain why the homosexual community is being treated differently to the heterosexual community under the law? Is it the O'Farrell Government's intention to facilitate a legal double standard in New South Wales based on sexual orientation?

The Hon. MICHAEL GALLACHER: I thank the member for his question and will obtain an answer as quickly as possible.

RAIL LINE CLOSURES

The Hon. MICK VEITCH: I direct my question to the Minister for Roads and Ports. The Minister was quoted last week in the esteemed journal the *Gundagai Independent* as follows:

The NSW Liberals & Nationals Government are determined to make the hard decisions as to whether rail Branch lines are put back into use or permanently closed.

The Minister will remember that the Greiner Government closed 17 rail lines. Can he inform the House which lines this Government intends to close?

The Hon. DUNCAN GAY: They lead with their chin every time. There are branch lines all over New South Wales that are not closed but they are also not open.

The Hon. Greg Pearce: They are spinning it.

The Hon. DUNCAN GAY: This is the spin. There are no trains operating, there are no tracks and there are big signs advising people to keep out. There are no trains on the tracks, if there are any tracks; yet some

people believe that the lines are not closed. Frankly, if trains are not running, the lines are probably closed. If it quacks like a duck and it looks like a duck, it is probably a duck. In the case of the Opposition, if we have to choose between good or bad spin we should go for the bad spin because that is probably correct. The people of regional New South Wales understand the situation that was left behind by the members opposite. The question was asked by a member who understands the situation.

The Hon. Walt Secord: Come on, Forrest Gump, answer the question.

The Hon. DUNCAN GAY: We do not need a contribution from the Hon. Walt Secord because he obviously does not have a clue. He was responsible for the spin, and that is all it was. I stated the obvious; that is, we need to do something about this for the people of regional New South Wales. The Government needs to decide whether to reopen the lines or to close them. If we decide to close them we must provide appropriate alternatives. We must make the right decisions. We must establish whether any New South Wales businesses want to take over the lines rather than leave them hanging in limbo for another decade, like the mob of losers opposite did. Unlike them, this Government wants to do something about the lines.

The Hon. Mick Veitch should congratulate me on my comments rather than play politics. The Government will try to rectify this situation and ensure that something happens. Do members opposite have any plan? They were in government for 16 years during which they had no plans. We will talk to the people and establish whether anyone wants to propose a business plan to take over those lines and reopen them. They are not open at the moment; they are closed—C-L-O-S-E-D—for business.

The Hon. Dr Peter Phelps: Like the Labor Party.

The Hon. DUNCAN GAY: Like the Labor Party. It is hypocritical of a member opposite to ask this Government about branch lines. The members opposite failed the people of New South Wales. For 16 years Labor members sat on their hands. They criticise me, but when I ask them whether they have a plan, they have no response. They have no plan other than to try to embarrass me. They are hopeless. Second-hand Steve is chiming in. They turned up at Katrina Hodgkinson's office when she was not there because they did not have the ticker to face her.

FREIGHT AND PORTS STRATEGY

The Hon. RICK COLLESS: I direct my question to the Minister for Roads and Ports. Will the Minister update the House on the New South Wales freight and ports strategy?

The Hon. DUNCAN GAY: I am pleased I had that warm-up. The freight and logistics industry contributes about \$50 billion a year to the New South Wales economy, which is a staggering 10 per cent of the State domestic product. Despite that, the Labor Government repeatedly neglected that industry. That is evidenced by the run-down and inefficient freight networks littered across the State, to which I referred in response to the previous question.

I am not surprised that the Labor Government seemed determined during its 16 years in office to undermine the freight and logistics industry. In contrast, one of the first things I asked Rachel Johnson, the new deputy director general of Freight and Regional Development at Transport for NSW, to do was to develop a long-term integrated strategic plan for the freight and port sector because the New South Wales Liberal-Nationals Government understands the need to plan properly and then to implement a strategy to support this industry through efficient transport connections.

The goals of the New South Wales freight strategy are: to optimise network capacity by maximising the use of existing assets and developing new strategic infrastructure; to enhance end-to-end supply chain efficiency through support of optimised operations and the delivery of effective policy and regulation; and to achieve sustainability by minimising the adverse impact on communities and working to complement urban growth and strategies. The Government has made it clear that it is prioritising freight in New South Wales. That is why when Transport for NSW was established one of its key initiatives was the formation of the new Freight and Regional Development Division.

The Freight and Regional Development Division is intended to be the interface for the freight industry, coordinating key freight system components such as road, rail, marine, ports and intermodal terminals and providing a single point of contact for industry interaction. In the past Labor preferred to act without consulting

industry, but gone are the days when the Government provided ready-made and unsuitable solutions for the freight industry. The Liberal-Nationals Government understands that developing long-term plans for freight relies on developing strong links with freight customers, understanding what their priorities are and understanding their businesses.

To date, the Freight and Regional Development Division has held around 25 meetings with customers across the State as part of the Government's commitment to consultation. In 2012 the Freight and Regional Development Division will continue its intensive customer consultation program. For the first time communities such as Griffith, Deniliquin and Casino will have a say in what the New South Wales Government will do to support the freight and logistics industry. Both the New South Wales Freight Strategy and the New South Wales Ports Strategy will be released for public comment later this year. We provide action, whereas on the other side of the House members do not act and have no ideas.

WORKCOVER

Mr DAVID SHOEBRIDGE: My question is directed to the Minister for Finance and Services, and Minister for the Illawarra. Noting the Minister's answer last week to a question on workers compensation in which he tabled the resignation letter from Mr Greg McCarthy, the former chair of WorkCover, will the Minister inform the House what was on the list and when will he make public the list of benefit cuts and other recommended actions to address the looming WorkCover deficit that was referred to by Mr McCarthy in the final paragraph of his letter of resignation?

The Hon. GREG PEARCE: I thank the member for his question. I have made it clear to members on a number of occasions that the New South Wales Workers Compensation Scheme deficit is growing. The scheme deficit was \$2.363 billion in the six months to 30 June 2011. The deterioration has been driven primarily by two things: first, an increase in the cost of claims, particularly in the number of workers expected to stay off work for longer periods whilst receiving higher lump sum benefits; and, secondly, a 33 per cent reduction in the average premium rate handed down by the previous Government between 2005 and 2010.

This decreased the scheme revenue by around \$1 billion per year and cut the margin between how much the scheme collects and its break-even costs to less than one tenth of 1 per cent. When announcing the sixth premium reduction in June 2010, the then Minister for Finance wrote, "The measured and responsible reduction was enabled by improvements in the scheme's financial position." However, at the time of that 2010 announcement, the most recent valuation showed the scheme was in deficit to the tune of \$1.2 billion and had sustained a deficit of over \$200 million from underwriting operations in six months. Back in June 2010 the trend was very clear—the scheme was going backwards under the former Labor Government.

Advice from the independent scheme actuaries at the time also highlighted risks to scheme performance in the areas of work injury damages and weekly incapacity rates. The New South Wales Workers Compensation Scheme is one of the largest insurers in Australia, with approximately \$11.3 billion of funds under management in international and domestic markets and \$2.5 billion in premium revenue from the State's employers. It provides insurance cover to over 267,000 New South Wales employers and their employees in the event of work-related injury. I have made it clear that action is needed to bring the scheme back into the black. The Government considers improved management of the scheme is vital and a matter of the highest priority. I am meeting weekly with the WorkCover executive to work on solutions. I have noted Mr David Shoebridge's scaremongering in the past few days on this issue, trying to cause a sense of panic.

The Hon. Dr Peter Phelps: No, not The Greens.

The Hon. GREG PEARCE: Yes, The Greens—Mr David Shoebridge—scaremongering. We know that it is going to come from the Labor Party, although its members have been incredibly quiet in this place. Mr David Shoebridge should be working with the Government to come up with solutions to this very serious set of problems. The Government is continuing to work with business, workers and regional communities to ensure the long-term sustainability of the scheme. Our focus is on managing the Workers Compensation Scheme much better than it was managed under the former Labor Government. As to the letter that I tabled last week, yes, I did read it closely, but I was not given a copy of the document referred to by Mr David Shoebridge.

Mr DAVID SHOEBRIDGE: I ask a supplementary question. Will the Minister for Finance and Services, and Minister for the Illawarra further elucidate his answer by informing the House when he will

request that list and when the list will be provided to the people of New South Wales, given that it potentially raises cuts to weekly benefits, common law benefits and other entitlements, as the Minister has just referred to in his answer?

The Hon. GREG PEARCE: I do not intend to ask for the list. That list is an opinion of the former WorkCover chair. If Mr David Shoebridge would like the list, perhaps he should ring the former chair's office. This is the man who put Mr McCarthy's private address and phone number on the web and tried to incite people to chase after him. I do not know what sort of behaviour Mr David Shoebridge thinks is appropriate, but that was an absolute disgrace.

The Hon. Jeremy Buckingham: Point of order: My point of order is relevance. The supplementary question related to a specific question about when the list would be released. I ask that the Minister be drawn back to the substance of the question.

The PRESIDENT: Order! The Minister was being generally relevant. However, I remind him that he should not make imputations about other members.

BLAYNEY TO DEMONDRILLE RAIL LINE

The Hon. PETER PRIMROSE: My question is addressed to the Minister for Roads and Ports. The Minister has recently received a report from the Cowra Lines Ministerial Taskforce on the Blayney-Demondrille rail line. Will the O'Farrell Government reopen this line?

The Hon. Greg Pearce: Another own goal.

The Hon. DUNCAN GAY: No, this one is not an own goal in comparison to the others. It is an appropriate question and it is a pity that other members opposite do not ask similar questions. The Hon. Peter Primrose is the senior man on that side of the House.

The Hon. Peter Primrose: In his twilight years.

The Hon. DUNCAN GAY: I would not say that. From where I am standing, he is hardly in his twilight years. This is an important question and the member is correct: I attended a meeting in Boorowa the week before last.

The Hon. Greg Pearce: They have a local newspaper clipping about your visit.

The Hon. DUNCAN GAY: They probably do. The council has presented me with a report on the Cowra-Demondrille rail line.

The Hon. Mick Veitch: Blayney to Demondrille.

The Hon. DUNCAN GAY: No, the report was on the Cowra-Demondrille line. It goes through Cowra. It is the same report. This is one of those rail lines that is not closed but not open. No-one is using it and more trucks are on the roads. It is another one of Labor's huge successes. The local councils got together and decided that the large amount of industry in the area supported a business case to reopen this line. The former Government would have said it is already open.

I congratulate the local community and local council on the report they presented to us. The Government had an independent analyst examine the report and the figures did not add up. The Government went back to the community with that finding and the community agreed with the analysis. To their great credit, they did not sulk, whinge and carry on; they went away and tried to get extra freight and extra people involved. How good is that? That is sensible community action. That is the type of action the Government wants to occur across the State, but those opposite are trying to put a wet blanket on it so it does not happen. An updated report has now been presented to the Government. The report I received in Boorowa will be analysed and my understanding is that a decision will be made by the end of June. As members well know, there are time constraints on particular tenders within local industries—for example, timber from Oberon and heavy metals from the mining industry in Orange and Cowra. *[Time expired.]*

MOTORCYCLE COMPULSORY THIRD PARTY PREMIUMS

The Hon. CHARLIE LYNN: I address my question to the Minister for Finance and Services, and Minister for the Illawarra. Will the Minister update the House on the affordability of green slips for motorcyclists?

The Hon. GREG PEARCE: I can inform the House that following an audit of prices conducted by the New South Wales Government the average price for compulsory third party or green slips for motorbikes fell by up to 19 per cent on 1 January 2012. That was a great win for motorcyclists, who for too long have been paying green slip premiums out of step with the risks associated with riding a motorbike. Last year I received a number of representations from motorcycling bodies whose members were utterly fed up with enormous compulsory third party premiums that were simply not justified by the risk that motorcyclists carried. Individual motorcyclists were writing to me as the responsible Minister and to Minister Gay—what a fantastic Minister and listener he is—calling on the Government to take action, as they had been neglected by Labor for so long.

I am happy to report that the New South Wales Liberals and Nationals Government, which is a listening Government—especially the Hon. Charlie Lynn; it surprises me that he can hear anything over the noise of his motor bike—has listened to the community and has worked with insurers to reach an outcome that better reflects the activity. Of the five motorbike classes, all but one has seen substantial decreases in premiums. The riders in the 1,126cc to 1,325cc class can still save up to almost \$350 simply by shopping around for the best price among the insurers. The changes to compulsory third party prices for the various categories of motorbike are as follows: in the 225cc class the average best price for compulsory third party insurance has been reduced by \$37, or 19.1 per cent; in the 225cc to 725cc range the average best price for compulsory third party insurance has been reduced by \$71, or 17.4 per cent; and in the 726cc to 1,125cc range the average best price for compulsory third party has been reduced by \$84, or 14.1 per cent. The Government is not perfect: we could not achieve everything. In the 1,126cc to 1,325cc range the average best price for compulsory third party increased by \$29, or 3.8 per cent.

The biggest decrease was in the whopper class—namely, in the 1,326cc-plus range where the reduction was \$91. That is right; the average best price for compulsory third party insurance for a motorcyclist who has a motorbike in the 1,326cc range has actually gone down by \$91. I commend the Motor Accidents Authority for its work on compulsory third party premiums for motorcyclists. The extent of the reduction for individual motorists will depend on how well they shop around for the best compulsory third party premium. To that extent, I once again strongly urge all riders to use the compulsory third party calculator on the Motor Accidents Authority website, www.greenslips.nsw.gov.au, to get the best possible price. The New South Wales Liberal-Nationals are committed to ensuring that compulsory third party premiums are reasonable and that any change is warranted. In contrast, the previous mob just let compulsory third party get out of control. The Ministers in the Labor Government were not interested and did not work in support of motorcyclists or motorists.

WORKING HOLIDAY VISAS

The Hon. JAN BARHAM: I direct my question to the Minister for Police and Emergency Services, representing the Minister for Tourism, Major Events, Hospitality and Racing. Will the Minister advise whether the Government will make representations to the Federal Government in relation to the request from the Australian Tourism Export Council for changes to working holiday visas to allow for employment of up to 88 days in tourism and hospitality in regional Australia? If so, will the New South Wales Government make its position publicly available?

The Hon. MICHAEL GALLACHER: I thank the member for her question. Undoubtedly, the Government values tourism in this State. I will pass on the member's question to the Minister for Tourism, Major Events, Hospitality and Racing and obtain an answer as soon as possible.

COUNTRYLINK RAIL SERVICES

The Hon. SOPHIE COTSIS: I direct my question to the Minister for Roads and Ports. The Greiner Government, following the receipt of a report from consultants Booz Allen and Hamilton which called for widespread cuts to CountryLink services, went on to cut CountryLink services to Broken Hill and Griffith. The Minister for Roads and Ports was a member of that Government.

The Hon. Marie Ficarra: Were you born?

The Hon. SOPHIE COTSIS: I was in year 10. These services were reinstated by the previous Labor Government. Can the Minister guarantee that these services will not be cut or privatised as a result of the current Booz and Company review of RailCorp?

The Hon. DUNCAN GAY: One of the suggestions from this Government on days one, two, three and four of this Parliament was that those opposite set up a question time committee. If they had done so, the Hon. Sophie Cotsis would have realised I was asked that question earlier and I answered it. I direct her attention to my answer.

KITCHEN FIRES

The Hon. DAVID CLARKE: I address my question to the Minister for Police and Emergency Services. Will the Minister inform the House about what people can do to prevent cooking fires in the home?

The Hon. MICHAEL GALLACHER: I thank the Hon. David Clarke for his question and interest in the safety of our community. Fire and Rescue NSW statistics show that kitchen fires make up 49 per cent of all house fires attended by Fire and Rescue NSW firefighters every year. In January alone there were more than 134 kitchen fires—around four to five daily—and at least 13 resulted in people being transported to hospital with injuries, including smoke inhalation and burns. These fires can quickly get out of control and put an entire home at risk, not to mention the risk of injury to an individual or a family.

The Hon. Mick Veitch: Any fires in the kitchen cabinet, Mike?

The Hon. MICHAEL GALLACHER: No, no fires in the cabinet. Often these fires start as a result of cooking that is left unattended. By following a few simple fire safety measures, such as never leaving cooking unattended, householders can avoid a fire in the kitchen. Whether one is in the kitchen, outside at the barbeque or even cooking in an outdoor kitchen oven, it is vital that someone watches what is happening. It is important also to keep a fire blanket or portable fire extinguisher handy and to know how to use them. These basic tools, which are available from most hardware stores, can make all the difference if a fire does start.

[Interruption]

This is why I worked so hard to get into government and I have finally made it. People should also have a home escape plan—such as Julia Gillard—in the case of fire and practise it regularly. Most importantly, people should have the right number of smoke alarms installed throughout their homes and make sure that they are tested regularly. Fire and Rescue NSW firefighters can provide advice on how many smoke alarms are required and where they should be installed. Of course, in the event of a fire, people should not delay; they should dial 000 immediately. I urge all New South Wales residents to go online and to complete the home fire safety audit. The Government and its fire services are committed to keeping families safe through our prevention and preparedness campaigns that aim to prevent emergencies such as cooking fires to help reduce the impact on our community.

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

Questions without notice concluded.

Pursuant to sessional orders debate on committee reports proceeded with.

GENERAL PURPOSE STANDING COMMITTEE NO. 2

Report: Budget Estimates 2011-2012

Debate resumed from 14 February 2012.

The Hon. MARIE FICARRA (Parliamentary Secretary) [5.01 p.m.]: It is with pleasure that I speak in debate on the budget estimates hearing conducted by General Purpose Standing Committee No. 2 on 24, 26 and 28 October 2011. In relation to one of the State's most important portfolios, Health, the committee heard from Minister Jillian Skinner. I am pleased to advise the House that more patients are being treated in emergency departments—some 14,045 more in the six months to 31 December 2011. Also, 1,627 more patients underwent elective surgery procedures in the six months to 31 December 2011. This includes 38 deaf children, who

received cochlear implants as a result of a decision by Minister Skinner. As well, 565 more beds are being funded and delivered and the recent annual report includes the most transparent reporting of beds ever. I am pleased to advise the House that there are 850 doctor intern training positions in 49 hospitals throughout the State and also in 15 general practitioner practices across New South Wales, 80 more than in the preceding year. Minister Skinner also ensured that a dedicated general practitioner procedural pathway program to attract doctors to regional New South Wales is being delivered.

As we are all aware, nurses are the backbone of our health system. I note that the Minister recently announced that this year there will be 2,163 new graduate nurses in 102 hospitals. This amounts to 500 more graduate nurses than in 2011, with 583 new graduate nurses in western Sydney and 593 graduate nurses in regional New South Wales. Most pleasing is the fact that as at 31 December 2011 there were 1,011 more nurses overall in the health system compared with the pre-March 2011 figures. As members would be aware, the whole health system has been restructured to focus on patients—a middle layer of bureaucracy abolished and 7,064 positions devolved to local health districts and placed closer to patients where decisions should be made, not in a centralised head office.

Also a Ministry of Health has been created with 25 per cent fewer staff. A \$4.7 billion health infrastructure program—50 per cent more than that allocated by the previous Labor Government—is being delivered for hospitals across the State. It is also noteworthy that the Medical Research Support Program has been boosted by \$20 million over four years. Minister Skinner is devoted to hearing from the grassroots and clinicians are engaged with a Minister who actually visits their hospital and listens to them. I note that Minister Skinner has visited hospitals in every local health district, from Broken Hill to Westmead, from Wagga Wagga to Nepean, from Tamworth to Campbelltown.

I turn now to the portfolios of Aboriginal Affairs, Citizenship and Communities. In particular, I note that in May 2011 the Auditor-General tabled a report which concluded that the Two Ways Together program did not deliver the improvements for Aboriginal people that were intended. The report described the growing distance between the Government and Aboriginal communities, the failure to coordinate between government agencies and the failure to measure government performance. It recommended the need for greater accountability and leadership and a strong evidence-based and a whole-of-government approach. In response to the report the Premier stated:

My Government will talk openly and honestly with Aboriginal people about the challenges that we jointly face and how to ensure that the mistakes of the previous Government are not repeated.

Accordingly, a ministerial task force on Aboriginal Affairs has been established, chaired by Minister Dominello. Its membership includes the Minister for Health, the Minister for Education, the Treasurer, the Attorney General, the Minister for Family and Community Services, the Minister for Mental Health, and the Minister for Healthy Lifestyles, and Minister for Western New South Wales. More importantly, a representative from the Coalition of Aboriginal Peak Organisations, Mr Stephen Ryan, is a task force member providing the New South Wales Aboriginal Land Council, Aboriginal Legal Services, Link-Up NSW, the Aboriginal Education Consultative Group, the Aboriginal Health and Medical Research Council and the Aboriginal Child, Family and Community Care Secretariat with a voice at the table.

In addition, there are independent Aboriginal advisers on education and employment, including Danny Lester, Chief Executive of the Aboriginal Employment Strategy, and Professor Shane Houston, Deputy Vice-Chancellor of the University of Sydney. That means that there are seven Ministers—almost a third of the Cabinet—listening and working side by side with Aboriginal leaders and academics. The task force also includes the directors general of the Department of Premier and Cabinet and the Department of Education and Communities, and the head of the Office of Aboriginal Affairs.

The task force is focusing on identifying opportunities to improve educational and employment outcomes for Aboriginal people across the State. The task force will look also at how to improve service delivery and accountability in Aboriginal affairs across New South Wales. The task force will conclude in late 2012 with a strategy, including concrete reforms around the terms of reference. With regard to the portfolio of Family, Community Services and Women, as members would know, in partnership with more than 2,500 non-government agencies, the Family and Community Services cluster delivers services to some of the most disadvantaged people and communities in New South Wales.

The reform of the Department of Family and Community Services is well underway. New South Wales is fortunate to have dedicated people in the Community Services, Housing and Ageing, Disability and Home

Care portfolio areas, including hardworking front-line staff and caseworkers. Minister Pru Goward is determined to improve the systems they work with to unleash their full potential to benefit the citizens of this State. Much has been achieved thus far. Reforming Community Services has seen planning, contract reform and negotiations underway to transfer out-of-home care to the non-government sector. The first child deaths annual report was published in December 2011, boosting transparency and accountability and building the case for real reform.

For those requiring social housing, the Government has reached agreement Australia wide for a national regulatory system for community housing providers; boosted housing in regional and rural communities by 52 properties, including safe houses; and in 2010-11 assisted more than 2,400 people who were homeless or at risk of homelessness with housing assistance under the New South Wales Government's implementation of the National Partnership Agreement on Homelessness plus a further 5,300 people in social housing. I am pleased to note also that to improve services to women, Family and Community Services has funded and called tenders for five new Staying Home Leaving Violence sites.

The committee also learnt of the achievements of the Ministry for Sport from the Hon. Graham Annesley, including the Sydney Cricket Ground redevelopment, the International Cricket Hall of Fame and developments relating to the Sydney Olympic Park Authority. I was delighted to hear that \$2 million in grants has been announced to renovate and rebuild surf club facilities at 17 different locations along the New South Wales coastline. This direct investment in club facilities will help to improve safety and usage and hopefully see increased participation in surf life saving, a great and iconic Australian volunteer service.

I am pleased to note also that the 2011-12 budget contained an allocation of \$2.8 billion to the Ageing, Disability and Home Care service, which is an increase of \$342 million over the previous year. This budget represents an increase of 13.9 per cent and will fund a range of community support services for frail older people and younger people with a disability and their carers. In education, I am also pleased to note that a ministerial advisory group has been established on the Literacy and Numeracy Action Plan, chaired by the eminent Dr Ken Boston. A trial of 50 new student support officer positions in New South Wales schools has also occurred.

The School Certificate has been abolished, which was warmly welcomed by stakeholders as it had lost its relevance. It has been replaced with the Recognition of School Achievement. The Local Schools Local Decisions Action Plan upgrade fund has been allocated \$40 million over four years to cater for maintenance needs identified by principals and school communities and \$20 million for basic maintenance where principals have control of general assistants and minor maintenance. Principals are permitted to use local tradespeople who offer better value for money. Also noteworthy is that the Schools Facilities Standards are under review for the first time since the 1970s.

The Government has also reinstated the former model of a Sydney-based school for rural children with severe learning difficulties based on the Dalwood model. The New South Wales Centre for Effective Reading has reinstated the up to four-week residential program based at Manly. Stage one, the five-day residential program, commenced on 6 June 2011 and stage two, the four-week residential program, commenced on 25 July 2011. I am proud to say that Minister Piccoli has offered his apologies for what has been a completely unacceptable mismanagement of the Assisted School Travel Program, which left so many of our students with disabilities without transport to school and caused their families distress.

On Tuesday 31 January the Premier appointed Dr Ken Boston, AO, an esteemed international educator and former director general of the Department of Education, to carry out an independent review into the Assisted School Travel Program. The New South Wales Government has accepted all the recommendations of the Boston report into the scheme and a former director general of the Department of Premier and Cabinet, Chris Raper, has been appointed by Dr Bruniges to drive the administrative and management recommendations of the Boston report to ensure there is no repeat of such distress to families and carers of students with disabilities requiring school travel in the future.

In the Healthy Lifestyles and Mental Health portfolio I note Minister Kevin Humphries' advice that the Government will be investing \$1.34 billion this financial year in mental health, the largest mental health budget this State has ever seen. There also have been huge capital injections with upgrades to the Hornsby Hospital adult and child adolescent unit, Sydney Children's Hospital and additional staged projects, with \$45 million allocated. Stage three of the Nepean Hospital redevelopment includes a 64-bed mental health inpatient unit and community mental health works worth \$22.6 million. An amount of \$60.9 million is allocated for the Liverpool

Hospital redevelopment stage two, which involves a reconfiguration of its clinical services block. It also will include a six-bed psychiatric emergency care centre unit. The \$21 million injection into the Sydney Children's Hospital will include a child and adolescent inpatient unit and community mental health facilities.

An amount of \$8.8 million is allocated to the Royal North Shore Hospital stage two upgrade, which will incorporate a 34-bed acute inpatient facility. There is \$500,000 this year for a new rural mental health emergency transport service, which steps up to \$2.1 million in future years. There is \$500,000 for the schizophrenia research chair at the University of New South Wales, \$800,000 for a clinical academic research program, \$2 million for a family care and mental health program, \$3.4 million for an assertive community response and mental health services program and \$800,000 for older persons' beds in the Hunter-New England service at the Mater Hospital.

As members can see, going through all the portfolios, the O'Farrell Government commits to driving further reform and delivering on outcomes that will improve the lives of our citizens. We look forward to regular updates and feedback being given to members of not only this House but also the other place. It is with much pride that I commend the motion to the House.

The Hon. SARAH MITCHELL [5.16 p.m.]: I make a contribution to debate on the budget estimates hearings conducted in 2011 by General Purpose Standing Committee No. 2. I begin by thanking the Ministers and departmental staff for their attendance and for the information they provided at the hearings. I also pass on my appreciation to the chair of the committee, the Hon. Marie Ficarra, my colleagues on the committee and the committee staff. Some very worthwhile information came out of the hearings and I will focus on just a few of the portfolios in detail.

Beginning with Education, I will address the excellent steps taken by my Nationals colleague the Minister for Education, the Hon. Adrian Piccoli, to improve educational services throughout New South Wales. The review of the 47 schools trial has been completed and has provided a valuable insight into the possibilities for a more flexible environment in which principals and school communities can make decisions that enhance learning outcomes for the students in their schools. The trial finished in 2011; however, the flexibility that was such a positive feature of the trial will be retained in these schools as the details of Local Schools Local Decisions are developed.

The national curriculum has been delayed in order to ensure that teachers have appropriate professional development. Early childhood and care has been brought into the Department of Education and Communities and an early childhood funding review chaired by Professor Deb Brennan has been announced. The Minister also has appointed a Parliamentary Secretary for Tertiary Education and Skills, Gabrielle Upton, who is doing a wonderful job. The Government also has delivered university governance reform, which gives universities a greater say in determining the size and composition of their governing bodies. This brings university governance into line with contemporary governance practice. The Government also has announced Smart and Skilled, which involves consultation on TAFE and vocational education and training reform.

With regard to Aboriginal initiatives in education, as part of a comprehensive plan to improve Aboriginal student learning outcomes the Government has funded two new programs—the Aspiration Initiative and the Clontarf Foundation. The Aspiration Initiative aims to mentor and support Aboriginal students who display potential from year 8 through to post-school education. The Clontarf Foundation will work in seven schools in western and north-western New South Wales throughout 2012. This highly effective program is working in Western Australia, the Northern Territory and Victoria and will work towards addressing absenteeism, retention and disciplinary issues amongst Aboriginal boys.

With regard to rural and regional education, closing the educational divide between rural and urban students is now on the national agenda after this Government successfully negotiated an agreement in April between State, Territory and Commonwealth education Ministers to make the issue a key priority of the new Standing Council on School Education and Early Childhood. There is a growing body of evidence that the educational divide between rural students and city students is not only growing but also becoming entrenched. Agreement between the State, Territory and Commonwealth governments is an important first step towards addressing the rural-urban gap in education.

I was particularly pleased to see reinstated the former model of a Sydney-based school for rural children with severe learning difficulties, as was mentioned by my colleague the Hon. Marie Ficarra. I know how warmly this decision was welcomed by many parents, students, and teachers across regional New South

Wales. The New South Wales Centre for Effective Reading has reinstated the up to four-week residential program based in Manly, commencing midway through last year. The steering committee charged with overseeing the Centre for Effective Reading is in place and commenced meeting in June 2011. Students from rural and remote New South Wales continue to have access to the New South Wales Centre for Effective Reading and the service has also been expanded to provide direct services in the regional cities of Wagga Wagga and Dubbo.

I turn now to the portfolios of Mental Health, Healthy Lifestyles and Western New South Wales and the fantastic work done once again by my Nationals colleague and Minister for Mental Health, Minister for Healthy Lifestyles, and Minister for Western New South Wales, the Hon. Kevin Humphries. This Government has invested or is investing \$1.34 billion this financial year for mental health, representing the largest mental health budget this State has ever seen. This Government puts mental health care at the forefront of its policy plan and is willing to back its promises with substantial funding. I would like to elaborate on just a few examples of how this funding will be distributed throughout the State. An amount of \$48 million has been invested for the Wagga Wagga hospital redevelopment, which includes conditional funding for 30 acute mental health beds and 20 subacute mental health units. Stage three of the Nepean Hospital redevelopment includes a 64-bed mental health inpatient unit and community mental health works worth \$22.6 million.

The Minister is looking also at promoting the relationship between mainstream healthcare facilities and also outreach programs. The Government is investing about \$3.2 million over the course of the term to look at programs that support the homeless who also suffer from a mental illness to ensure they are not discharged from a facility without having the proper care and accommodation services. The Government is looking also at expanding the Aboriginal Housing and Accommodation Support Initiative package which aims to give those who suffer from mental illness greater support and more options for their future. Often it is the case that those who suffer a psychotic episode come firstly into contact with the police. Though senior officers are trained to handle such situations we are also looking at ways to ensure that such training for mental health intervention becomes part of the basic training for the NSW Police Force.

These are just a few initiatives and potential policy programs that represent this Government's commitment to improving mental health services in the State. The Government wants to create a long-term strategic plan for western New South Wales. This is an essential way to address engagement and productivity in that region. This Government is looking at new ways for local government to do business, particularly relating to ratepayers. Currently, the number of ratepayers has decreased due to farms getting bigger. However, productivity is growing. The aim is to join up services to corporately govern those parts of the State. The Coalition plan over the next 10 years is to promote economic growth in western New South Wales. The main issue is to keep the people who are in these rural areas viable and sustainable and to help them access markets in a more effective and efficient way. The Government also wants to encourage more diverse industry to invest in western New South Wales.

Finally, I turn to the portfolio of Aboriginal Affairs and the important work of the Minister for Citizenship and Communities, and Minister for Aboriginal Affairs, the Hon. Victor Dominello. The work he has undertaken in establishing a ministerial task force to address the concerns regarding Aboriginal affairs should be commended. Time and again the Aboriginal community has referred to the Two Ways Together program as "two ways apart". The report described the growing distance between the Government and Aboriginal communities, the failure to coordinate between government agencies and the failure to measure government performance. It recommended the need for greater accountability and leadership, a strong evidence-base and a whole-of-government approach.

This Government will talk openly and honestly with Aboriginal people about the challenges that we jointly face and how to ensure that the mistakes of the previous Government are not repeated. If the Government wants different results we need to take a different approach, and a different approach together with Aboriginal people. That is why the New South Wales Liberal-Nationals Government has created a Ministerial Taskforce on Aboriginal Affairs. The task force is different in its membership and different in its priorities. It is about the power of partnership, not bureaucracy. In the past there have been numerous committees on Aboriginal policy, and the difference with this task force is that senior Ministers and senior Aboriginal leaders will be making decisions together. It will bring the voice of Aboriginal people to the core of government. This Government understands that the best outcome is achieved when Aboriginal communities identify the problems, drive the solutions, and own the outcomes. The task force is also different as it reflects a whole-of-government approach.

Secondly, the task force is different in its priorities and believes that opportunity and aspiration for young people at school and through employment defeat despair and disadvantage. Therefore, the focus will be on identifying opportunities to improve educational outcomes and employment outcomes for Aboriginal people in New South Wales. The task force membership will strive to decrease the gaps in juvenile incarceration, life expectancy and child abuse and neglect. However, we must recognise that these are the symptoms of disadvantage and that effective reform in education and employment will reduce these symptoms. To address these issues, reform will be carried out through the framework of education. One will achieve generational change only through education.

The task force will conclude in late 2012 with a strategy including concrete reforms around the terms of reference which include, as mentioned previously by the Hon. Marie Ficarra, improved service delivery and accountability in Aboriginal affairs. The task force will be actively seeking the views of all Aboriginal leaders and communities, corporate and non-government organisations which will offer significant opportunity for reform in this important policy area. These are just some of the highlights from the various portfolios covered throughout the budget estimates hearings by General Purpose Standing Committee No. 2. As a member who was new to this committee I found the whole experience very informative. In conclusion I again thank all those involved in the process.

Dr JOHN KAYE [5.26 p.m.]: I contribute to debate on the budget estimates hearings conducted in 2011 by General Purpose Standing Committee No. 2. I will not comprehensively cover the wide range of issues examined by the committee across the crucial portfolios of Health and Education—the biggest spending service portfolios in the State. I suspect that New South Wales runs the biggest public health system and the biggest public education system in Australia. Both portfolios present, and will continue to present, a variety of challenges for Ministers of any political persuasion as the stress on spending and ideological constraints on regulation continue to make the task of delivering quality public education and public health much more difficult.

However, I wish to refer to a couple of issues in the health, medical research and mental health areas. I begin with the perennial issue of sun beds or artificial tanning studios. The Hon. Marie Ficarra, who chaired the committee and who has a background in public health, the current Minister and the Minister's predecessor, the Hon. Frank Sartor, clearly understand the need to ban sun beds. Sun beds have minimal or no therapeutic value and are responsible for somewhere between 10 and 13 deaths in New South Wales each year and about 43 deaths around Australia. These agonizing, unnecessary and unpleasant deaths result in broken families and all too often cut short the lives of young people who had so much to contribute and enjoy.

A number of people in this Chamber—loudly in my case and behind the scenes in the case of others—have been working for a number of years to resolve this tragedy. The failure of the previous Government to introduce sensible regulations resulted in people with reasonably fair skin types and people over the age of 21 using sun beds in New South Wales. To this Government's credit, about two weeks it announced a ban on commercial artificial tanning beds but, sadly, there is a three-year phase-out period. It is estimated that in that time about 43 people will die. The Greens are not unsympathetic to those who invested in a perfectly legal industry. Small tanning operators could be provided with transition funding to transform their businesses into safer operations. I do not feel the need to have a particular skin colour, but I understand that some people desire a tan. There is an argument that some of those businesses should be helped to make the transition.

Today the next step in the tobacco control strategy was announced. The Greens welcome the extensive ban on smoking in outdoor public areas, which is certainly a step in the right direction. We are extremely disappointed, and it is a great shame, that outdoor dining is not included. We have to wait until the expiration of the first term of the O'Farrell Government for it to be introduced. Tens of thousands of people will be exposed to side-stream tobacco smoke, many of whom will contract lung cancer.

A number of members and I have received an alarming report from oncologists that said that an increasing number of young women, particularly those who have lived in Iraq, report lung cancer when they have never smoked. A disease that is relatively rare amongst non-smokers is now increasingly occurring amongst young women who have not smoked. As that matter is of grave concern, I call on the Minister to explore and report on the public health reasons for it. We know a part of that is side-stream tobacco, now known to be a deadly carcinogen. We should put every effort into avoiding it.

The former Government stalled on the 2011 to 2016 tobacco strategy, which was hidden behind closed doors for far too long. Public comment into the strategy closed in January 2010, but the out-workings of the

strategy were not disclosed until today. It is terrific that an extension to the ban on smoking in outdoor public areas has occurred, but more than half the local councils around New South Wales have already instituted a ban of some form or another. We now have uniform banning, save and except for outdoor eating areas. That is one of the most important areas to ban smoking, not only for the comfort of people so they do not have to dine next to other people who are smoking—a super annoying experience—but also for public health reasons.

Cystic fibrosis does not affect many people; it affects approximately 1,000 people in New South Wales. There is a lack of comprehensive therapeutic services for those people who, very sadly, are mostly young. Fortunately, they are getting older. The average age of death for a person suffering from cystic fibrosis has increased from childhood, to teenagehood, to adolescence, to the early 20s. Increasingly, medical interventions help people who have cystic fibrosis live a fulfilling life. The clinicians who treat cystic fibrosis patients around New South Wales have identified the need for an additional \$4 million to provide appropriate services. Patients need regular access to clinical services to keep their lungs and digestive systems operating.

The Greens and the Cystic Fibrosis Foundation call on the Government to find \$4 million that will make a massive difference to the lives of 1,000 people. The Minister was unable to give me a commitment to that \$4 million, but The Greens will continue to put pressure on this Government and every succeeding government until there is a cure for cystic fibrosis. I have met a number of people with cystic fibrosis and their families. I hope that that day is soon. I hope to see the therapies, the gene sharing therapies or other therapies, resolve the tragedy of early death associated with cystic fibrosis.

I refer to patients who are being discharged from hospital without appropriate community care. This is the great mental health care scandal, and I hope the new Mental Health Commission will address it. I applaud the Minister for Health for establishing this commission. I hope that it will look at patients who are discharged from an acute mental health bed and end up without access to a caseworker. An answer to a question on notice during budget estimates disclosed that only 57 per cent of patients discharged from an acute public mental health unit in New South Wales were followed up by a community mental health team within seven days. The remaining 43 per cent either had to make their own private arrangements or struggle without care, increasing the risk of harm to themselves and to others.

Disgracefully, the target of the Department of Health is that 70 per cent of the proportion of patients discharged be seen by a community mental health team. It is absolutely scandalous that 30 per cent of patients are left without access to a community mental health team. The years of political neglect have left the system without the linkages between acute care and community care. Patients emerging from a mental health episode are dumped out of hospital to fend for themselves without the support they need to fully recover. With only 57 per cent of patients discharged from an acute mental health unit seen by a community team in their first week, the remaining 43 per cent are at risk. The Greens call on the Government to immediately invest in caseworkers to ensure there is a transition to community plan for every mental health patient in New South Wales, not only after they are discharged but also before they are discharged. I do not have time to talk about education, but I do so from time to time in other debates in this Chamber.

Debate adjourned on motion by Dr John Kaye and set down as an order of the day for a future day.

JOINT SELECT COMMITTEE ON THE PARLIAMENTARY BUDGET OFFICE

Report: Inquiry into the Parliamentary Budget Office

Debate resumed from 14 February 2012.

The Hon. NATASHA MACLAREN-JONES [5.36 p.m.]: I speak on the final report of the Joint Select Committee on the Parliamentary Budget Office, which was tabled out of session on 2 December 2011. The Joint Select Committee was established on 23 June 2011 to inquire into and report on the Parliamentary Budget Office. In conducting its inquiry, the committee was required to consider the purpose of the Parliamentary Budget Office and whether the terms of the Parliamentary Budget Office Act 2010 are appropriate. The committee was also asked to consider the role for the Parliamentary Budget Office, including its functions and powers, structure, staffing and resourcing, and accountability and oversight mechanisms.

During the inquiry the committee received 13 submissions from a range of stakeholders, including political organisations, business groups, unions and international agencies. The committee held a public hearing,

during which it heard evidence from the former Acting Parliamentary Budget Officer, Mr Tony Harris. The committee received a number of submissions from jurisdictions around the world that had established agencies that were comparable to the Parliamentary Budget Office or performed some similar functions to the office. However, all of these agencies were from national or Federal jurisdictions. At the time of the inquiry no other Australian jurisdictions had established a Parliamentary Budget Office.

Since the conclusion of the committee's inquiry the Commonwealth Parliament has passed the Parliamentary Service Amendment (Parliamentary Budget Officer) Act 2011, which provides for the establishment of a Federal Parliamentary Budget Office. However, I note that the office is to be established at a national level, rather than a State level. The New South Wales Parliamentary Budget Office was established by the Parliamentary Budget Office Act 2010, which passed Parliament on 28 October 2010. The office became operational on 3 February 2011 with the appointment of Mr Tony Harris as Acting Parliamentary Budget Officer.

Under the existing legislation, the Parliamentary Budget Officer has three main functions. Those functions are to prepare costings of election policies for parliamentary leaders and Independent members in the period prior to a State general election, to prepare non-election costings of proposed policies for members of Parliament at any other time during the year, and to provide members of Parliament with analysis, advice and briefings of a technical nature on financial, fiscal and economic matters. It was an important focus of the committee to ascertain whether those functions were appropriate for a State Parliamentary Budget Office and how the taxpayers of New South Wales would be best served by that type of agency. The committee found that the majority of submissions to the inquiry supported the retention of the Parliamentary Budget Office. Some submissions did not offer an opinion either for or against its retention, but no submissions proposed its abolition.

The committee also heard that the costing of election policies was an essential function of the Parliamentary Budget Office. The establishment of the office in New South Wales was intended to ensure that there was a high quality and independent election costing process that was beyond any criticism concerning impartiality or independence. The committee was keen to seek common ground from all stakeholders as to how that function could be best be accomplished by the office. During the inquiry the committee made a number of recommendations designed to improve the framework for election costings. Those recommendations included making it mandatory for parliamentary leaders to submit election costings to the Parliamentary Budget Office, clarifying the content of budget impact statements, permitting the office to release more than one budget impact statement, and ensuring the confidentiality of unannounced or withdrawn election policies.

In relation to the other functions of the Parliamentary Budget Office, the committee questioned whether it was the Government's role to provide such services in addition to the existing options available to members of Parliament. The majority of the committee considered that other functions performed by the office may duplicate work performed by parliamentary committees and other agencies. For example, the parliamentary examination of budgetary, fiscal or economic issues is presently undertaken during the budget estimates process as well as by the Public Accounts Committee and other parliamentary committees.

In addition, members of Parliament have the benefit of significant assistance in understanding economic and other issues from the Parliamentary Library's research service and members' own research staff and resources. There is also regular independent commentary on financial issues from the Auditor-General through his financial and performance audit reports. On balance, the committee considered that the existing avenues for members of Parliament to obtain independent commentary and analysis on financial matters were adequate. The committee further considered that it was unreasonable to provide taxpayer-funded assistance to political parties for developing and costing policies.

The committee's final report made nine recommendations. The three key recommendations were that parliamentary leaders be required to submit all of their publicly announced election policies for costing by the Parliamentary Budget Office, that the office operate for a period of six months prior to each State election, and that the sole function of the Parliamentary Budget Officer be to prepare election policy costings. I believe the recommendations offered by this committee have the balance right. They provide transparency and value for money. I take this opportunity to acknowledge and thank the stakeholders who made submissions and participated in the public hearings. In particular, I note the evidence of Mr Tony Harris, the former Acting Parliamentary Budget Officer. Finally, I thank the member for Baulkham Hills, the chair, and my fellow committee members for their contributions to the inquiry. I commend the report to the House.

Debate adjourned on motion by the Hon. Natasha Maclaren-Jones and set down as an order of the day for a future day.

GENERAL PURPOSE STANDING COMMITTEE NO. 3**Report: Budget Estimates 2011-2012**

Debate called on, and adjourned on motion by the Hon. Natasha Maclaren-Jones and set down as an order of the day for a future day.

STANDING COMMITTEE ON LAW AND JUSTICE**Report: Fourth Review of the Exercise of the Functions of the Lifetime Care and Support Authority and the Lifetime Care and Support Advisory Council**

Debate resumed from 14 February 2012.

The Hon. SHAOQUETT MOSELMANE [5.45 p.m.]: The "Fourth Review of the Exercise of the Functions of the Lifetime Care and Support Authority and the Lifetime Care and Support Advisory Council" report was tabled with the Clerk of the Legislative Council on 25 December 2011 and chair tabled his report on 14 February 2012. As I have recently joined the committee, I thank the secretariat staff and all members of the committee for their friendship. I thank the chair for his chairmanship and members for their considered and collaborative approach to this review and ultimately the production of this bipartisan report.

The Standing Committee on Law and Justice has an ongoing role to review the exercise of the functions of the Lifetime Care and Support Authority of New South Wales and the Lifetime Care and Support Advisory Council of New South Wales. The authority is responsible for the administration of the Lifetime Care and Support Scheme, which provides lifetime care and support to people severely injured in motor vehicle accidents in New South Wales. It provides treatment, rehabilitation and care for people who have been severely injured in accidents regardless of who was at fault. The authority was established under the Motor Accidents (Lifetime Care and Support) Act on 1 July 2006. The scheme commenced operation in October 2006 to care for children under the age of 16 years and on 1 October 2007 to care for people aged 16 years and over. It is funded by a levy collected through compulsory third party insurance.

Section 68 of the Motor Accidents (Lifetime Care and Support) Act 2006 requires a Legislative Council committee—in this case, the Standing Committee on Law and Justice—to supervise the exercise of the functions of the Lifetime Care and Support Authority and the Lifetime Care and Support Advisory Council. The committee has now concluded its fourth review of the scheme and the council, and it has made a number of recommendations. The committee received submissions from a number of stakeholders and heard evidence from representatives from a number of parties, including the usual past contributors, including the authority and the advisory council, the Children's Hospital at Westmead, Spinal Cord Injuries Australia, the Brain Injury Rehabilitation Directorate, the State Spinal Cord Injury Service, the New South Wales Bar Association, the Australian Lawyers Alliance and the Law Society. The committee chair has, on behalf of the committee, expressed our appreciation for their contributions. I echo those sentiments and thank them for their contributions given the generally repetitive nature of the annual review and the burden that this process places on them in respect of the time and cost involved in making a submission and attending hearings.

I will not deal in depth with each of the areas covered by the report or the many recommendations. However, I note that a number of important issues were raised. One was the administrative demands placed on stakeholders. Those demands, particularly those placed on medical professionals, have been significant and have been the subject of regular complaints—they have been raised during previous reviews and during this review. Attending to paperwork is important, but it is the last thing clinicians want to do. Administrative demands generated by the scheme limit the time that clinicians and others can spend with patients. In that regard, some stakeholders suggested efficiencies to reduce the administrative requirements of the scheme. The committee recognises that as the scheme continues to grow so, too, do the administrative demands and burdens. The committee has recommended that the Lifetime Care and Support Authority work with clinicians and others to standardise and hopefully simplify the process.

Another point raised was the number of participants in the scheme who are living in the community. In 2011 there was an increase in the number of participants living in the community as opposed to living in hospitals or in rehabilitation facilities. This is beneficial for participants as it assists with rehabilitation and hopefully enables a quicker recovery. The committee will need to inquire into the needs of participants living in the community and to look at the way their treatment is planned and their future needs are accommodated.

Given that the scheme participants are increasingly moving back into the community from hospital rehabilitation, it is important that a greater number of general practitioners understand the scheme and how it operates.

To this end, the committee has recommended that the Lifetime Care and Support Authority develop and employ effective mechanisms to address the concerns of participants and stakeholders. The committee has yet again heard that medical practitioners are concerned about the methods used to determine eligibility to the scheme. In light of the concerns raised, the committee has recommended that the Lifetime Care and Support Authority evaluate the current medical assessment tools used to determine eligibility to the scheme and that it consult with stakeholders in the process.

I refer to matters of taxation and participant management of own care. The Motor Accidents (Lifetime Care and Support) Act 2006 permits the authority to enter into arrangements with the scheme participants to manage their own care through periodic payments from the authority to fund their treatment and care needs. Adding to the ease of management of the participants' care is the assistance provided by the Australian Taxation Office. In October last year the Australian Taxation Office made a ruling that, subject to certain conditions, the payments from the Lifetime Care and Support Authority to individual participants in the scheme who chose to manage their own care will not be subject to taxation. Although the tax exemption is conditional—as it always is—the funds will need to be spent on the care and support of the needs of the participants.

A regular theme was raised in relation to dispute resolution—that is, the adequacy and independence of dispute resolution in relation to decisions made by the Lifetime Care and Support Authority. Stakeholders expressed concern that, because dispute assessors are appointed by the authority, they are not truly independent. In this review stakeholders have recommended the employment of independent external professionals prior to escalation of the dispute to the formal dispute resolution process under the scheme. The committee recommended that the Lifetime Care and Support Authority work with stakeholders to examine the feasibility of a more robust and independent dispute resolution process.

Housing is another issue, because there is a lack of suitable housing for scheme participants after they leave hospital or rehabilitation. In some cases the lack of appropriate accommodation means that people cannot leave hospital when they are ready to do so. This has a far-reaching detrimental impact on the participant, but also delays a person's integration into the community. To address this concern, the committee has recommended that the Lifetime Care and Support Authority investigate options for permitting participants to be discharged from hospital to interim accommodation prior to long-term accommodation being secured.

In conclusion, I am pleased to note that the scheme is functioning effectively and that the issues raised in this report, once addressed in accordance with the committee's recommendations, would see the scheme and the authority continue to develop a positive path of delivering lifetime care and support for participants. I express my gratitude to all stakeholders for their contributions, to the committee secretariat and to my colleagues on the committee. I commend the report to the House.

The Hon. SCOT MacDONALD [5.55 p.m.]: I shall make a brief contribution to the debate. I am a member of the committee. I thank the secretariat, the chair, the deputy chair, other members of the committee and people who made submissions. I wrote a letter about some of these findings to my local newspapers in Tamworth and Armidale just before Christmas. I wrote the letter because I thought some of the statistics relating to participants in the scheme from northern New South Wales were alarming. I did a bit of number crunching and I found that in what they call the northern and north-western regions of this geographic breakdown we had a very high participation in the catastrophically injured relative to our percentage of population.

I stated in my letter that I hoped that as people went away for their holidays to the coast and elsewhere they took care in their driving because we have a sad record for serious accidents in my part of the world and, consequently, more people fall into this scheme. I do not have a copy of the letter with me. However, I think the northern and north-western regions were overweighted by about 2:1 relative to our population. In my letter I speculated a little as to why that might be the case. I thought it could be distance travelled, the condition of roads, heavy traffic and fatigue. We do not know the answer—a lot of research is done into this—but I pleaded with people to be careful.

I also used one of the scheme participant graph breakdowns to highlight some of the worrying statistics that keep coming through in the catastrophically injured numbers. As the committee noted, 68 children are in the catastrophically injured category, including those with spinal cord injuries. It is sad that participants will be in

the scheme for decades, with a high cost to themselves, their families, the community, the Government and other road users. They will have a difficult life and they will be fighting for a position in a group home or wherever they end up. In my letter I highlighted that it is difficult for the families of the catastrophically injured.

I referred to the graph of the scheme participants and noted that the male to female ratio is about 2:1. We men think we are bulletproof, but many of us end up catastrophically injured. The other statistics that came to my attention related to the number of teenagers and people in their early twenties who are falling into the catastrophically injured scheme, particularly the 16-year-olds to 20-year-olds, and the 21-year-olds to 25-year-olds. They represent a tragedy on our roads. Both governments have done a fantastic job in reducing the road toll, including nonfatal accidents. However, in the 16-year-old to 20-year-old category there are 80-odd males and nearly 40 females—120 people whose lives have been ruined for the next 40 or 50 years of their lives.

Another interesting point I raised in my letter was that those numbers diminish in the 30s and early 40s, but there is an increase in the mid to late 50s. Again, the males easily outnumber females, particularly in the 51 to 55 age group. Males seem to have a midlife crisis, as I referred to it in my letter to the editor of the *Armidale Express*. Men in that age group might buy a motorbike or go on long journeys. Unfortunately, too many of them are either killed or catastrophically injured. The numbers do not lie. The midlife crisis for males is a dangerous period of their lives. I hope we can reflect on that. I got some good feedback from that letter to the editor. For example, I got good support from the editors of the Tamworth and Armidale papers and radio stations. We had a chat about it on radio. In the lead up to Christmas it was timely to ask people to slow down and to listen to the Government's messages.

Obviously, those injured in accidents suffer terrible trauma, but it was evident from those who appeared before the committee that families suffer too. If people going through a midlife crisis do not think about the consequences for themselves of rushing to a Christmas party, they should think about the consequences for their families. The statistics do not lie. The Committee did a bit of drilling down and I can happily say that the scheme is well funded. It is financially covered and will not embarrass the Government. It is the responsibility of the committee to ensure that in the future it will not be a burr under the saddle for the Government financially—as WorkCover was. Again, I thank the committee members and all participants in the inquiry, especially those who made submissions. Taking part in this inquiry was a valuable experience from which I learnt a great deal.

The Hon. PETER PRIMROSE [6.00 p.m.]: I begin my contribution by concurring with the comments of my committee colleagues. I commend the committee chair for his excellent chairing of the inquiry, as well as the participants for their questions, comments and approach to the inquiry. I thank those who made detailed and considered submissions and those who gave evidence. It is fair to say that in some inquiries some submissions are not as good as others. But in this case all the submissions were thoughtful and worthy of consideration. I commend everyone who was involved in this inquiry.

The Hon. Scot MacDonald referred to the statistics in chapter 3 of the report and made particular mention of the graph at page 21. As at 30 June 2011, of the 536 participants in the scheme 378 were male and 158 were female. There were 64 children. As to the 472 adult participants, 164 were drivers and 107 were motorcycle riders. Interestingly, anecdotal evidence emerged from discussion of these statistics that the bump in the 41-to-45 age group may be attributable to people going through a midlife crisis and buying a motorcycle.

The Hon. Michael Gallacher: Yes, Charlie.

The Hon. PETER PRIMROSE: I would never accuse the Hon. Charlie Lynn of going through a midlife crisis at the moment. The statistics reveal that the education of motorcycle riders is worthy of consideration. This was the fourth review of the Standing Committee on Law and Justice of the Lifetime Care and Support Authority and the Lifetime Care and Support Advisory Council since the inception of the scheme in 2006. In his foreword the chair said:

The report highlights that overall the Scheme is working very well to provide support to people who are catastrophically injured in motor vehicle accidents.

Paragraph 1 of the inquiry's terms of reference state:

That, in accordance with section 68 of the Motor Accidents (Lifetime Care and Support) Act 2006, the Standing Committee on Law and Justice be designated as the Legislative Council committee to supervise the exercise of the functions of the Lifetime Care and Support Authority of New South Wales and the Lifetime Care and Support Advisory Council of New South Wales under the Act.

As I have said many times, the committee system in this place may seem mundane to those who do not participate in it. However, the Legislative Council is proficient in this process and the people of New South Wales are well served by it. By conducting regular reviews, the Legislative Council committee reinforces the importance of this innovative scheme. The committee ensures that the scheme will continue to grow with the best possible use of resources and, importantly, that participants in the scheme will be heard. I turn briefly to the 14 recommendations contained in the report at pages xiv and xv. I refer in particular to recommendation 3, which states:

That the Lifetime Care and Support Authority evaluate the current medical assessment tools used to assess eligibility criteria, and investigate and report on any alternative and/or additional tools or strategies that may be appropriately used to avoid inequity in Scheme eligibility. The Authority should consult with stakeholders during this process.

As with all the recommendations contained in the report, recommendation 3 is a result of evidence presented both in writing and verbally in response to questions from the committee. The reasoning behind recommendation 3 is detailed at pages 38 to 39. The Lifetime Care and Support Authority outlined that it had revised the eligibility criteria for people who had had amputations. It explained that the criteria had been revised to resolve ambiguity and to specify the types of amputations that were eligible for the scheme. The authority indicated that it had consulted with stakeholders on the criteria and reported that the feedback was that some of the proposed measures would not be useful for scheme eligibility. The revisions to the eligibility criteria proposed the expansion of specific types of unilateral amputations. The revised eligibility would continue to remain in a draft stage.

In the third review the committee recommended that the authority evaluate the current medical assessment tools used to assess eligibility criteria and investigate and report on any alternative tools that may be appropriately used. The committee appreciated that the authority had evaluated, in particular, the Paediatric Care and Needs Scale [PCANS] as a method for determining the eligibility of children and had determined that it was an inappropriate tool. However, it noted that the authority had not conducted an evaluation of its other tools for assessing eligibility. This is a matter of concern in the context of potential situations of inequity and ineligibility. These matters included the complications of pre-existing medical conditions, such as mental health, and that eligibility can be adversely affected by the time at which the assessment is conducted.

After deliberation on this matter the committee recommended that the authority evaluate the current medical assessment tools used to assess eligibility criteria and investigate and report on any alternative and/or additional tools or strategies that may be appropriately used to avoid inequity in the scheme eligibility. The committee held that the authority should consult with stakeholders during this process. In the remarkably short time I have left, I indicate to the House that I look forward to the next round when the committee conducts its next review. We have made additional recommendations as to the timing of that assessment. If those recommendations are subsequently adopted we will then be able to show the structure and work of the committee in the best light by continuing to provide a high-quality scheme for those people most in need in our community.

Debate adjourned on motion by the Hon. Lynda Voltz and set down as an order of the day for a future day.

STANDING COMMITTEE ON LAW AND JUSTICE

Report: Eleventh Review of the Exercise of the Functions of the Motor Accidents Authority and the Motor Accidents Council

Debate resumed from 14 February 2012.

The Hon. SHAOQUETT MOSELMANE [6.10 p.m.]: I speak on report No. 48 of the Standing Committee on Law and Justice entitled "Eleventh Review of the exercise of the functions of the Motor Accidents Authority and the Motor Accidents Council". The report was tabled with the Clerk of the Legislative Council on 20 December 2011 and the chair of the committee spoke to the report on 14 February 2012. Since 2008 the committee has been required to undertake this review at least once every two years. Whilst the committee undertook the last review in 2010, with the commencement of the Fifty-fifth Parliament following the general election in March 2011 the newly re-established Standing Committee on Law and Justice decided that it would commence the eleventh review of the Motor Accident Authority and Motor Accidents Council in 2011. Taking this approach, the committee expects it will be able to conduct two reviews and receive the Government response to both of the reports within the four-year parliamentary term.

I thank the committee chair, my fellow committee members and the secretariat staff for their cooperation in producing a report with 12 unanimously endorsed recommendations. The eleventh review of the Motor Accidents Authority and the Motor Accidents Council examines a number of issues, with a key focus on insurer profits and access to damages for pain and suffering. Insurer profits refer to super profits, and I will refer to that shortly. The review also looked at various aspects of the Motor Accidents Assessment Service, including the Medical Assessment Service and the Claims Assessment and Resolution Service.

Given the nature of the annual review, we are thankful that a number of submissions were received. The committee heard evidence from a number of representatives from the Motor Accidents Authority, the Law Society of New South Wales, the New South Wales Bar Association, the Insurance Council of Australia, the Motor Accidents Authority and other participants. As the chair noted, the committee examined the performance of the Motor Accidents Authority with reference to four key indicators: affordability, effectiveness, fairness and efficiency. The committee was satisfied that the scheme in general continues to function in the appropriate manner when assessed against the broad performance indicators of affordability and effectiveness. The committee discussed also whether the scheme is fair and efficient in terms of compulsory third party [CTP] prices, injury compensation and treatment of those who are injured in a motor vehicle accident.

A number of issues were raised, including the provision of information. The committee noted critically that the provision of information by the Motor Accidents Authority is always seen as fundamental to the scheme but it is also fundamental to stakeholders and the general public. It is important that people injured in a motor vehicle accident are aware of their rights and responsibilities. To achieve this, the authority operates a claims advisory service, including translation services. In addition, it extensively advertises its green slip calculator. Legal costs were of concern to participants in the current review, as they were during the committee's six previous reviews. In the tenth review report the issue of legal costs was extensively discussed and the Motor Accidents Authority advised that the cost regulation was due to be automatically repealed on 1 September 2010 but that this date had been extended to 1 September 2011.

The Motor Accidents Authority established a working party to review the regulation and advised the committee that the result was a very good package that it expected to put to the Government for the remaking of the regulation. The Motor Accidents Authority advised the committee that the cost regulation had been extended again for another 12 months to 1 September 2012. As with legal costs, costs for services provided by a doctor under the Motor Accidents Scheme are regulated by the cost regulation. With respect to discount rates, when a lump sum payment is awarded to seriously injured people to compensate for future economic loss resulting from their injury, the present value of the future economic loss is quantified by adopting a prescribed discount rate. The Motor Accidents Compensation Act 1999 sets the discount rate for the scheme at 5 per cent. The Australian Lawyers Alliance, along with other contributors to the report, was concerned that the discount rate of 5 per cent may result in seriously injured people receiving inadequate compensation to meet their ongoing care needs. The discount rate was raised by only one stakeholder. The committee will keep a watching brief on the issue.

As to super profits, insurers are required by the Motor Accidents Compensation Act 1999 to report to the Motor Accidents Authority the profit margin on which their premiums are based and the actuarial basis for calculating their profit margins. Insurers report to the Motor Accidents Authority on two types of profits, prospective profit and realised profit. A good understanding of the realised profit may not be known for at least five years after the underwriting year. A number of participants have expressed concern about the size of the profits that the insurers have reported. The New South Wales Bar Association noted that over several years of the scheme's operation insurers had retained profits well in excess of the prospective forecast. I refer to its submission and quote some of the points the association has argued. At paragraph 105 the association states:

Over the last ten years the MAA has steadfastly refused to acknowledge, let alone address, excessive insurer profits. Each year insurers have to have their proposed premium approved by the MAA. The MAA do not permit insurers to charge a premium that allows (on projections) for the insurer to keep as profit more than 8% of the premium collected.

At paragraph 108 the association states:

... the estimate of discounted value of profit for insurers, it can be seen that for the underwriting year ended 30 September 2000, insurers have and will keep 30% of the premium written rather than 8%. For the years 2000 through 2006, insurers have and will profit to the tune of between 18% and 30% of premium written.

At paragraph 112 the association argues:

However, by the time of the 2009/10 report, the 2006 premium collection year was projected to return 18% of the premium to insurers as profits. There were ten percentage points as "super profit"—over \$120 million above a reasonable return.

Various participants have raised this as an issue on a number of occasions. At paragraph 117 the association argues:

In all, the "*super profit*" for 2000 through 2006 is in excess of \$1.5 billion.

It is obviously an issue and it was raised a number of times by various participants. They argued that the super profits from 2000 to 2006 were in excess of \$1.5 billion. The issue of super profits has been critical to the committee and it made a number of recommendations, including that an actuarial assessment be carried out to ascertain the profits for future investigation. I conclude by saying that it was an interesting investigation and all participants made extensive efforts to ensure their views were heard. As previous speakers have said, the chair ran the committee in a very professional way that allowed all participants to have their say. I thank the chair for his contribution and for this report.

The Hon. SCOT MacDONALD [6.20 p.m.]: I am grateful for the opportunity to speak on this review. I refer to the affordability of the scheme, about which there was a great deal of discussion. There do appear to be some handsome profits in the scheme. I probably took a more cautious view on this than did some of the other committee members.

Dr John Kaye: Really?

The Hon. SCOT MacDONALD: Surprise, surprise, according to Dr John Kaye. It is easy to look at the handsome profits and wonder whether they are excessive but the exposure and risk to the Government is uppermost in my mind, and I made that point in the committee room. We do not want a repeat of the HIH Insurance situation where the taxpayer was left to pick up the tab. Let us look at the forecasts and do the actuarial review. We have to be mindful of the difficulties of calculating and forecasting factors such as insurance tails. They are very difficult to calculate into the future and it is very easy to get them wrong. When they are wrong it is generally the taxpayer who has to pick up the tab.

There are a number of good reasons to be cautious. The cost of funding for insurance companies and underwriters has risen and in the current economic conditions with the global financial crisis I believe that will only get worse. We can get excited about excessive profits but will we be the ones to make amends later on and fix it in the budget? I put that on record. We all supported the recommendations by consensus. In relation to premiums, which sometimes look high in the short-term context, we obviously had a win with the Minister for Finance and Services because adjustments were made to motorcycle green slip premiums—which were discussed today in question time. I believe all categories but one were reduced, and that is a win. There is obviously room to review and reflect and the Minister, as he has said on a number of occasions, is mindful of the impact on drivers and the public. If those reviews do reveal an excessive profit is being made there may well be some opportunity to review the cost of green slips.

We also need to look at this matter in the context of the cost of green slips over the past decade or so. Casualty figures have come down from something like 80 per 10,000 vehicles 10 years ago to 55 per 10,000 vehicles now. The trend is good but that trend has been up and down. We have seen those lower figures before and they have rebounded, for whatever reasons. It is a bit hard to tell. It was also explained to us that compulsory third party [CTP] premiums are lower today in real terms than they were 10 years ago. I refer to the evidence of Mr Nicholls, who said that green slip premiums remain lower today in real terms than they were 10 years ago. He said that when the scheme commenced in 1999 premiums were about 55 per cent of average weekly earnings. Today they are around 33 per cent. As he says, and I agree, maintaining scheme affordability is a major challenge facing the scheme.

Those are the viewpoints I wanted to express. I think we are all on the same song sheet about the rest of the recommendations but I urge a little caution in the rush to bring down the price of green slips. We should consider carefully what the consequences might be in 10 years' time when there is an insurance tail that the taxpayer may have to deal with. I record my thanks to the chair, the deputy chair, other committee members and the committee staff and all those who prepared and submitted a submission. It was a bit of an eye-opener for me. I continue to see the inquiry as very worthwhile. As the previous speaker said, I look forward to the next round.

The Hon. PETER PRIMROSE [6.25 p.m.]: I join with my colleagues and the previous speaker, the Hon. Scot MacDonald, in thanking everyone who was involved in this inquiry, the Eleventh Review of the exercise of the functions of the Motor Accidents Authority and the Motor Accidents Council. To the chair, the

Hon. David Clarke, other members of the committee and, in particular, all of those who made thoughtful submissions—they were all thoughtful—and who gave evidence and answered questions so diligently I express my thanks. It certainly made our task much easier.

The New South Wales Motor Accidents Scheme is now in its thirteenth year and the Standing Committee on Law and Justice has undertaken 11 reviews of the exercise of the functions of the Motor Accidents Authority and the Motor Accidents Council, as required by the Motor Accidents Compensation Act 1999. Whilst the committee undertook its last review in 2010, with the commencement of the Fifty-fifth Parliament following the election, the Law and Justice Committee decided it would commence the eleventh review of the Act this year. With this approach the committee expects that it will be able to conduct two reviews and receive the Government's response to both of those reports within the four years of the current parliamentary term. The committee has therefore reviewed the way in which the Motor Accidents Authority and the Motor Accidents Council have exercised their functions with reference to the authority's report of 2009-10.

The current review was conducted concurrently with the committee's fourth review of the Lifetime Care and Support Authority and the Lifetime Care and Support Advisory Council, which was the subject of discussion in this House earlier today. The eleventh review of the authority and the council examines a number of issues, with a focus on insurer profits and access to damages for pain and suffering. In addition, various aspects of the Motor Accidents Assessment Service, including the Medical Assessment Service and the Claimants Assessment and Resolution Service, are reviewed in this report.

The committee received 16 submissions from a variety of stakeholders. The committee also heard evidence from representatives of the Motor Accidents Authority, the Law Society of New South Wales, the New South Wales Bar Association and the Insurance Council of Australia. In addition, evidence was obtained from the Motor Accidents Authority and other participants through a process of written questions and answers. The answers we received were often very detailed and very complex. I again join with all members of the committee in thanking everyone who was involved, in particular the Motor Accidents Authority for its cooperation and for the information it provided.

The report details 12 recommendations. In the time available I would like to focus on the last three, recommendations 10, 11 and 12 which appear in chapter 4, which deals with the Motor Accidents Assessment Service. This is the final chapter of the report and it examines issues raised by participants in relation to the Motor Accidents Assessment Service [MAAS]. The service comprises two components—the Medical Assessment Service [MAS] and the Claims Assessment and Resolution Service, or CARS. Inquiry stakeholders raised a number of issues relating to the Medical Assessment Service, which assesses medical disputes that arise between an injured person and an insurer regarding the treatment, stabilisation and degree of permanent impairment of injuries. In addition, it examines the level of impairment of a claimant's earning capacity. In its eighth review report the Standing Committee on Law and Justice examined in detail the matter of delays in assessments and disputes under the Motor Accidents Assessment Service system.

Pursuant to sessional orders business interrupted to permit a motion to adjourn the House if desired.

The House continued to sit.

Item of business set down as an order of the day for a future day.

Pursuant to sessional orders Government business proceeded with.

CRIMINAL PROCEDURE AMENDMENT (SUMMARY PROCEEDINGS CASE MANAGEMENT) BILL 2012

Bill received from the Legislative Assembly, and read a first time and ordered to be printed on motion by the Hon. Michael Gallacher.

Motion by the Hon. Michael Gallacher agreed to:

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

Second reading set down as an order of the day for a future day.

ADJOURNMENT

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [6.30 p.m.]: I move:

That this House do now adjourn.

PILLARS OF STRENGTH

The Hon. NIALL BLAIR [6.30 p.m.]: Tonight I speak about the great work of the Pillars of Strength organisation set up by Gary Sillett to offer support and comfort to fathers after they experience the premature death of a child. On Friday 17 February I attended the launch of Pillars of Strength and its inaugural golf day at Twin Creeks Golf and Country Club. The event was sponsored by the Sydney Olympic Park Business Association in conjunction with Sydney Olympic Park Golf Centre, as well as many corporate sponsors, including Macquarie Bank. The master of ceremonies of the launch was sports broadcaster Warren Smith and the event was attended by many sporting personalities, including Mario Fenech, Mark Riddell, Luke Priddis, Todd Payten, Paul Wade, Ashley Noffke, Nathan Cayless, Greg Alexander, Craig Davis and players from the Greater Western Sydney Giants.

Gary's inspiration for this initiative began when he lost his son, Isaac, who was born 14 weeks prematurely. He immediately assumed the duties of caring for his wife, Amy, and their son, Callum, in addition to completing the reams of paperwork, organising Isaac's funeral and sorting out how the family was going to pay the cumbersome medical bills, while trying to deal with his own grief following the loss of his son. Gary's family were, unfortunately, not unique in this situation. Every year in Australia 68,000 children are hospitalised, around 44,000 newborn babies require the help of a neonatal intensive care unit or special care nursery and up to 1,000 babies lose their fight for life. In dealing with this trauma up to 80 per cent of all parental relationships break down.

The idea for Pillars of Strength came about when some of Gary's mates invited him to play a round of golf with them some weeks later. Initially hesitant, Gary played golf with the blessing of his wife and found that it gave him a chance to reflect, refocus and re-energise. Gary firmly believes that there is a large gap for support services for the father when it comes to dealing with the serious illness or death of a child and this is something he is trying to address with the Pillars of Strength organisation. The pilot program began operating in August 2011 at Royal North Shore Hospital neonatal intensive care unit and initially provides in-hospital support through parking vouchers and free access to an accredited financial adviser.

Dads then have the option of engaging with the time out program, where Pillars of Strength provides an opportunity to participate in or attend sporting and fitness activities with mates, family members or other dads who have experienced a similar situation. This may entail going to a National Rugby League or Australian Football League game, having a hit of golf or going to the gym. Pillars of Strength does not aim to replace any of the existing counselling and support programs but instead provides a bridge to help grieving fathers access these services if they wish. The program has already received positive community feedback and support. Royal North Shore Hospital neonatal intensive care unit nurse Mike Bourne said:

Since we have established this program as a pilot in RNSH NICU we have seen the benefits of it for dads (and the mums). A dad is now easily and non-confrontationally able to ask for support, through asking his mate to come with him to a game or event provided by PoS. This informal support facilitates timely and relevant social and emotional support. This welcome distraction and emotional support pays dividends for the wife and family as the dads return energised and have a new lease on life. And mums are able to direct their husbands to take a break from domestic concerns and encourage them to emotionally recharge. This strengthens the husbands and the wife knows that the reprieve will enable her pillar of strength to continue to support her and the family.

Gary has great aspirations for the future of Pillars of Strength and over the next couple of years would like to see it rolled out in Wagga Wagga, Manly, John Hunter and other Sydney metropolitan hospitals. The more than \$20,000 raised from last Friday's launch will enable a regional roll-out to commence, hopefully, in Wagga Wagga later this year. I commend Gary and his team members of Pillars of Strength for the fine work they do and for identifying this need within our community and in particular within our system. I am sad that it was only as a result of Gary and Amy suffering the death of their son, Isaac, that we have this legacy. However, the idea of using sport as a gateway or conduit to start conversations around providing the necessary support for families, in particular, fathers, is a wonderful initiative. I wish the Pillars of Strength all the best in the future.

SOUTH TRALEE REZONING

The Hon. STEVE WHAN [6.35 p.m.]: Last week in the other place there was a welcome bipartisan discussion on a 10,000 signature petition supporting the development of Tralee near Queanbeyan. The petition was recorded in the votes and proceedings as being "from certain citizens requesting the immediate rezoning of South Tralee or for the rezoning to be referred to the Queanbeyan City Council". I congratulate the Jerrabomberra Residents Association and the Queanbeyan Business Council on collecting over 11,000 signatures for this petition, which enabled them to take advantage of the provisions in the other place to bring on a debate.

I have been a supporter for more than a decade of housing development at Tralee. In fact, in 2001 I remember meeting with representatives from Canberra airport and telling them that while I did not support development at Poplars, which is under the flight path, I thought that development at Tralee was appropriate. That was before the current company, which owns the development, bought the land. Since then I have supported this residential development because I felt it was an appropriate location for a number of reasons, in particular, urban planning as it is located close to transport routes and this compact development would be well serviced by public transport.

We have gone through a long process in trying to obtain approval for this development and at times there has been a fairly bitter debate. Canberra airport has alleged that this development will be under the flight path and as a result on a number of occasions developers have changed the development which now falls well outside all appropriate national standards. At times we have not received bipartisan support but I am pleased to say that the current member for Monaro in the other place supports this development and made a commitment during the election campaign to obtaining development approval. I understand that the Hon. Matthew Mason-Cox—I am sure he will correct me if I am wrong—has supported this development for quite some time. It is important for the future of Queanbeyan to proceed with this development. As a resident of the area and as a formal local member, I believe it is important to challenge the overinflated prices of land in the Canberra region by having development on a couple of fronts. Googong has offered such a challenge but Tralee, which is a different type of development, will provide people with other housing options.

Queanbeyan, which forms part of Canberra's housing market, has the second highest priced homes in Australia after Sydney, which makes it difficult for many people to own their own homes. Queanbeyan, which was settled 75 years before Canberra, in many respects is the birthplace of Canberra. Traditionally, Queanbeyan was seen as a great place in which to live because housing was more affordable and many people liked having freehold land. Unfortunately, while these developments were being considered the lack of land supply meant that housing in Queanbeyan was no longer classed as affordable.

That is why this development is so important. It has strong community support because it also promises some facilities that are not provided in the current Jerrabomberra development. Extra room must be allocated for a primary school. The fabulous Jerrabomberra Public School has an enrolment of approximately 950 children which is far too many on that site. The community also needs a preschool. I obtained funding from the former Government for a preschool in Jerrabomberra but land for that preschool could not be obtained. If things go well with council approvals and so on the preschool will now be built in Letchworth, which is located in another part of Queanbeyan. This development, which will provide the community with sporting facilities, is strongly supported by Mike Kelly the Federal member for Eden-Monaro and by me.

The airport and Federal authorities have raised some concerns but the community has consistently expressed its strong support for this development and council has unanimously recommended it. The community now wants the Government to make a decision. The matter rests now with the State Government which said prior to the election that it would return powers to local councils. The community is asking the Government to make a choice one way or the other—to approve the development or to return it to the local council for a decision. Council has already expressed its opinion. This is not the first time this matter has been considered in this place. On 27 September 2007 I successfully moved a motion in the Legislative Assembly that supported this development. I welcome the bipartisan support that this matter received last week in the Legislative Assembly.

SYRIAN CHRISTIANS

The Hon. PAUL GREEN [6.40 p.m.]: I refer to the current crisis in Syria and what it might mean for the religious minorities who live there. The Christian presence in Syria is one of the oldest in the world. In fact the *Acts of the Apostles* describes St Paul's dramatic conversion on the road to Damascus. After he was struck

blind he was baptised by the very Christians he was sent to arrest. Christianity in Syria pre-dated St Paul and still exists to this very day. Officially, Christianity in Syria comprises between 8 per cent and 10 per cent of the population.

This makes Christians a minority in a country comprising approximately 80 per cent Sunni Muslims and approximately 10 per cent Alawite Muslims. Christians have coexisted with Muslims in Syria for approximately 1,400 years. Archbishop Samir Nassar of Damascus, who was interviewed in late 2010 shortly before the recent troubles in Syria, said that at one point Syria used to have 33,000 churches. When asked how the tolerance of Christians in Syria has been preserved while all around like in Iraq and other countries the Muslim-Christian relationship had broken down, he said:

It has been preserved because of the government who looks after minorities. They [the government] don't let problems arise between Muslims and Christians. The government plays a very big role in this and they have succeeded.

Christianity in Syria is not without its problems. When the Archbishop was asked how he would respond to this issue of conversion, because in Islam conversion is punishable by death, he said:

That is fanaticism, but many Muslims come to our Church; they learn the catechism, they follow our meetings but they can't be baptized. They can be Christian if they want in their hearts but they cannot show it ... but we do receive them with open hearts and some of them come to daily mass, to the Bible studies and catechism. They come but they have to stay, outwardly, Muslim ... I can receive him but I cannot baptize him otherwise I will have a problem with the government.

Under President Assad clearly the situation was tough for Christians, but what does the recent uprising in Syria signify for Christian and other religious minorities? Given that the besieged President Assad is from the Alawite minority, a group apparently hated by the Sunni majority, there are great concerns that religious minorities will not be protected if Assad is toppled. Reverend Nadim Nassar, the Syrian-born director of the Awareness Foundation in London, said:

Christians worldwide should pray for comprehensive dialogue as the only way of ending the violence in Syria ... They see an Islamic fundamentalist currently gaining more ground, and this makes them worried. Al-Qaeda has now thrown its weight behind the opposition and this is more worrying still.

While he accepted that minority religious communities have enjoyed protection under the Assad dictatorship, Mr Nassar said:

It would be wrong for me as a Christian to hide behind the regime because it is protecting me. I should be protected by society as a whole in my capacity as a Syrian citizen, regardless of my religion. It's the uncertainty over whether any new regime will guarantee this that's contributing to the fear.

We can only hope and pray that meaningful dialogue is reached and that we do not see another bloodbath. Surely the Middle East has seen enough blood spilt without adding more to it.

ASHFIELD COUNCILLOR JULIE PASSAS

The Hon. AMANDA FAZIO [6.45 p.m.]: I will continue to inform the House about former Ashfield councillor Julie Passas. I raised this issue on 23 November in an adjournment speech but time constraints prohibited me from completing my comments. I refer, first, to an article by Lawrence Bull that was posted on the internet on 6 January 2011, entitled "How the RTA made me homeless." He states:

Early in the morning of November 26 my housemate, Liam, walked downstairs to our living room to find himself confronted with a police officer pointing a taser at him.

We had been squatting the abandoned townhouse, at the back of a vacant shopfront, for three months. Of the seven empty townhouses in the row, four were squatted. Some of our neighbours had been living there for two years. Some of these people had experienced chronic homelessness, and had slept rough ...

Our stay was at no cost to the taxpayer—as opposed to alternatives such as claiming rent assistance, or living in low-income housing. We never received any complaints, and we treated all of our neighbours with respect.

The building at 89 Liverpool Road, Ashfield, is owned by the RTA. Employees of the RTA would come by on occasion, most recently to board up the shopfronts. They had spoken with some of the squatters on occasion, and they were aware of the situation.

Two days before our eviction, anonymous notes were posted on the property advising us to leave within two days. The notes had no letterhead, names or contact details. When telephoned, the RTA was unhelpful in verifying the message. We dismissed the note as a hoax.

During the eviction, we were handed another note. Addressed to "The illegal occupiers", this note also lacked any identification of its author or authority. It advised us that we would be removed, the premises would be secured, and we would have seven days to collect our belongings.

Three security guards were posted outside the building for 24 hours a day during the week that followed. They refused to let me in without taking my photo, saying the photos were for the RTA.

That is a point of interest. The article continues:

Ashfield resident Julie Passas told newspaper The Inner-West Courier that she reported the squatters to council.

"It is not for me to go after somebody who is looking for a place to live but the place is a fire hazard," she said.

Why she thought the building was a fire hazard was unclear ...

No fire safety checks were made before the eviction, and no community housing referrals were made, or mentioned at any point.

A spokesperson for the Roads and Traffic Authority [RTA] told the local newspaper that it would take every effort to ensure that referrals were made to community housing services if required. I thank the Minister for Roads and Ports for his comprehensive answer to a question I placed on notice relating to the Roads and Traffic Authority owned property at 89 Liverpool Road, Ashfield. The Minister advised me as follows:

The squatters at 89 Liverpool Road Ashfield were evicted in accordance with a Notice from Ashfield Council dated 20 October 2010 requesting their eviction.

No complaints were received by the RTA ... or its Agent regarding the squatters.

The cost to the RTA at that time was \$899, representing legal advice on the correct procedure to comply with the Council eviction Notice.

The total cost of security to the building was \$83,921 including GST.

The total cost of demolition of the building was \$529,598 including GST. The cost of clearing the site was included in the demolition costs.

The cost of landscaping and fencing the site was \$34,200 including GST.

The total cost was \$648,618. The property has been cleared and landscaped with lawns. The Roads and Traffic Authority is now also responsible for regular lawn mowing and cleaning up of the property. Almost \$650,000 has been incurred at State Government expense in order to make a group of people homeless on the complaint of a busybody who I believe to be a complete nuisance in the neighbourhood.

I wish to raise a second point, but I will probably have to conclude it during a future adjournment debate. I refer to a claim that was beaten up by Julie Passas, who wasted police time by making spurious allegations about my conduct at the Ashfield pre-polling venue in the lead-up to the last State election. If ever there was a case of the pot calling the kettle black it would be Julie Passas complaining about somebody else's behaviour at a pre-poll. I defy any member to tell me about a pre-polling venue to which the police were called daily and where they had to paint a yellow line on the footpath to contain someone. Her racist and abusive language directed at voters was a disgrace. This story will be continued. [*Time expired.*]

CONTAINER DEPOSIT SCHEME

The Hon. CATE FAEHRMANN [6.50 p.m.]: A deposit and refund system for used beverage containers is a simple concept and one that makes sense from almost every point of view. Therefore, it is an absolute disgrace that a 30-year battle has been waged to have one reinstated in New South Wales. The simple step of putting a 10¢ deposit on a beverage container which is refunded when the container is returned is one which worked well in the past in New South Wales and which should work in the future. A container deposit scheme would create about 1,000 jobs across the State. I am sure that many members of this House have fond memories of collecting drink bottles from parks and beaches as children and cashing them in to supplement their pocket money. Others will remember that community groups such as the Scouts and Girl Guides used the scheme to help raise much-needed funds. However, not only children and community groups but also the entire community and of course the environment will benefit from the reintroduction of container deposit legislation in New South Wales.

South Australia has had a container deposit scheme for well over 30 years and now has the highest rates of recycling of bottles and cans in Australia and the lowest rates of littering. Containers covered by the

legislation comprise just 4 per cent of litter in South Australia compared to more than 30 per cent in the rest of Australia. In June 2011, PricewaterhouseCoopers International released a report on reuse and recycling of beverage packaging. It found that the benefits of recycling beverage containers resulting from the implementation of a mandatory deposit scheme produced outstanding results with collection rates of between 80 per cent and 95 per cent. That should be compared with kerbside collection recovery rates of about 40 per cent.

Despite the clear benefits, the multinational beverage industry has waged a 30-year campaign against any government that has dared even to consider the idea of placing a nominal deposit on beverage containers. Coca-Cola Amatil has been using the Keep Australia Beautiful Council as a means to gain access to members of Parliament to put forward its views in several States. In the Northern Territory Coca-Cola and its allies ran a well-funded misinformation campaign against the cash-for-container scheme. The beverage industry and other container deposit opponents frequently argue that container deposit schemes undermine the viability of kerbside recycling services. Kerbside recycling became unviable as soon as the beverage and packaging industry subsidies on the payback price for recyclable materials were withdrawn. As a result, ratepayers have been left with the burden of recycling their products.

In 2005 the Boomerang Alliance said that industry contributed just 1 per cent of the total cost of kerbside and public place recycling. Yet it is proposing to have new street recycling bins, which are notorious for cross-contamination. That would simply be another financial burden on the community whereby councils would be required to pay for collection without any greater chance of success than the current system. It is the community that pays for the cost of landfill disposal and kerbside recycling systems through damage to the environment and higher council rates. Kerbside recycling costs on average \$41 a year per household. Every container that is recovered through combined container deposit refund and kerbside recovery costs about 2¢ to 3¢. However, for every container that is sent to landfill it costs us all about 8¢ to 9¢, including environmental costs. Where is the economic sense in that?

The Boomerang Alliance has found that a national refund scheme of 10c per container would lead to an additional 4 billion—yes, that is right, billion—containers or an additional 440,000 tonnes of material recycled each year. The weight of the steel arch of the Sydney Harbour Bridge is some 35,500 tonnes. That means a huge number of containers are not being recycled. Can we afford to keep doing this? Container deposit schemes already exist in 11 States of the United States, in all provinces but one in Canada, in Sweden, Germany, Norway, the Netherlands, Belgium and Denmark and, of course, in South Australia and the Northern Territory. The average rate of recycling is 80 per cent and it is as high as 95 per cent in some countries—the higher the deposit, the higher the return rate. Internationally, deposit-refund systems are the most effective mechanism for achieving high container recovery rates.

In 1995 the incoming Carr Government promised to introduce a container deposit scheme but then bowed to extreme pressure by a powerful industry lobby led by groups such as Woolworths, Schweppes Cottees and Coca-Cola Amatil, all under the umbrella of the Beverage Industry Environment Council. If that name is not the epitome of greenwash I do not know what is. The groundbreaking report produced by the Institute for Sustainable Futures and commissioned by the Carr Government in 2000 was kept hidden by that Government and released only in response to The Greens call for papers in February 2002. It was kept hidden because it told the Government what the industry did not want it to hear; that is, that a 10¢ refundable deposit on bottles and other containers in New South Wales would create 1,500 jobs while easing Sydney's landfill problems. Local government emphatically supports a container deposit scheme. The time has come for the New South Wales Government to stand up to the beverage industry lobby and to reinstitute a tried and true method for saving money, reducing waste, reducing resource and energy use, creating more jobs and reducing environmental harm.

MURRAY-DARLING BASIN PLAN

The Hon. MATTHEW MASON-COX (Parliamentary Secretary) [6.55 p.m.]: The communities of the Murray-Darling Basin are at a crossroad. The final plan for the Murray-Darling Basin will determine their future. Our future is entwined with theirs. The crucial significance of the final plan to the basin's communities cannot and must not be overlooked or understated. As members are aware, on 28 November 2011 the Commonwealth Government, through the Murray-Darling Basin Authority, released its second proposed Murray-Darling Basin Plan. There is a consultation period for the proposed plan until 16 April 2012.

Members will recall the Commonwealth's disastrous previous guide released in October 2010. As anyone from the communities of the Murray-Darling Basin knows, the time since then has been characterised by

feelings of uncertainty, distrust and apprehension. The final plan will set new enforceable limits on the quantities of water, both surface and groundwater, that can be taken from the Murray-Darling Basin. The proposed plan recommends that the new sustainable diversions limits be set at 2,750 gigalitres. Given that inland New South Wales comprises the largest proportion of the Murray-Darling Basin, most New South Wales river valleys will experience large reductions under the proposed plan.

The New South Wales Liberal-Nationals Government is committed to ensuring the sustainability of the Murray-Darling Basin and the communities it supports. As far as this Government is concerned, the final plan must achieve a balanced outcome and address both environmental and socioeconomic issues. To this end, the Government, under the stewardship of the Minister for Primary Industries, the Hon. Katrina Hodgkinson, is undertaking a comprehensive review of the proposed plan. Central to that review is the Government's commitment to engaging with and listening to what the basin communities have to say on the proposed plan. The Minister, her Parliamentary Secretary and local and upper House members have undertaken and will continue to undertake a series of community meetings throughout the basin to hear firsthand how the plan will impact upon businesses and regional communities. This will ensure that the New South Wales Government is best informed when formulating its response to the Commonwealth's proposed plan.

As part of these continuing consultations, I recently visited SunRice Australia's processing and manufacturing facilities in Leeton. That operation began in 1950 as a grower cooperative and it has grown into an \$800-million global food business. SunRice manufactures more than 1,000 products and markets close to 500,000 tonnes of branded rice products in 60 countries. It was heartening to hear that after three difficult years of low rice production SunRice reopened its state-of-the-art rice mill at Deniliquin in April 2011. This created 140 new jobs and was a much-needed boost to this important regional area.

It is also important to note that low rice production in the past three years flowed directly from lower water availability in the Murray-Darling Basin. Rice is grown in abundance only when water is plentiful. Little or no water allocation means little or no rice production, which in turn directly threatens our regional rice processing and manufacturing industry. That means fewer jobs and a difficult future for these regional communities. It is that simple. It is also important to understand that rice growing is a closely regulated industry.

Rice growers can plant rice on not more than one-third of their farm, with the remainder to be used for alternative crops. To grow rice, a farmer needs to apply for a licence from local government and water management authorities. Rice can be grown only on approved soils with at least four feet of clay to minimise waste from absorption and to facilitate recycling. Indeed, from paddock to plate, Australian rice growers use less water than those in any other country on earth—that is 50 per cent less than the global average. Water use per hectare continues to decline because of the planting of high-yielding rice that uses less water. Rice growers even use the moisture left in the soil after harvest to plant another grain crop.

Australian rice growers are acknowledged world leaders in production efficiency and environmental sustainability. The same can be said of our viticulture and wine industries in the Griffith area. These facts are often lost in the highly charged water debate and shanghaied by malcontents masquerading as caring environmentalists. These malcontents not only insult genuine custodians of the environment but also forget that farmers and regional communities are by nature and necessity sustainable users, not serial abusers, of the land and resources with which they have been entrusted.

I thank Gerry Lawson, the chairman of SunRice, Paul Pierotti, president of the Griffith Chamber of Commerce and Industry, members of the chamber and representatives of the local wine industry, including Victor De Bortoli and Bill Calabria, for passionately sharing with me their very real concerns about the proposed plan. I encourage all members to visit our important regional employers like SunRice and the wineries of the Griffith area. They provide a great insight into the vital role of water in the economic health of these regions as well as an appreciation of the enormous contribution these industries make to our great State and nation.

Question—That this House do now adjourn—put and resolved in the affirmative.

Motion agreed to.

The House adjourned at 7.00 p.m. until Wednesday 22 February at 11.00 a.m.
